



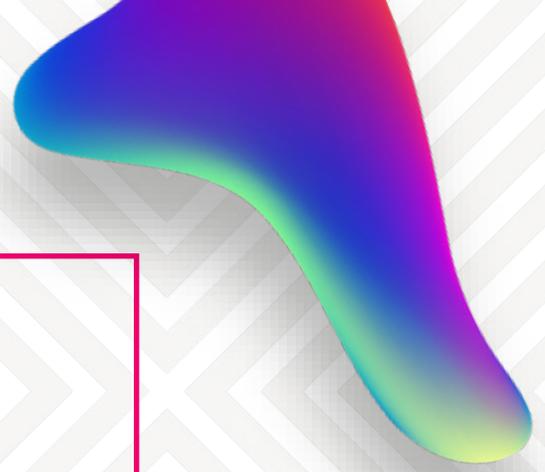
erachain

reshape business
and life

white paper

version 2.1

2018



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This Whitepaper does not constitute or form part of any opinion or any advice to sell, or any recommendation or solicitation of any offer to purchase any ERA nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any contract or purchase decision.

The proceeds of sale of ERA will be used by Erachain to fund the further development of the Erachain platform (as referred to in this Whitepaper), and other business and operational costs as set out in this Whitepaper.

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The background is split into two main sections. The left section is white and features several colorful, abstract, liquid-like shapes in shades of blue, purple, red, and orange. One shape is a ring, and another is a small 'x' mark. The right section is a light gray color with a repeating geometric pattern of concentric squares and diamonds. The overall aesthetic is modern and vibrant.

1

about erachain

The idea to create the Erachain platform came to its founder Dmitry Ermolaev in 2014. At this time, the blockchain technology had already begun to gain recognition among users, mostly because of Bitcoin. It quickly became clear that a completely new form of decentralized digital interaction was emerging, which allows not only the creation of crypto-currencies, but also qualitatively change of existing processes for governments, businesses and society.

While developing the platform the team had to solve a difficult task of taking into account all the advantages and disadvantages of existing solutions on the market and making the most universal product suitable for everyone. It is important to note that the primary task that Erachain set out to solve was not only to improve and optimize existing technical processes, but to create an open and transparent economy. An open economy on the blockchain will create an entirely new level of trust, responsibility and security for society.

One of the biggest problems facing financial services companies is anti-money laundering ("AML") and know your customer ("KYC") compliance processes, which are outdated, inefficient, expensive and slow. Up to 20% of a financial institution's costs goes towards AML / KYC compliance¹. This affects a myriad of institutions which provide financial services : banks, insurance companies, brokers, and initial coin offerings. The costs of non-compliance are also high and have included multi-billion dollar fines and criminal penalties.

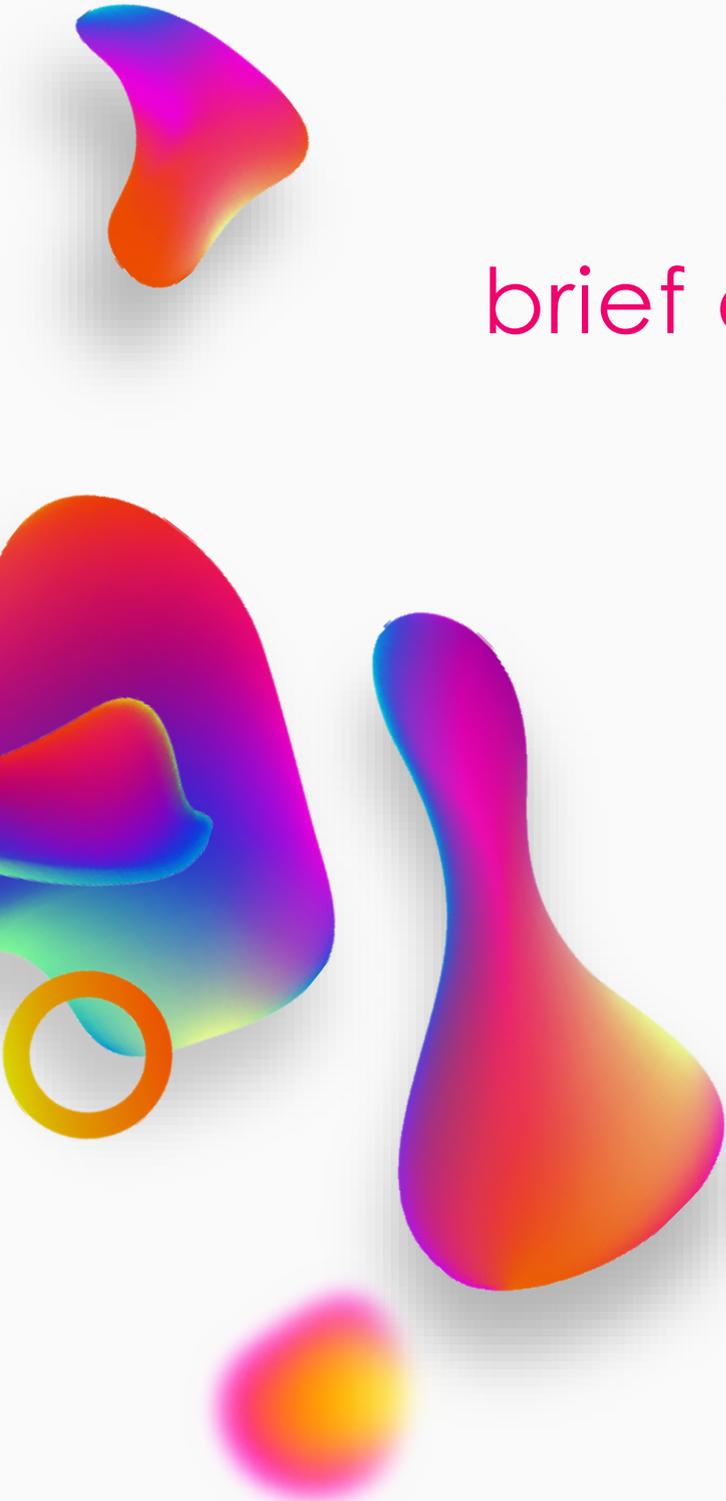
Erachain is focused on instilling trust in the economy, beginning with the financial services industry. It is a blockchain based ecosystem designed to transform AML/KYC processes. Erachain uses Proof of Identity ("POI") as a way to verify identities through trust centers. The more trust centers verify a user, the more confidence other users will have in them.

¹ Source - <https://www.lexisnexis.com/risk/intl/en/resources/research/true-cost-of-aml-compliance-apac-survey-report.pdf>



2

brief overview



Erachain – is an easy to understand and simple to use digital ecosystem based on blockchain technology for business and government, combining low transaction costs, user identification and other built-in functions.

2.1 KEY SOLUTIONS



USERS IDENTIFICATION

the platform allows to verify identity and use it as a tool in KYC process (Know your customer)



LOW TRANSACTION FEE

the system protocol protects users from jumps in the exchange rate and allows to keep transaction cost unchanged



MULTIFUNCTIONAL

the platform has a wide range of tools for various types of information and economic interaction in the b2b/b2g sectors



FAST BLOCK GENERATION

confirmation of any transactions takes only 288 seconds

2.2 PLATFORM TOOLS TO ULTIMATELY DIGITIZE YOUR WORKFLOW



FILES UPLOADING

you can upload any file directly into the blockchain (.jpeg, .png, .pdf, .zip etc.)



STATUS ASSIGNMENT

post to an employee, academic degree, military rank, social status etc.



MESSAGE ENCRYPTION

conduct trustworthy business correspondence



VOTING TECHNOLOGY

use the platform as a polling place and reduce electoral fraud



TEMPLATES FOR DEEDS ISSUING

issue licenses, powers of attorney, insurance policies etc.



POWERFUL DIGITAL SIGNATURE

our digital signature approved by personal data of identified user



CREATE, EXCHANGE, RUN

tokenize any property and services, release digital coins and run your own ICO, trade on the built-in decentralized



SAFE DEALINGS

the platform provides security between the buyer and the seller by using the lending an asset function as the letter of credit

2.3 ERACHAIN PLATFORM POSSIBILITIES ALLOW



Speed up and reduce the cost of compliance with AML/KYC requirements in banking and insurance companies



Perform legally significant actions and transactions between the participants of the system remotely



Completely get rid of paperwork



Create digital documents: agreements, insurance policies, diplomas, patents, certificates, licenses etc.



Reduce the cost of delivering goods in logistics



Monitor the circulation of drugs, keep record of the medical data



Exclude numerous mediators in work processes



Securely store and transmit financial assets and information



Create entirely new digital system of social services



Earn on the platform without the need to build expensive "farms"

The image features a white background with abstract, colorful, organic shapes in shades of blue, purple, red, and yellow. A vertical line on the right side separates the white background from a grey background with a repeating geometric pattern of concentric diamonds. In the center, the number '3' is enclosed in a pink circle.

3

value propositions

3.1 ISSUE

Erachain is different from bitcoin as it focuses on establishing a credible system for verifying the identities of investors, based on blockchain. Erachain expects to develop quickly as this solves a significant problem for financial services organizations.

On the other hand, Ethereum contracts are positioned as self-enforcing, meaning that they will run exactly as pre-programmed, without the ability of manipulation or censorship, retroactively which poses a tremendous advantage, allowing programmers to automate many processes throughout e-commerce, finance, real estate, legal contracts and more. But the reality is that existing solutions have serious limitations, and for the blockchain to evolve further, new more advanced solutions are required especially to deal with AML, KYC, and digital identity issues.

Looking ahead to 2019 according to industry experts, next year will be all about identity and solving global AML/KYC issues.

In many ways, the concept of traditional online identity has become a disaster, especially in recent years where many of the large gatekeepers of consumer data have been hacked and millions of consumer data points compromised. Blockchains, by contrast, have been touted as a way of giving consumers control of their own information, not only to decrease fraud, but also to stop large enterprises from using consumer data for their own gain.

According to the Fabian Vogelsteller

Similar to the model of ethereum's ERC-20 token standard (effectively a simple way of creating your own cryptocurrency), we will see them "recreating the effects for one of blockchain tech's most-often touted use cases: digital identity."

The “identity economy” is on the rise. According to David G.W. Birch, both identity and the nature of money are changing profoundly. Because of technological change the two trends are converging such that all that is needed for transacting in future may be our identities captured in the unique record of our online social contacts and using the key technologies of social networks and mobile phones. They will enable the building of an identity infrastructure that can enhance both privacy and security – there is no trade-off. The long-term consequences of these changes are impossible to predict, partly because how they take shape will depend on how companies (probably not banks) take advantage of business opportunities to deliver transaction services. One prediction Erachain is making is that cash will soon be redundant – and a good thing too. In its place we will see a proliferation of new digital currencies.

Jerry Cuomo, IBM Fellow and VP of Blockchain Technologies, sees blockchain already having a big impact as people demand more control of their identities. He says that we are constantly being asked to share personal information to access places or information or to do business with companies — and that each of these actions puts us at risk for identity theft. He believes the solution to this problem could lie in the blockchain.

“Imagine a world where you are in direct control of your personal information; a world where you can limit and control how much information you share while retaining the ability to transact in the world. This is self-sovereign identity, and it is already here. Blockchain is the underlying technology paving the path to self-sovereign identity through decentralized networks. It ensures privacy and trust, where transactions are secure, authenticated and verifiable and endorsed by relevant, permissioned participants,”

Cuomo explained.

In fact, he says that he’s already seeing businesses and governments beginning to establish and use these networks to meet citizen demand and deliver the promise of self-sovereign identity.

The first digital identity ICO was Civic (in June 2017). The first version of the product is similar to Facebook Connect, which allows third parties to verify your identity upon registration and login. Unlike Facebook, Civic allows the user to control the level of privacy they maintain in the authentication process. Users thus own their data instead of a third-party platform, like Facebook, who can profit from selling it to advertisers.

New blockchain with verified users and third parties to launch or participate in a business's ICO, to issue and sign legally binding contracts, create surveys, polls and research where it will all be stored in the blockchain technology will be the solution for the ICO world and may become the next Ethereum.

Big banks and corporates who think a blockchain might be a panacea for the problem of digital identity have some support. In the Netherlands, the ministry of economic affairs has started the Dutch Blockchain Coalition, getting government agencies and corporations to work on digital identities using the technology. Djuri Baars, a blockchain specialist at the big Dutch bank Rabobank, imagines a system that allows users to control what pieces of private information they wish to share with banks, the tax agency, or even a supermarket when buying a bottle of wine. "Because everyone can use the blockchain, everyone can connect their own systems to the blockchain," he says. "You can give explicit consent to share information with specific recipients."

3.2 PROCESS ACCELERATION AND REDUCTION OF THE COST OF AML/KYC PROCESSES IN BANKS, INSURANCE COMPANIES

The AML/KYC process is mandatory in financial institutions around the world. Its main goal is to verify the identity and establish the origin of funds. AML/KYC is seeing an increasing number of regulations, and many times burdensome manual processes, are causing firms to make hard choices about the direction of their business due to unsustainability of compliance.

Thousands of people are required to enable internal AML/KYC processes and as a result, annually the banks incur costs of about \$18 billion to provide AML and about \$60 million on average to comply with KYC². Some institutions are estimated to spend more than \$500M annually on KYC and CDD compliance. Even Jamie Dimon (CEO, JPMorgan) in one of the latest messages to shareholders pointed out that the bank spent \$2 billion on AML/KYC compliance functions (a total of about 13,000 employees) to be sure that all regulatory requirements are met. This happened after the bank had to pay billions of dollars to resolve the previous claims of the regulator.

Increasingly stringent regulations around data privacy are adding another layer of complexity to AML/KYC programs. Inconsistencies in rules across different jurisdictions and the number of clients and transactions that many organizations have to handle makes regulatory compliance extremely complex and demanding in many cases. For large banks risk and regulatory compliance now accounts for up to 20 per cent of operating costs.

"In 2014 it was estimated that global spending on Anti Money Laundering (AML) compliance alone amounted to \$10 billion", according to Intellect Design for Digital.

On the penalties side. Financial institutions have to contend with the growing risk of fines and penalties for non-compliance. From 2004 to 2010, 110 financial institutions in the United States were fined for AML failures³, including lack of training. The most

Goldman Sachs 2016

The use of blockchain technology in financial institutions could lead to potential savings of \$3-5 billion due to the reduction in the number of personnel, lower IT costs and less AML/KYC related penalties.

² According to the World Bank and Thomson Reuters in 2016

<https://blogs.thomsonreuters.com/financial-risk/investment-management/kyc-aml-landscape-2017/>

³ What happens when businesses don't comply with AML/KYC regulations?

commonly publicized penalties for compliance failure are monetary fines. There has been no shortage of media coverage of major financial institutions such as HSBC (\$1.92B) and Standard Chartered (\$327M) in 2012, and BNP Paribas (\$8.9B) in 2014. Many other institutions have also been fined for smaller amounts over the years as well.

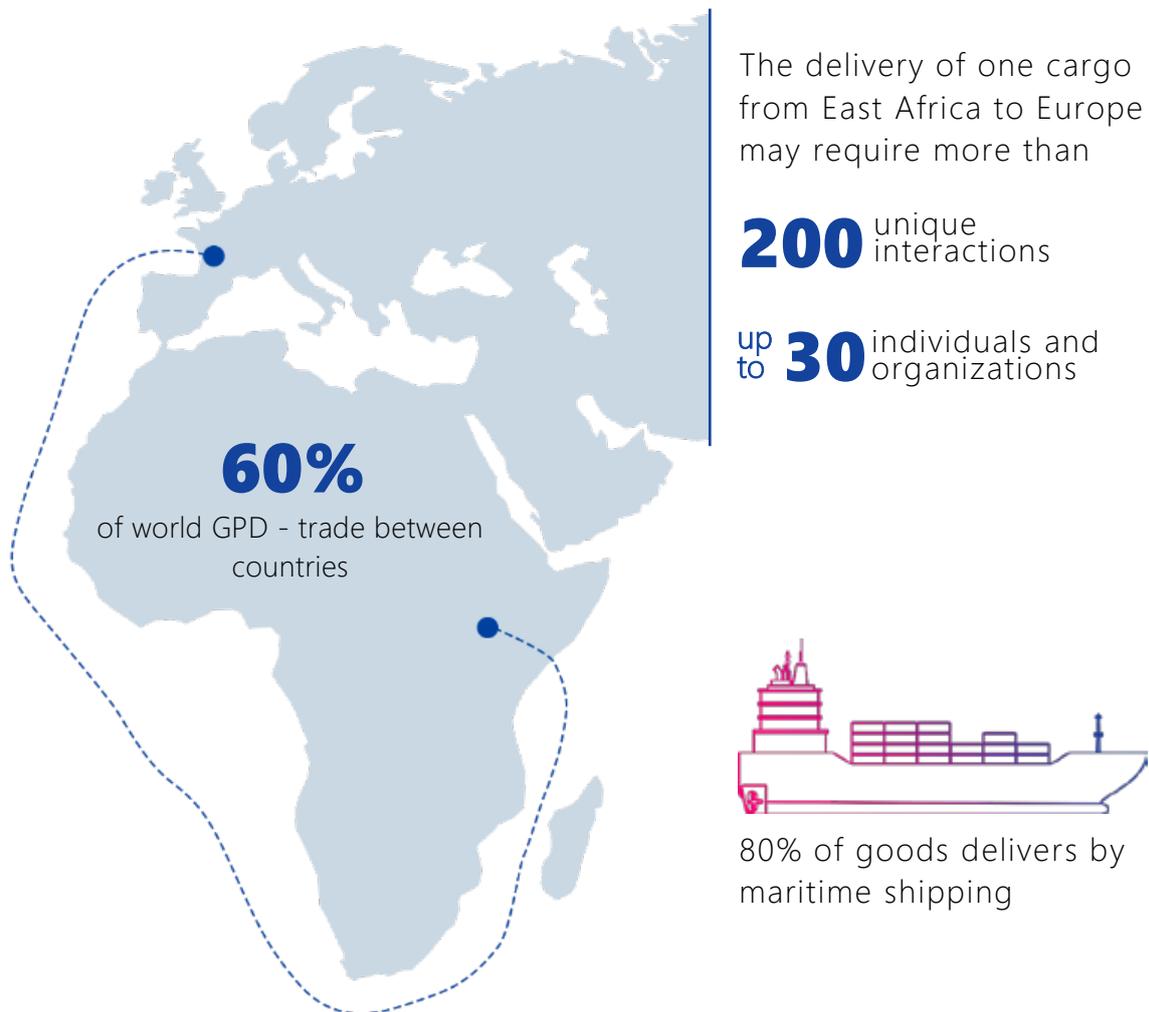
Criminal penalties for non-compliance can include imprisonment. In the UK, failure to disclose suspicious transactions is an offense that could result in a maximum prison term of 5 years in addition to fines. The same is also true in Canada. Prison terms for money laundering offences in the United States are considerably more severe, ranging anywhere from 5 to 20 years, depending on the nature of the offence. Although apparently not as common, the news media has noted cases of imprisonment for money laundering in Spain, the UK, and the US.

On the personnel and IT side. The cost of CDD is so exorbitant because institutions are placing too much reliance on inefficient and error prone manual processes both in branch and online. In branch – there are significant costs associated with document checking and archival. Processes involve hidden costs such as the time spent by staff performing checks, the need for staff to receive specialist training, and the need to employ compliance specialists. Online – for applications performed online, customer-entered details are checked against other third-party sources. These checks have a high failure rate, as high as 30%, due to data quality issues and thin data files if a customer has recently emigrated. The areas of greatest AML budget investment since 2014 include enhancement of transaction monitoring systems, reviewing, updating, and maintaining KYC. And it is still extremely costly process.

The technology of the Erachain platform is based on the identity verification mechanism. Thus, the platform allows using it as a KYC tool for customer interaction in business processes.

3.3 REDUCING THE COST OF DELIVERING GOODS IN LOGISTICS

The cost and size of the world's trade ecosystems continue to grow exponentially. More than \$4 trillion in the world is spent on the delivery of goods, 80% of this amount falls on the maritime shipping category. Trade between countries accounts for about 60% of world GDP, and almost all global logistics supply chains suffer from inefficient interaction patterns, including a



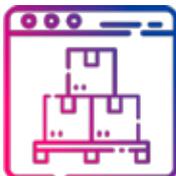
large number of intermediaries, obsolete processes and lots of paperwork.

The delivery of one cargo from East Africa to Europe may require more than 200 unique interactions with up to 30 individuals and organizations, creating a

whole stack of paper documents. In some cases, the cost of paperwork management is comparable in value to the cargo delivery itself.

The Erachain system allows you to create a digital asset for a specific shipment and assign a unique QR code to it. As the cargo follows the checkpoints on its route, the cargo will be marked (using the QR code) and its route history will be automatically recorded. Upon the arrival of the goods to the destination, the asset will be assigned the "Delivered" status.

We expect the transition to the Erachain blockchain platform will lead to reduction of up to 20% of the cost of supply of goods, reducing the final cost for the buyer.



all that needs is to create a digital asset on a cargo and set a QR code for it



scan QR code and record all supply chain automatically into the blockchain

3.4 CONTROL OVER THE TURNOVER OF DRUGS

The latest sales of counterfeit medicines worldwide are as high as \$75 billion per annum, which is an increase of 90% over last five years, according to an estimate published by the Center for Medicines of public interest in the United States.

The technological capabilities of the Erachain platform allow to fight counterfeits and help to track (with the QR code) the movement and release of prescription drugs from pharmacies to the patients.

3.5 DIGITAL SOCIAL PLATFORM FOR THE GOVERNMENT AND CITIZENS

The existing digital social platforms are far from perfect and serve to solve a narrow range of tasks for the population, mostly remote reservation of various public services and fines payment.

The Erachain blockchain system allows creating a digital social platform of a fundamentally new level, in which citizens will be able to switch completely to electronic certifying documents. As a result, queues are going to disappear, operations that used to take months, will be resolved in minutes, without the need for personal presence in government institutions.



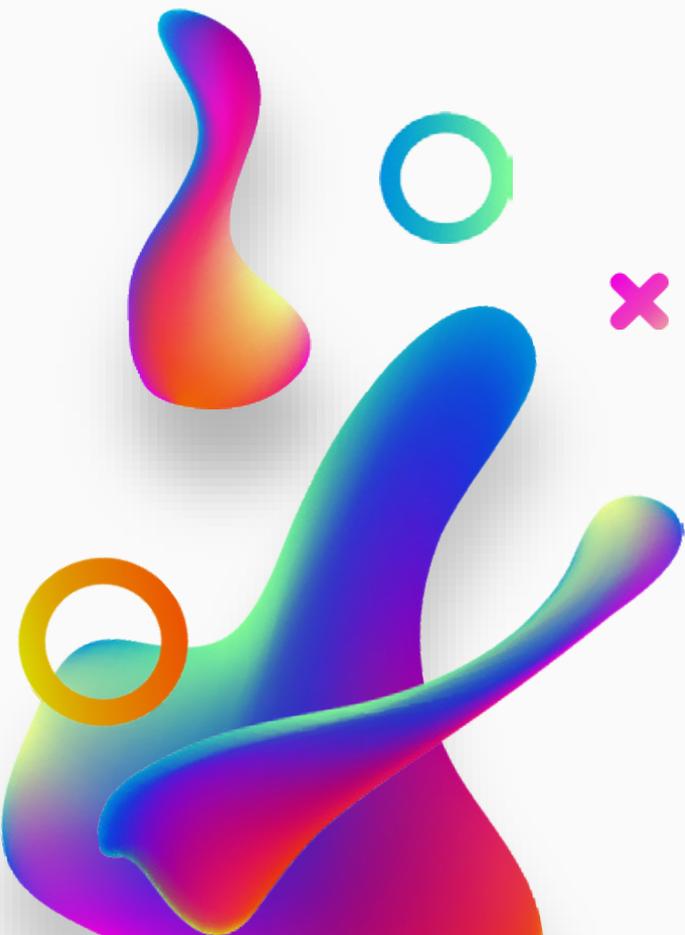
It is important to mention the value of blockchain and Erachain system to keep the confidential information safe and private data up to date.

Credit losses due to identity theft exceed \$16B each year and these are losses of not banks but of regular people. Traditional 3rd party AML/KYC providers are to blame. Mostly due to human factors, like sending sensitive data in not encrypted e-mail, merging and matching data from different verification providers manually, etc.

For example, Equifax, which supplies credit information and other information services, said data on 143M U.S. customers was obtained in a breach discovered July 2017. The data breach exposed the names, photos and home addresses of millions of Swedish citizens, including fighter pilots of Swedish air force, members of the military's most secretive units, police suspects, people under the witness relocation program, the weight capacity of all roads and bridges, and much more. Swedish Transport Agency uploaded IBM's entire database onto cloud servers, which covered details on every vehicle in the country, including police and military registrations, and individuals on witness protection programs. The transport agency then emailed the entire database in messages to marketers that subscribe to it.

4

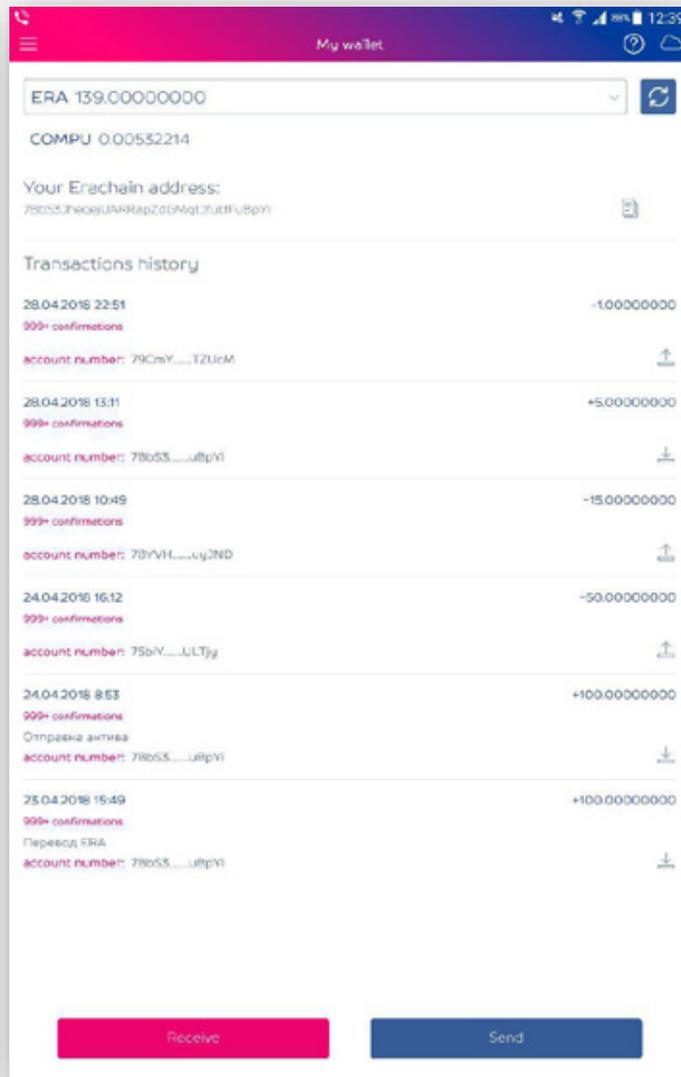
key competitive advantages



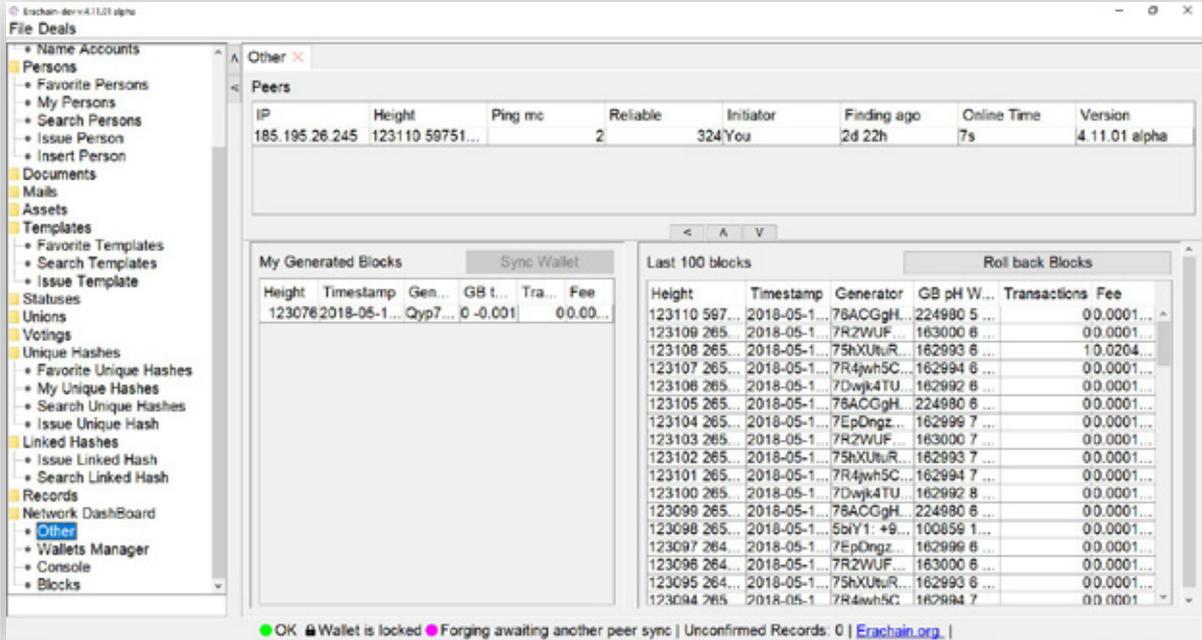
4.1 READY-TO-USE PLATFORM

The Erachain platform, unlike many other blockchain projects is a finished working product, not some abstract concept without single line of code. The program is available for download on the official website for PCs and mobile platforms.

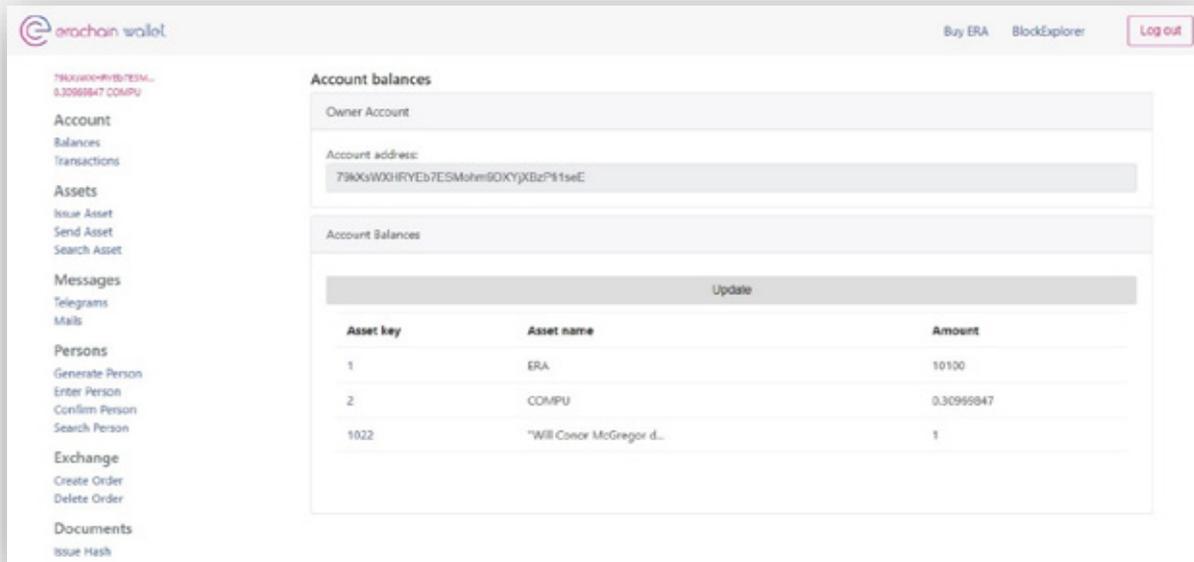
Mobile version for iOS and Android



PC app



Web app



Block explorer

The screenshot shows a block explorer interface with a search bar at the top right containing 'English' and a QR code. Below the search bar is a navigation menu with options: Blocks, Top 100 Richest, Persons, Polls, Assets, Statuses, Peers, and Templates. The main content area displays 'Last processed block: 137669 (2018-05-28 07:44:25 UTC, 6 mins 7 secs ago)'. Below this, it indicates 'Unconfirmed transactions: 0' and 'Total Transactions: 3689'. A table lists transactions with columns: Height, Time, Creator, Gen. Balance, TXs, Height, AT Amount, and Amount. The table contains 10 rows of transaction data, all with a height of 137669 and a balance of 100,000.

Height	Time	Creator	Gen. Balance	TXs	Height	AT Amount	Amount
137669	2018-05-28 07:44:25 UTC	7Qmyokwes04mri3qR5VcrXQvnrPAAsEksVN	100,000	0	0.00032768	0.00000000	0.00000000
137668	2018-05-28 07:39:37 UTC	7LtyeYzqRuyq3bmSiSgDNNanhwDdqxDiuq	100,000	0	0.00032768	0.00000000	0.00000000
137667	2018-05-28 07:34:49 UTC	7Qu6qfRofVWvshLTKjyIA504eD.JqzMyKfIE	100,000	0	0.00032768	0.00000000	0.00000000
137666	2018-05-28 07:30:01 UTC	73bHKpNqNuqRBBnnyph1nEUNwNVvg4q9wB	100,000	0	0.00032768	0.00000000	0.00000000
137665	2018-05-28 07:25:13 UTC	7RWwg5b9NBQFH4enyAKmf7bpS2cimHLH2	100,000	0	0.00032768	0.00000000	0.00000000
137664	2018-05-28 07:20:25 UTC	7F56CTLNjfhLy4TxaBEvfh2sy8WRd8	100,000	0	0.00032768	0.00000000	0.00000000
137663	2018-05-28 07:15:37 UTC	73k4kV4fBppPy07aVN3kmCJe6nmvQLzTW	100,000	0	0.00032768	0.00000000	0.00000000
137662	2018-05-28 07:10:49 UTC	74xteUZyb8fXvEJCHZJRtU7MySFxbrS2a	100,000	0	0.00032768	0.00000000	0.00000000
137661	2018-05-28 07:06:01 UTC	7Qz677DcyMNZewil16rRv4fzWLMnwNxAHK	100,000	0	0.00032768	0.00000000	0.00000000
137660	2018-05-28 07:01:13 UTC	70hvmVa3NTEPrUT1bLkz96rskp8Z8ooy2e	100,000	0	0.00032768	0.00000000	0.00000000

Identified person in Block explorer

The screenshot shows a profile page for a person identified as KUZIN EVGENY. On the left is a portrait photo of a man with light brown hair and a goatee. To the right of the photo is a text box containing the following information:

- Key: 222
- Name: KUZIN EVGENY
- Creator: CXe2T: +222 KUZIN EVGENY 25-06-92
- Birthday: 1992-06-25 04:13 UTC
- Gender: Man
- Description: Name: Evgeny Kuzin Birth date: 25.06.1992 Birthplace: Moscow, Russian Federation Languages Russian – Native English – Fluent Chinese – Basic knowledge (in process of studying) E-mail: Bambychasensei@gmail.com Wechat ID Bamby4a-sensei Additional contact information: Bamby4a-sensei@yandex.ru https://vk.com/bamby4asensei Work Experience June 2013 - June 2015 "Euroset-Retail" (Moscow, Russia). Director-Mentor. □Implementation of business plans □HR Management □Assessment, training and development of staff □Scheduling of employees □Provision of security □Preparation and legalization of necessary documentation □Monitoring of the plan's performance □Sales of products and services □Consultation of clients June 2015 - January 2017 International House Xi'an. Russian teacher. Private Russian lessons. Xi'an New Channel International Logistics Co.,Ltd. International relationships. In April of 2017 I have developed the international community GENUS and social-economic platform GENUS.CENTER Other skills, hobbies and activities: □Computer skills: Windows, MS Word , MS Excel, MS PowerPoint, MS Outlook Express, Internet Explorer Driving License: Driving License Category B Archery, horse riding and IT.
- ERA: A:660.00000000 B:-200.00000000 C:0.00000000
- Compushi: 7546628

4.2 TECHNICAL ADVANTAGES

Identification

The technology of the Erachain platform is based on the identity verification mechanism.

The new users data is entered and verified by other identified ecosystem participants who act as guarantors of the authenticity of these data. Thus, the platform allows you to use it as a tool for KYC to interact in business processes.

Low transactions cost

The logic of the Erachain environment is based on two accounting units ERA and COMPU. The ERA asset gives you the right to assemble blocks and verify users. The COMPU is used to pay for transactions and as a reward for creating blocks. This distinction made it possible to introduce independent rules for the emission of these two tokens and improve the economic efficiency of the platform. The protocol regulation limits the increase in the commission cost for the user with the growth of the ERA.

Speed of block generation

Unlike other blockchain platforms where the block generation speed is unstable and can range from a few seconds to several hours, the Erachain platform has a high throughput and a constant block formation rate of just 288 seconds.

Greater throughput

The maximum block size in the environment is set at 4 MB, and the maximum capacity is 20,000 transactions. Blocks are formed every 288 seconds. The platform protocol also has a high TPS - 65 transactions per second, which has a significant potential for further increase.

Multifunction

- **Tokenization**

Issue your own tokens, as well as tokenize of any asset, item and service. Participants of the environment have the functionality to exchange the created assets on the internal decentralized digital token exchange.

Secure and unchanged storage of files with the possibility of their encryption. Innovative ability to directly download files of any formats to the file system and encrypt them to provide confidentiality.

- **Bilateral and collective signing of contracts**

Enabling remote transactions of any complexity using a digital signature mechanism.

- **Creating document templates**

Easy to use system to create templates of standard documents (power of attorney, licenses, insurance policies, etc.) and to lower the time spent to create the documents.

- **Lending of any asset**

This function can be used similarly to a letter of credit, but without the participation of third parties, which makes the transactions between the borrower and lender secure.

- **Create and conduct the polls and voting**

Organization of open and closed polls, polls with absolute transparency and protection from fraud.

- **Encryption of messages**

All messages between system's participants can be encrypted which will make it impossible to read them by third parties.

- **Running ICO campaigns**

Erachain allows each user to create a digital asset and sell its shares to participants in the system. Thus, you can conduct a transparent ICO campaign on the platform, doing just a few simple steps.

- **Decentralized Exchange**

The ability to buy, sell and exchange any digital assets without intermediaries and without binding to the main currency ERA.

- **Creating and assigning statuses**

The functionality for creating and assigning statuses (company position, regalia, public position), both in business and social sphere, allows to move from traditional document circulation to digital.

4.3 . COMPARISON

<u>BITCOIN</u>	<u>ETHEREUM</u>	<u>ERACHAIN</u>
Min transaction size		
800 byte	240 byte	159 byte
Transactions per block		
2 000 avg	300-450 avg.	20 000
Transactions per second		
3/sec	15/sec	65/sec
Block size		
2 Mb	180 kb	4 Mb
Block creation time		
unstable: from 30 sec up to few hours	low stable: from 10 sec up to few min	permanent: 288 sec
Accounting unit		
one	one	two
Blockchain protocol		
Proof-of-Work	Proof-of-Work	Proof-of-Stake & People
Users		
anonymous	anonymous	Identified/anonymous

4.4 STABILITY OF WORK

The Erachain team carried out a load test, which proved the system stable operation with consecutive loading of 20 000 transactions per 1 block.

1657	2017-11-05 22:51:29 MSK	7Djgkxiw4PxsXCmuqmoBhCYkX1VxNQsrdK	92,002	0	0.00065536	0.00000000	0.00000000
1656	2017-11-05 22:46:41 MSK	7JsFeGYby3YkCAa1asxeTtk8FmMLbfUV5W	90,004	0	0.00065536	0.00000000	0.00000000
1655	2017-11-05 22:41:53 MSK	7NUwaqraBoXXMyuFPbM1hWpqqWPA6nn5W	98,007	2851	0.31110112	0.00000000	0.00002828
1654	2017-11-05 22:37:05 MSK	7C64vWaRNvBwQK9YyyxRMZFHSJKgD7isUS	100,002	20000	2.18240000	0.00000000	0.00019800
1653	2017-11-05 22:32:17 MSK	7FCmH9bS85k2M8cDstBqaXFLly5PCkcyep	106,006	20000	2.18240000	0.00000000	0.00019812
1652	2017-11-05 22:27:29 MSK	76iYy6cDAyjuCCYVUF9vYu5vm5MPv9KL2D	98,099	1669	0.18211756	0.00000000	0.00001649
1651	2017-11-05 22:22:41 MSK	78JRrAbFv73qjxHqevDhmfN7WB33w1Gqf	104,004	5185	0.56257250	0.00000000	0.00005134
1650	2017-11-05 22:17:53 MSK	7Djgkxiw4PxsXCmuqmoBhCYkX1VxNQsrdK	92,002	2199	0.23790516	0.00000000	0.00002180
1649	2017-11-05 22:13:05 MSK	7JsFeGYby3YkCAa1asxeTtk8FmMLbfUV5W	90,004	0	0.00065536	0.00000000	0.00000000
1648	2017-11-05 22:08:17 MSK	7NUwaqraBoXXMyuFPbM1hWpqqWPA6nn5W	98,007	0	0.00065536	0.00000000	0.00000000
1647	2017-11-05 22:03:29 MSK	7C64vWaRNvBwQK9YyyxRMZFHSJKgD7isUS	100,002	182	0.01985612	0.00000000	0.00000181

4.5 EXPERT REVIEW

The technical audit of Erachain platform and technical solution was performed by Modern Token (<https://moderntoken.com/>) the company run by [Alex Garkusha](#) early member of Ethereum team and comrade of Vitalik Buterin⁴.

The company stresses the following strengths of the project:

⁴ Source - vc.ru <https://vc.ru/24827-modern-token>

The technical implementation is quite functional, although not sufficiently documented (yet) which is a standard situation for almost all public Proof-of-Stake protocols with open source implementations.

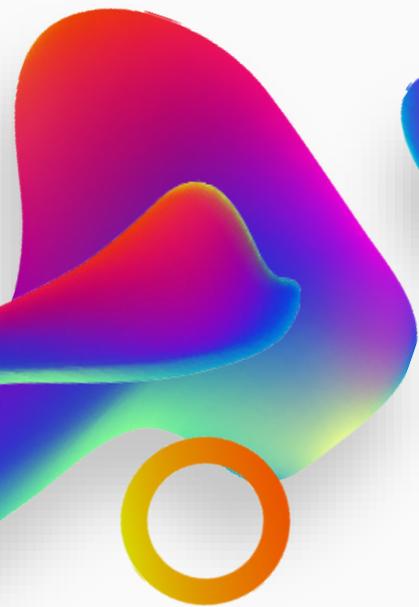
The quality of the product corresponds to the required level. The protocol is implemented taking into account modern practices of protection against known attacks.

In addition, the use of forger authentication provides additional protection against inherent attacks on PoS systems.

The presence of an MVP prior to the crowdfunding stage distinguishes the project from many ICOs and demonstrates strong argument in favor of the success of the project, and can be used for more discussion in private negotiations with potential investors and project partners.

5

how it works



5.1 GETTING STARTED IN THE SYSTEM

Before registering on the Erachain platform, the user accepts the license terms and agrees to provide correct personal data that will be stored in public access. After registering the system automatically generates a unique seed key (public and private key) to access the user personal wallet.

5.2 IDENTIFICATION OF USERS

The user identification consists of two steps:

- registration by the registrar of the personal data of the new user
- confirmation by the verifier of the public key

Registrar - verified user in the Erachain platform

Verifier - verified user, who has 100 ERA (or more) on the account

Public key – unique identifier of the user

It is worth noting that the Registrar and the Verifier can be the same person.



new user

Anonymous without any personal information



add info

Fills out the form and send to registrar:

- Full name, Photo
- Date and the place of birth (google maps)
- Biography, Contacts



registration

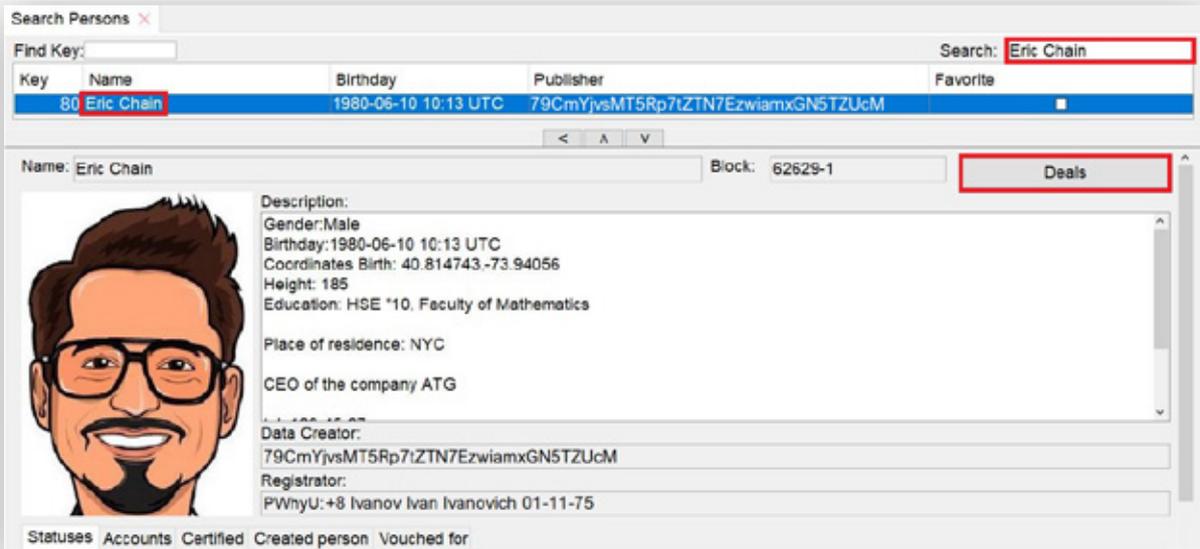
Registrar checks out the personal data and enter it into the blockchain



verification

Verifier checks out the personal data and confirms the public key

User profile in the system



Each user registering a new person is getting the COMPU (accounting unit of environment) enough for about 10 transactions (giving that the size of one transaction is not more than 159 bytes).

5.3 USER ACCOUNT

The user has the opportunity to create in the system an unlimited number of both anonymous and verified accounts linked to his wallet. Using a personalized account, the user accesses the functions of the Erachain environment for conducting business. Anonymous account is to work with digital assets and send encrypted messages. In order to prevent theft of funds, a transfer from a personalized account to anonymous account is not possible.

5.4 ENHANCED ELECTRONIC DIGITAL SIGNATURE

Any transaction in the Erachain environment is certified by an electronic digital signature (EDS) of the user, which is generated by the algorithm embedded in the Erachain protocol when any action performed by the user.

5.5 CALCULATION OF PAYMENT FOR SENDING A TRANSACTION

A commission is charged for any blockchain transaction.

The cost of the transaction is calculated by the formula:

$$\Sigma = \alpha * \beta * 10^{-8}$$

where:

α – transaction size (bytes); β – coefficient of payment for a transaction

Payment coefficient set at $\beta = 64$

If the transaction has a size of 159 bytes, the transaction cost will be:

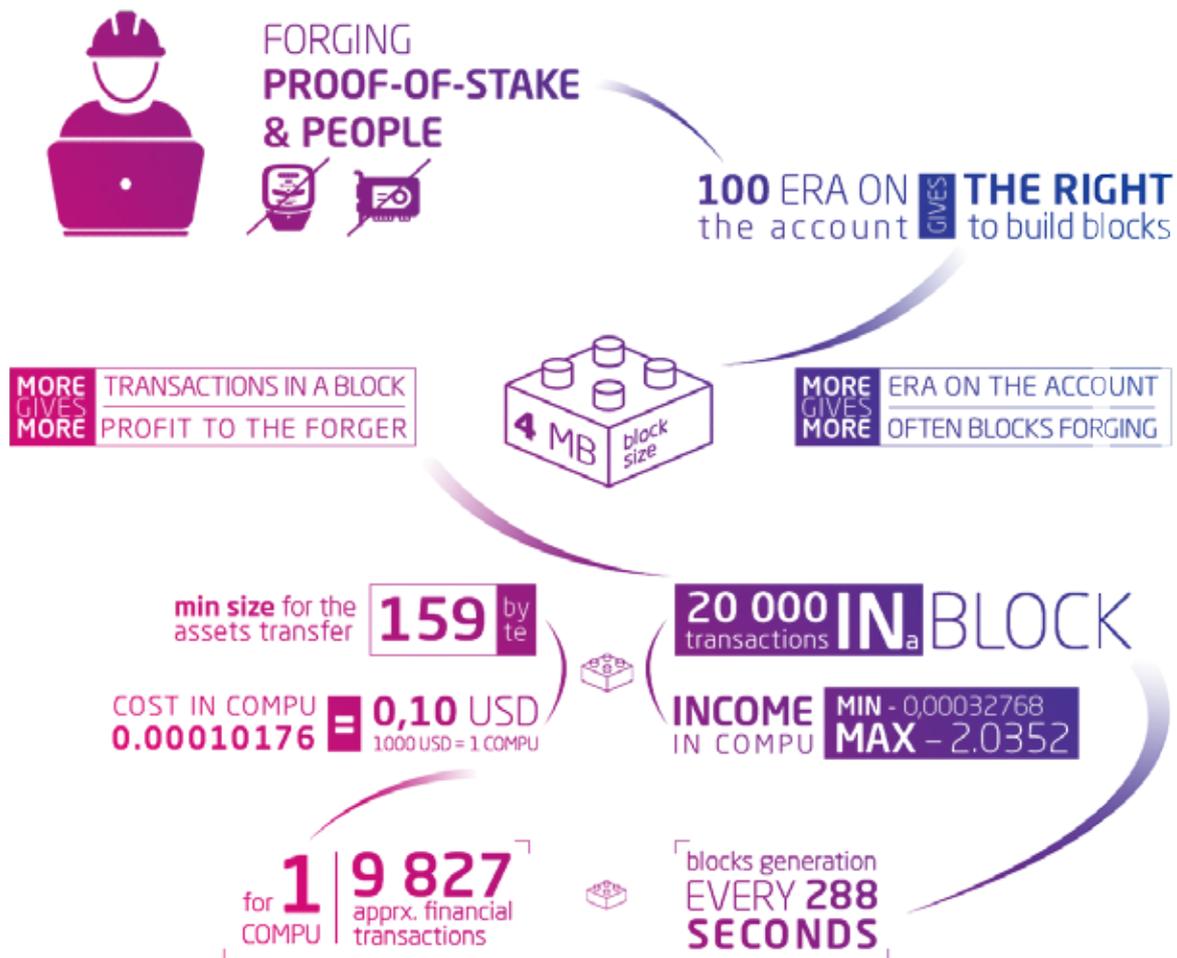
$$159 * 64 * 10^{-8} = 0.00010176 \text{ COMPU}$$

5.5 FORGING

Forging or "hard investing" is similar to mining in the Proof-of-Stake protocol, but unlike mining, the forging process does not require the construction of expensive computing farms. Blocks in the system are created by those participants who own 100 ERAs or more.

When creating a block filled with transactions, the forger gets a COMPU value proportional to the size of the assembled block.

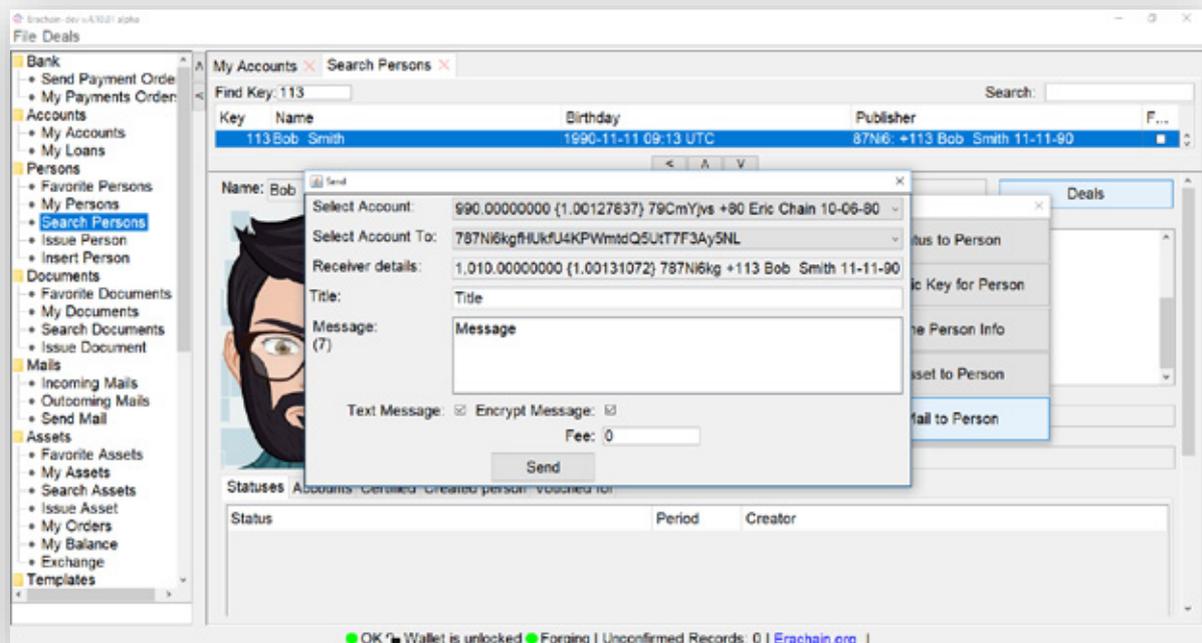
In Erachain, the minimum record size is 159 bytes, each block contains 20 000 transactions. The commission for each transaction is 0.00010176 COMPU. If the block is complete (20 000 transactions), the forger is going to receive a reward of 2.0352 COMPU.



5.5 SENDING ENCRYPTED EMAILS

You can send an email to the platform user both as plain text as well as encrypted message. In the case of an plain text, the information will be freely available to anyone who get it, in the case of an encrypted message, only you and the recipient can read it.

Email creation window



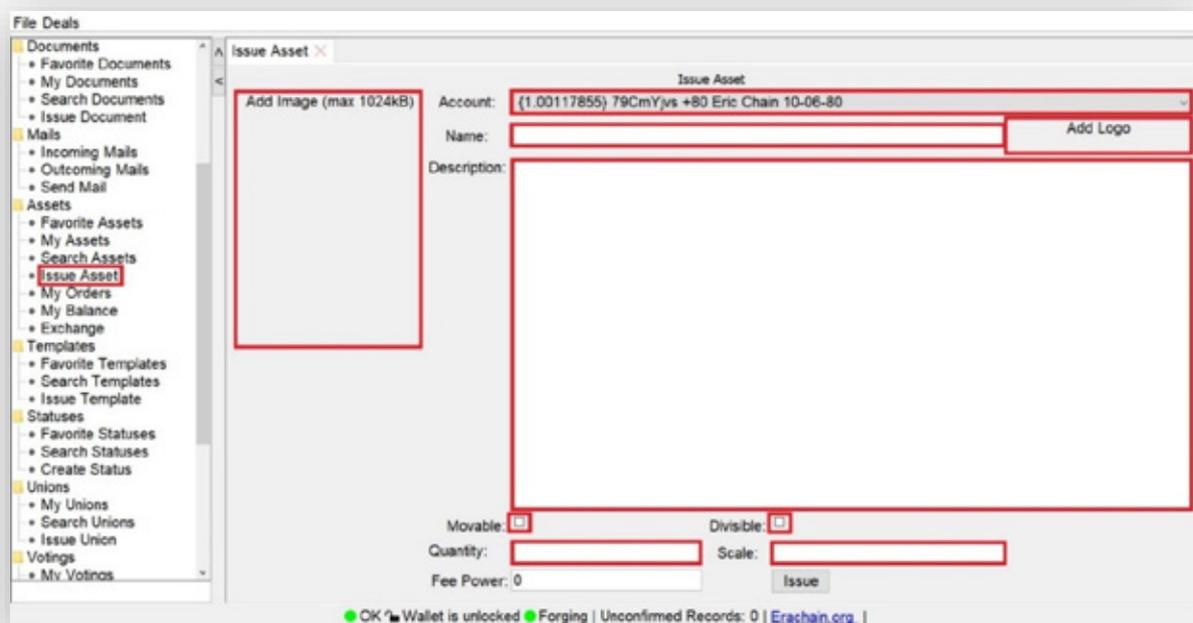
5.6 BUILT-IN DECENTRALIZED EXCHANGE

The platform allows the creation of digital assets tied to any kind of service, any type of property, or even fiat currencies. If the created asset is divisible, you need to specify its fractionality (8 digits after the decimal point). The asset

name must contain at least 12 characters. Also the user can add a description, upload an image (no more than 1024 KB) and a logo (no more than 11 KB)

The cost of creating an asset depends on the amount of information written being in the block. The minimum commission is 0.02109056 COMPU (\$ 10).

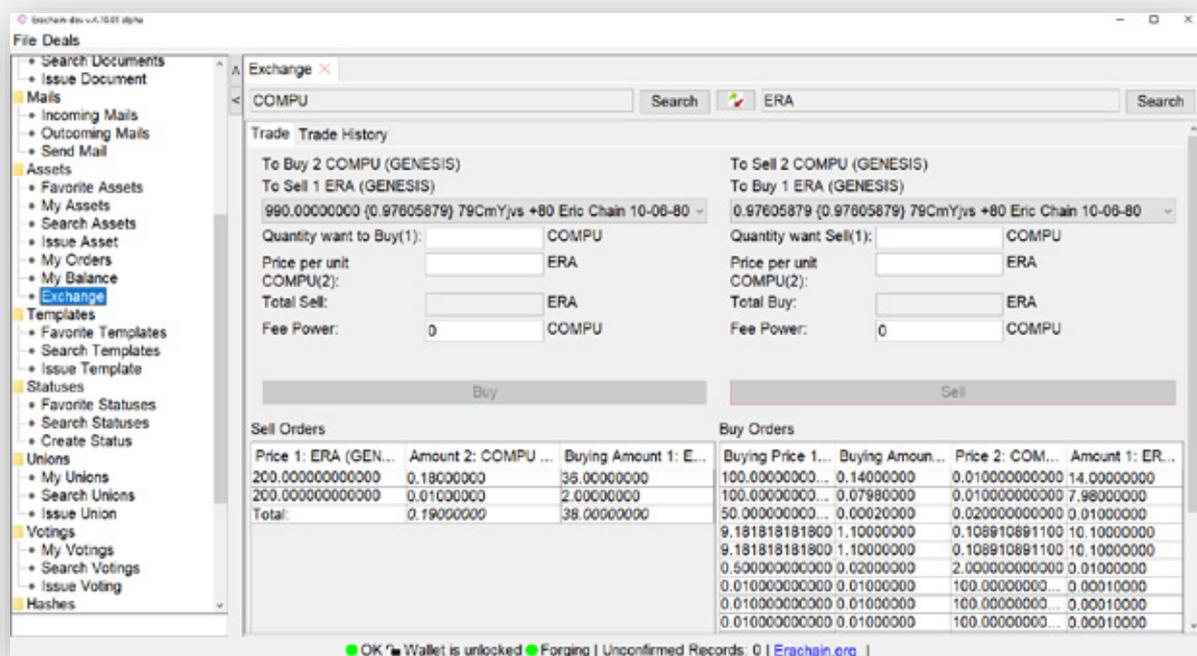
Issuing the digital asset



All created assets can be traded on integrated in Erachain decentralized exchange, you can even carry out an ICO.

To exchange assets on the exchange, you must go to the "exchange" tab in the left menu. Then select the necessary asset pair for the exchange and place the order. The transaction will be confirmed in the block, and the corresponding ownership of the asset will be transferred to the relevant users of the system.

Decentralized Exchange



Similarly, you can make other actions in the system.



platform and technology



6.1 PROOF-OF-STAKE & PEOPLE

One of the important aspects of the platform is the introduction of an innovative model with two accounting units: ERA and COPMU. The algorithm is based on the modified Proof-of-Stake protocol. Due to the different type of issue of tokens, the name "Proof-of-Stake & People" is being used.

As in the classical Proof-of-Stake, the process of adding transaction records to the block does not require powerful hardware to perform various cryptographic calculations. The generation of blocks depends on the economic share of users in the network. It is more likely that the block will be formed by that account with the current ERA balance greater (starting from 100 ERA). For example, a participant who owns 1% of the total number of tokens, on average, will generate 1% of new blocks. A total of 10 000 000 ERAs were issued.

The additional settlement unit COMPU is issued in two cases and directly depends on the number of platform users:

- when creating a new authenticated person 0,00131072 COMPU
- when forming a new block without transactions 0,00032768 COMPU

The system rules prevent deficit or excessive issuance (inflation) of coins.

6.2 PROOF – OF – IDENTITY

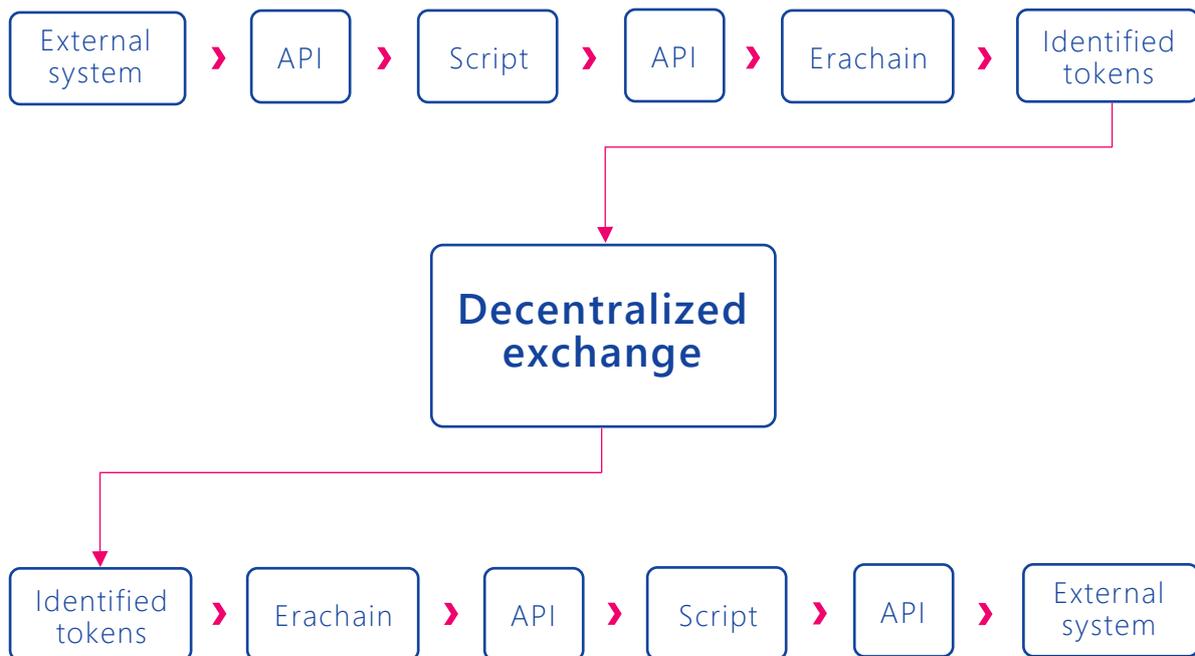
Level of confidence in user verification is being increased by using the Proof-of-Identity (POI) protocol in trust centers. These trust centers can be state-owned and business structures.

6.3 IDENTITY GATE PROTOCOL

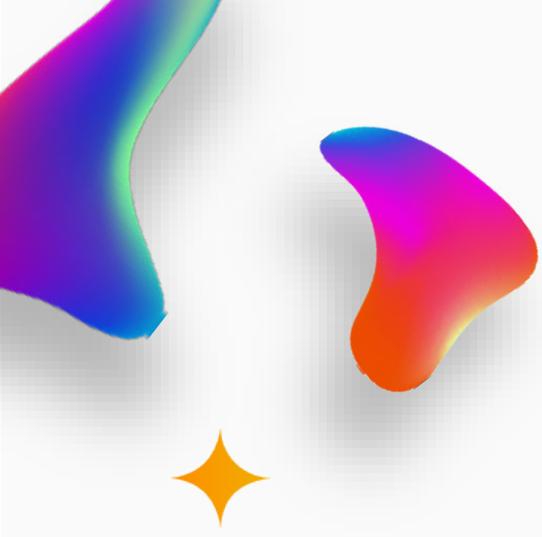
Identity Gate Protocol - gateway between the digital and the real world, implemented through the use of APIs (Application Programming Interface).

It makes possible to translate and exchange digital assets into real ones. Thus, the user of the Erachain environment has the ability to transfer rights, claims, receiving in return real assets and vice versa.

Work algorithm of the Identity Gate Protocol

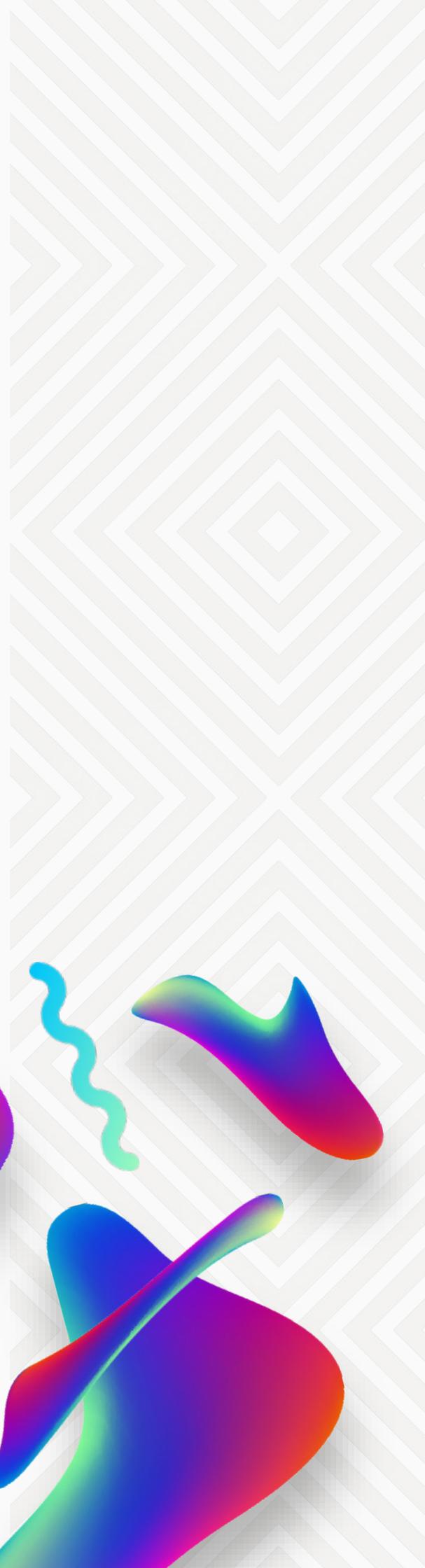


In the Erachain blockchain environment, the identified tokens through the API are sent to a special script that implements the Identity Gate Protocol. Using the API, this script connects to external systems.



7

tokens



7.1 THE MODEL WITH TWO ACCOUNTING UNITS



Internal payment unit

COMPU is used to pay for transactions and as a given as a reward for building blocks. It is free from both inflation and transaction cost deflation.

Emission:

- when verifying a public key
- when creating a block

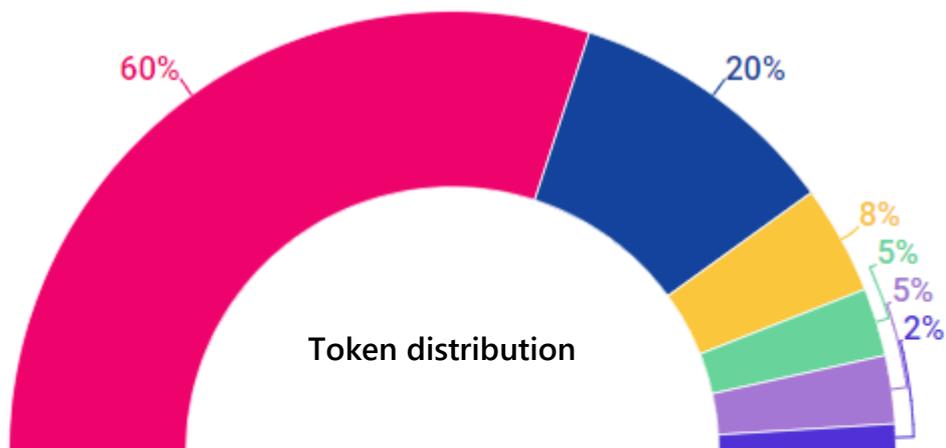
Base currency

ERA is the official internal digital accounting unit that gives its holder additional rights to manage the ecosystem. Participants with 100 ERA (or more) have the right to do forging and verify public key of new users.

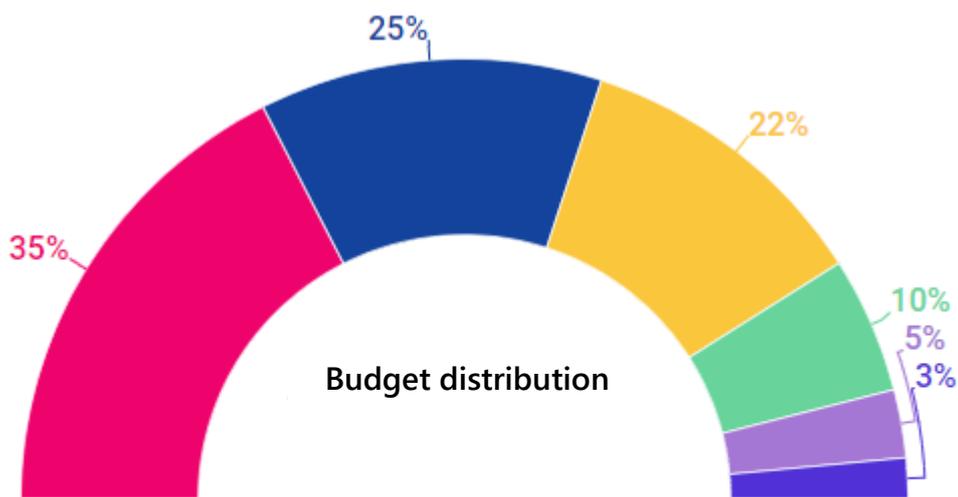
Emitted 10 000 000 Era

The liquidity of the digital unit COMPU will be supported by demand from active participants of the environment (business structures, government bodies, private individuals) using Erachain for their own business purposes. Active participants of the environment can purchase COMPU on the internal decentralized exchange of the Erachain environment or directly from the forgers. The possibility of speculation is excluded due to two factors: a permanent issue of COMPU using the Erachain protocol and a corresponding drop in the price of transactions with an increase in the number of issued COMPU.

7.2 DISTRIBUTION OF TOKENS



- Sold on the open market
- Founders and team
- Operations funds
- Advisory board
- Platform distribution, partners fee
- Bounty campaign



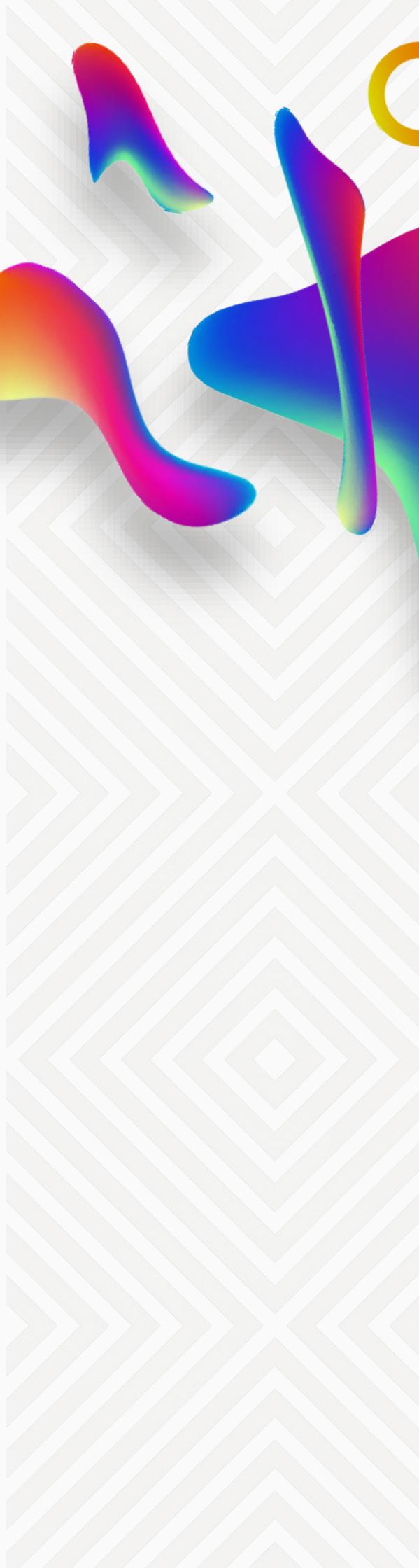
- International business development
- Erachain platform development
- Marketing
- Team
- Administration and overgeads
- Legal services

x

8

market

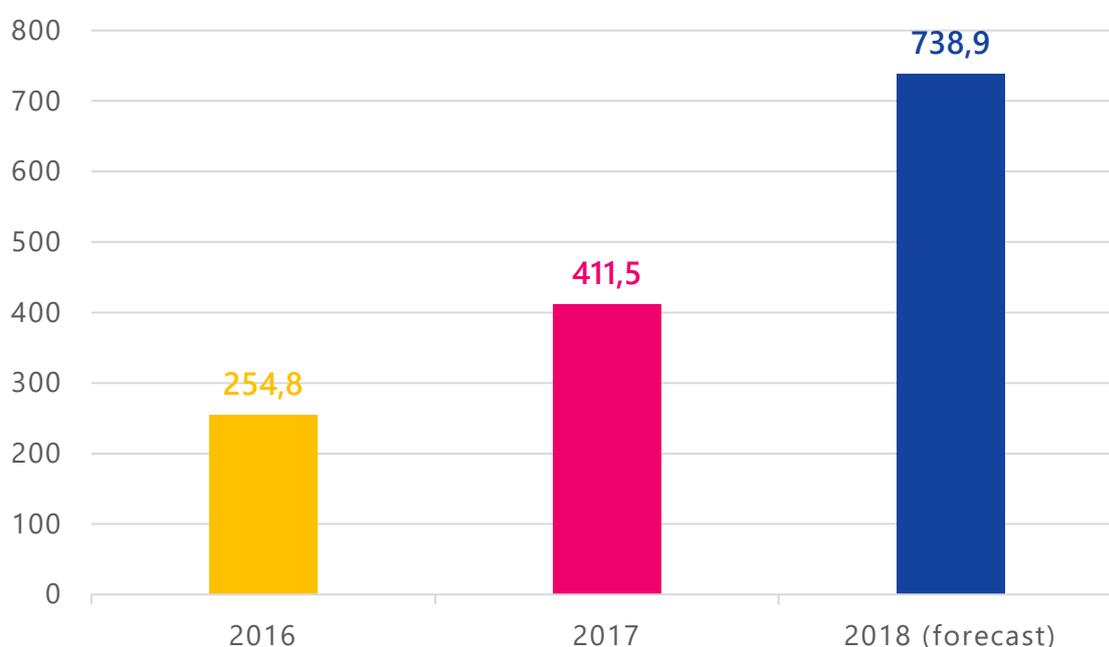
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8.1 KEY MARKET INDICATORS

The volume of the market for blockchain technologies in 2016 was estimated at about \$254.8 million. In 2017, it increased to about \$411.5 million (+ 61.5%). In 2018, the market is projected to grow to \$738.9 million (+ 79.6%).

The volume of the market for blockchain technologies in 2016-2018
2016-2018 (in million U.S. dollars)⁵



Bitcoin remains the leading crypto currency for market capitalization - \$134.26 billion (data as of March 26, 2018). The second place in terms of capitalization is Ethereum - \$46.68 billion. The third place is occupied by Ripple - \$22.95 billion. Further on the volume of market capitalization are the following crypto-

⁵ Data for 2018 is calculated taking into account the data of MarketsandMarkets for 2017 and the forecast of market dynamics in 2016-2017 from Statista. Sources: MarketsandMarkets Research Private Ltd., Blockchain Market worth 7,683.7 Million USD by 2022; Statista, Size of the blockchain technology market worldwide from 2016 to 2021 (in million U.S. dollars).

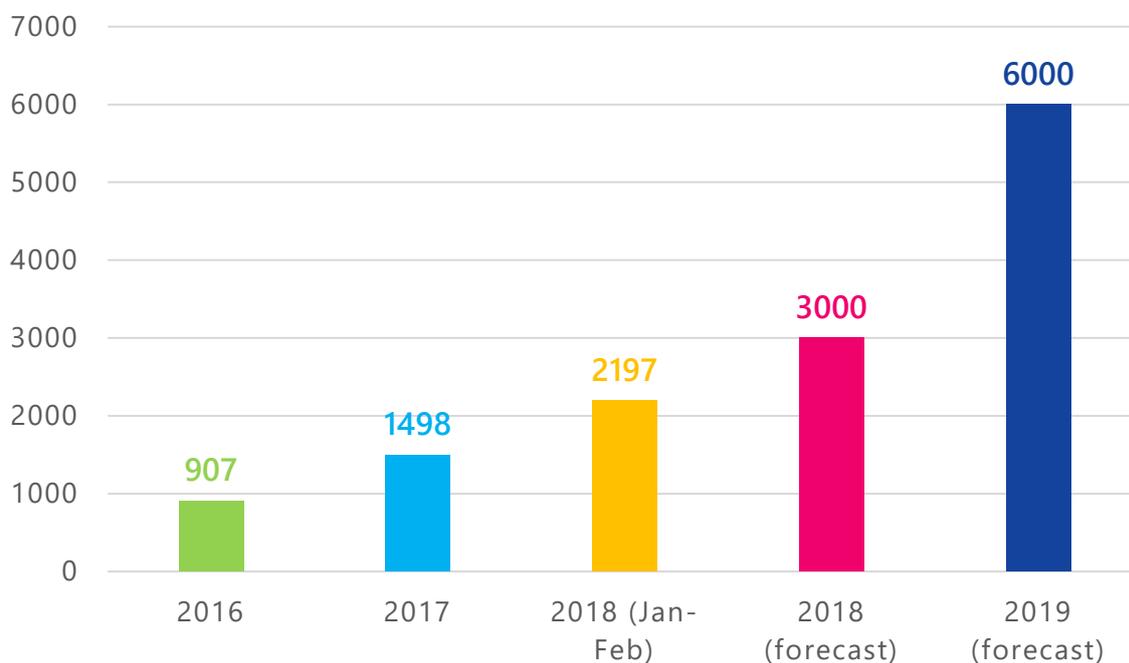
currencies: Bitcoin Cash - \$15.13 billion, Litecoin - \$8.03 billion, Cardano - \$4.20 billion, EOS - \$4.11 billion, Stellar - \$4.05 billion, NEO - \$3.67 billion, IOTA - \$3.30 billion, Monero - \$3.00 billion, Dash - \$2.98 billion, TRON - \$2.70 billion, NEM - \$2.30 billion, Tether - \$ 2.29 billion, Ethereum Classic - \$1.59 billion, VeChain - \$1.56 billion, Qtum - \$1.36 billion, ICON - \$1.13 billion, Binance Coin - \$1.09 billion, Lisk - \$1.08 billion, OmiseGO - \$0.98 billion.

8.2 TRANSACTION VOLUME

The number of transactions in the blockchain systems is constantly growing. Thus, if we consider the Top-10 blockchain platforms by capitalization (as of April 3, 2018), the average daily number of transactions for them for the first 3 months of this year was 2,197 thousand. At the same time, as early as 2017, the average daily number of transactions was 1498 thousand (+ 65.2%, the average was calculated on the days when the transactions were actually carried out). For comparison, in 2016 this indicator was at the level of 907 thousand.

Taking into account the dynamics of the first quarter, following the results of 2018, the number of transactions for only the 10 largest capitalization platforms could grow to an average of 3000 thousand per day. And with the same growth rates already in 2019, the number of transactions can be about 6,000 thousand per day.

The average daily number of transactions for the Top-10 blockchain platforms in 2016-2019, thousand⁶



8.3 BANKING

Since 2014, major bank institutions like Goldman Sachs, J.P. Morgan, UBS and others, independently develop tools based on the blockchain technology. In-depth study of the possibility of using blockchain also is being carried out by key stock exchanges, including NASDAQ and NYSE. Also there consortiums of technology and business partners including banks trying to experiment with blockchain technology. Among such consortiums worth mentioning R3, which

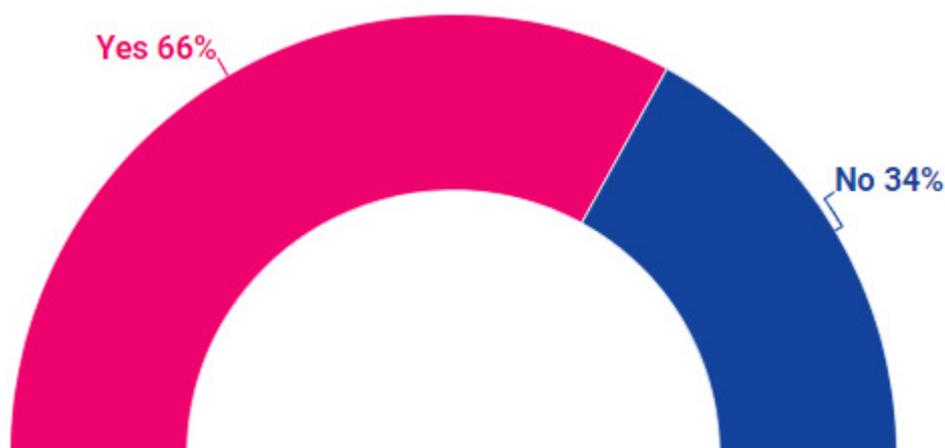
⁶ The following platforms are used for analysis: Bitcoin, Ethereum, Ripple, Bitcoin Cash, Litecoin, Cardano, EOS, Stellar, NEO, Monero. IOTA in the analysis was replaced by Monero due to the lack of comparable data. Data for all the blockchain, except Ripple, are taken from the first source, for Ripple - from the second source (for Ripple in the first source is not comparable data, but the second source is more challenging to analyze). Source - Coin Metrics, Data downloads: <https://coinmetrics.io/data-downloads/>; Source - Bitinfocharts, Ripple Transactions historical chart: <https://bitinfocharts.com/comparison/ripple-transactions.html>

initially combined around 40 organizations, including Bank of America, Citigroup, Morgan Stanley, Deutsche Bank and Barclays Bank.

The Corda technology developed by R3 uses the basic principles of blockchain, but it also has a number of significant differences. For example, the data is not sent to all participants, therefore, the consensus is required not from all participants, but only from the parties to the transaction.

Survey of bank executives conducted by McKinsey in 2016 demonstrated that the blockchain will have a significant impact on the development of the industry within the next 3 years. And IBM predicts that by 2021, 66% of banks will have a commercial system based on blockchain technologies.

Forecast of commercial blockchain system adoption by banks in the world by 2021



According to some estimates, the implementation of blockchain technology in the banking sector will help save about \$ 20 billion a year

8.4 MESSENGERS

The use of blockchain will increase the security of correspondence in messengers and enable additional functionality. Tokens can be built into the system to facilitate the transfer of funds between the participants. In early 2018, popular instant messenger service Telegram announced the launch its blockchain platform. The total volume of primary placement may reach \$3-5 billion. During the closed pre-ICO stage, \$850 million of tokens was placed⁷.

Popular Japanese messenger Line⁸ integrated crypto currency into its messenger plans⁹. The Canadian instant messenger KIK successfully held its ICO in September 2017. During its ICO it was raised almost \$100 million from more than 10 thousand participants from 117 countries¹⁰. \$50 million was raised during its pre-sale.

At the core of the Erachain platform, the functionality of fast message exchange between participants is available. This function is currently in the testing phase and is scheduled for release in future versions.

8.5 PUBLIC ADMINISTRATION

Blokchein gradually enters the sphere of public administration. In the US, this process is developing at the state level. As early as 2016, the Delaware Blockchain Initiative was launched in Delaware with the goal of introducing

⁷ Source – Bloomberg, Line Explores Cryptocurrencies for Payment Services: <https://www.bloomberg.com/news/articles/2018-01-09/line-is-said-to-explore-cryptocurrencies-for-payment-services>

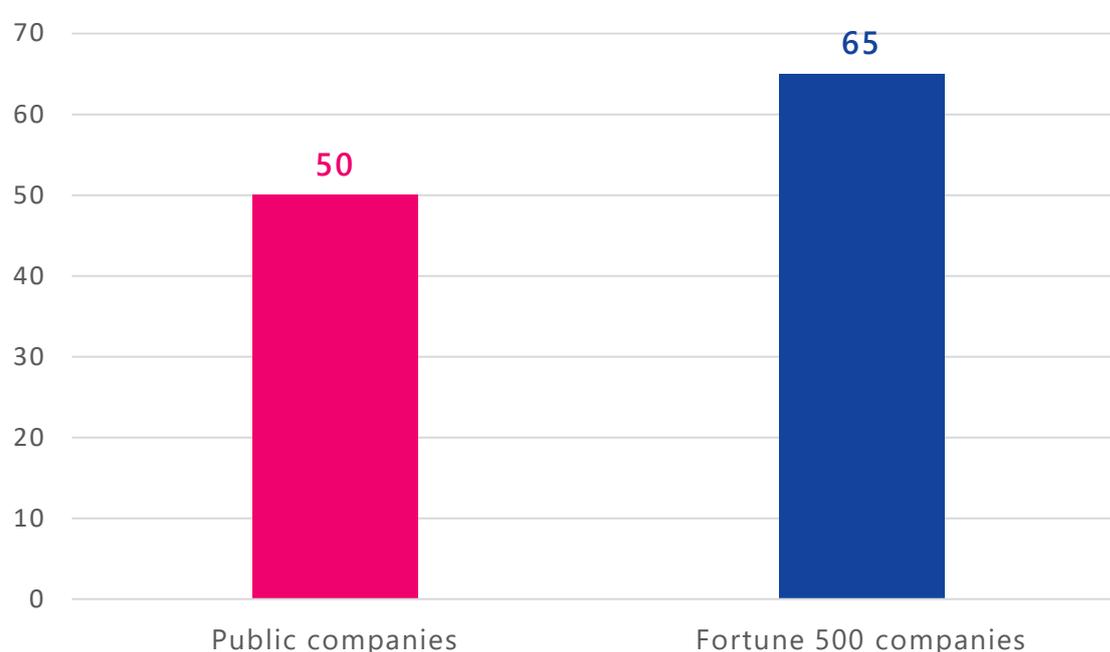
⁸ Source - TTRCoin, In the popular Asian instant messenger Line can be integrated crypto currency: <https://ttrcoin.com/v-populyarnyy-aziatskiy-messendjer-line-mogut-byt-integrirovany-kriptovalyuty.2217/>

⁹ Source – Bitcoin news: <https://news.bitcoin.com/japans-most-popular-chat-app-in-talks-to-integrate-cryptocurrencies/>

¹⁰ Source – KIK: <https://www.kik.com/blog/kik-raises-nearly-us100-million-in-kin-token-distribution-event/>

trading in shares and other securities based on blockchain technology. The initiative is particularly important, given that half of all publicly traded American companies and 65% of Fortune 500 companies are registered here¹¹. Similar initiatives were announced in the states of Illinois, Vermont and few others.

Figure. US public companies and Fortune 500 companies registered in the state of Delaware, as a percentage of total¹²



In Dubai, in February 2016, the Global Council for Blockchain was created. At the moment the Council consists of a wide range of members, including government structures, leading UAE banks, international companies. Within the framework of the industry conference in May 2016, the Global Council identified the main areas of application of the blockchain technology:

¹¹ Source – EY, How blockchain can help create better public services: <https://betterworkingworld.ey.com/digital/how-blockchain-can-help-create-better-public-services>

¹² Source – EY, How blockchain can help create better public services: <https://betterworkingworld.ey.com/digital/how-blockchain-can-help-create-better-public-services>

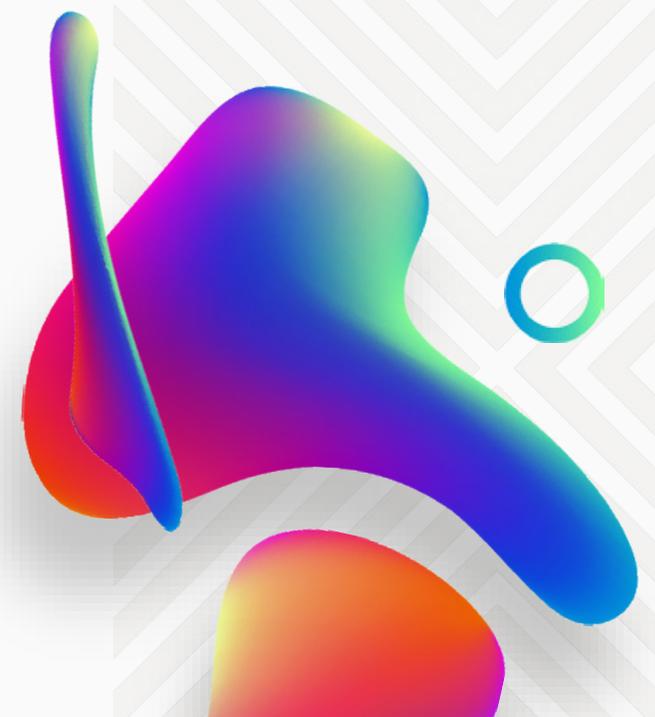
- in healthcare, the transfer of medical records to the hospital will provide patients and health workers with secure access to data that will be securely protected and not be lost or destroyed;
- on the diamond market, digitalization of Kimberly's certificates will eliminate the possibility of their falsification and will increase security;
- for the registration authorities the blockchain can make possible faster companies registration procedure;
- wills and contracts on the blockchain will make the transfer of property a simpler procedure without additional checks and approvals;

For the government - the platform Erachain allows the issuance of diplomas, property rights, passports, pension certificates, driver's licenses, work books and any other certifying documents. And each document will have a unique QR code for instant access.



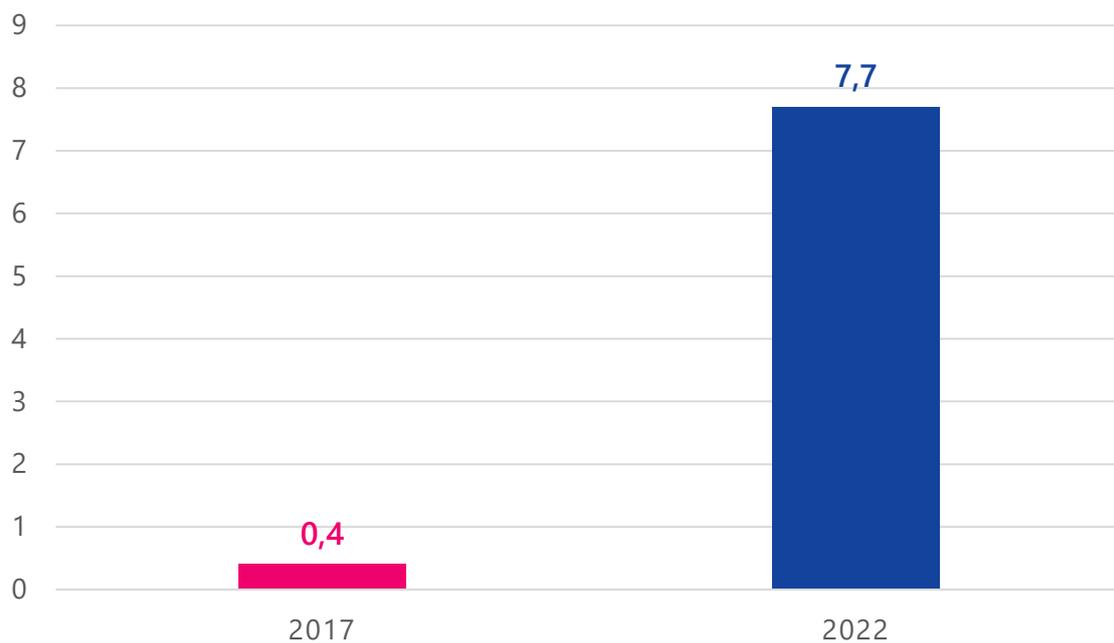
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forecast



The market for the blockchain technologies today is only at the beginning of the development process. Therefore, it maintains very high growth rates. As MarketsandMarkets Research Private Ltd predicts, by 2022 the world's blockchain market will increase to \$ 7.7 billion from just \$0.4 billion in 2017.

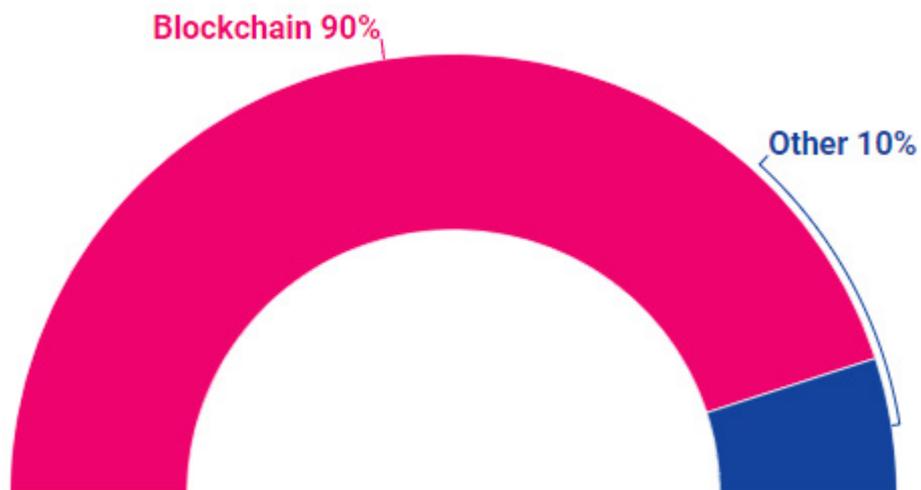
**The forecast for the world blockchain market development by 2022,
billion US dollars¹³**



The blockchain technology will play an increasingly important role in the world economy. As a result, by 2027, 10% of global GDP will be stored on the blockchain. Such estimate is provided by the World Economic Forum.

¹³ Source – MarketsandMarkets Research Private Ltd., Blockchain Market worth 7,683.7 Million USD by 2022: <https://www.marketsandmarkets.com/PressReleases/blockchain-technology.asp>

The volume of funds that will be stored on the blockchain by 2027, in the world, as a percentage of global GDP¹⁴

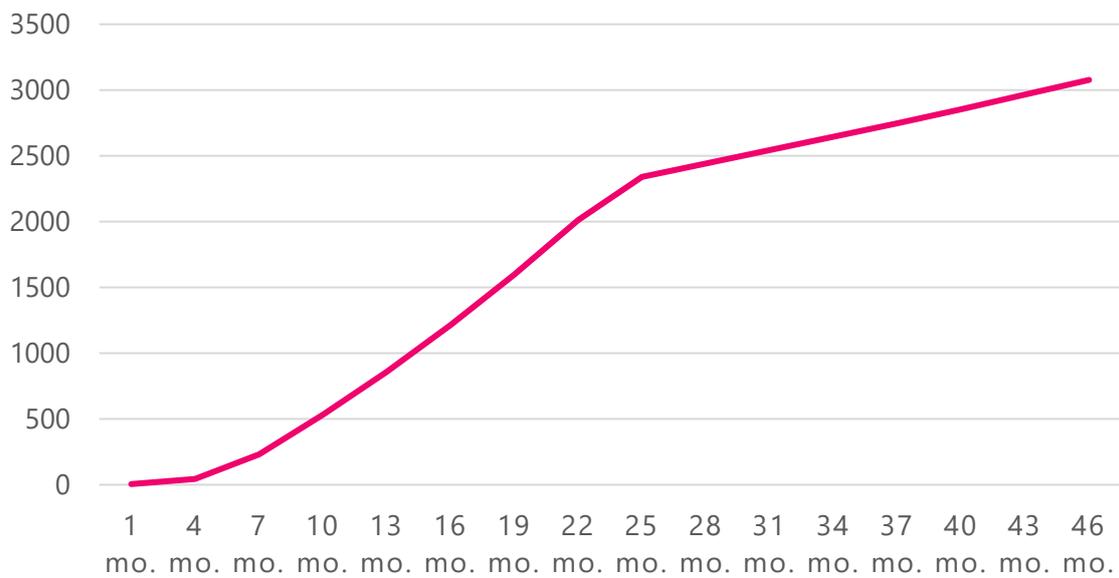


By 2021, Erachain plans to achieve 10 million transactions by becoming an accepted platform for international cross-border payments, as well as being adopted for business and government processes.

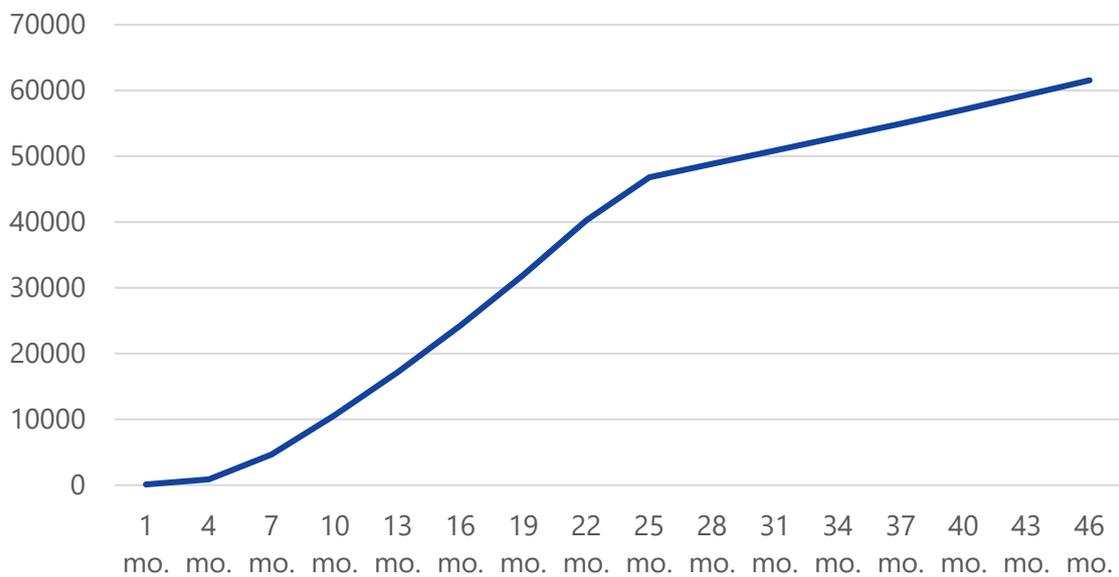
¹⁴ Source – WEF, Technological Tipping Points report 2015:
www3.weforum.org/docs/WEF_GAC15_Technological_Tipping_Points_report_2015.pdf

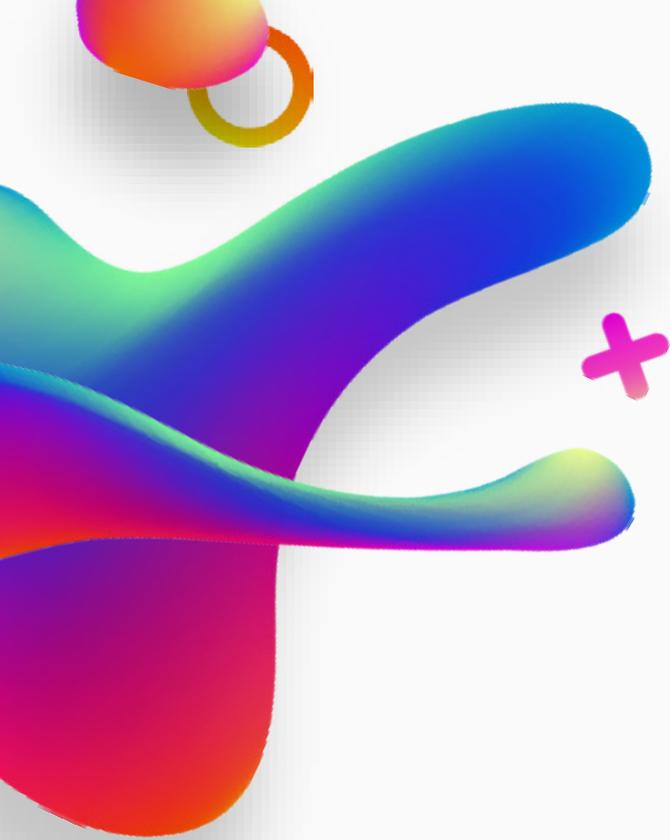
Below are graphs based on analytics and projections for the development of the platform.

Transactions



Income from transactions





10

achieved milestones and the road map



The Erachain is in the beginning of the great journey that has the goal to change the world and create better, stronger economy of trust based on Erachain blockchain implementation.

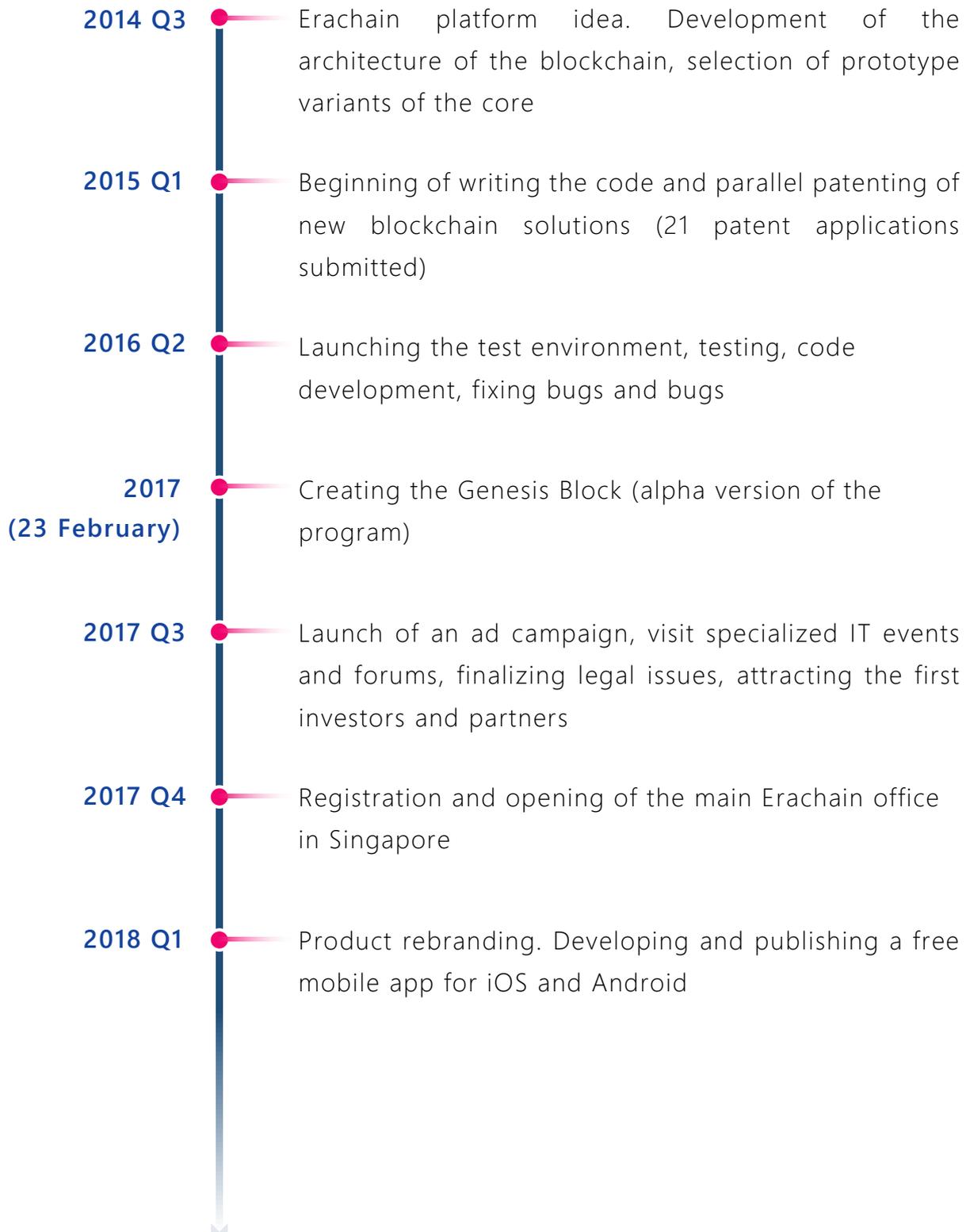
Most experts already accepted that the identity management one of the biggest pain points in the financial services market and the most promising 2018 tech will be about solving this problem. Fundamentally as Evernym's CEO (Timothy Ruff) puts it: "The Internet was built without an identity layer, and a mechanism for establishing trust".

This has led to huge inefficiencies and major social concern as we are forced to trust companies who have consistently shown they are unable to secure the personal data they are obliged to collect when interacting with us. It's a lose-lose situation at present and you could argue it is the single biggest problem for the web as a whole. If ever there was a use case for blockchain it is decentralized identity.

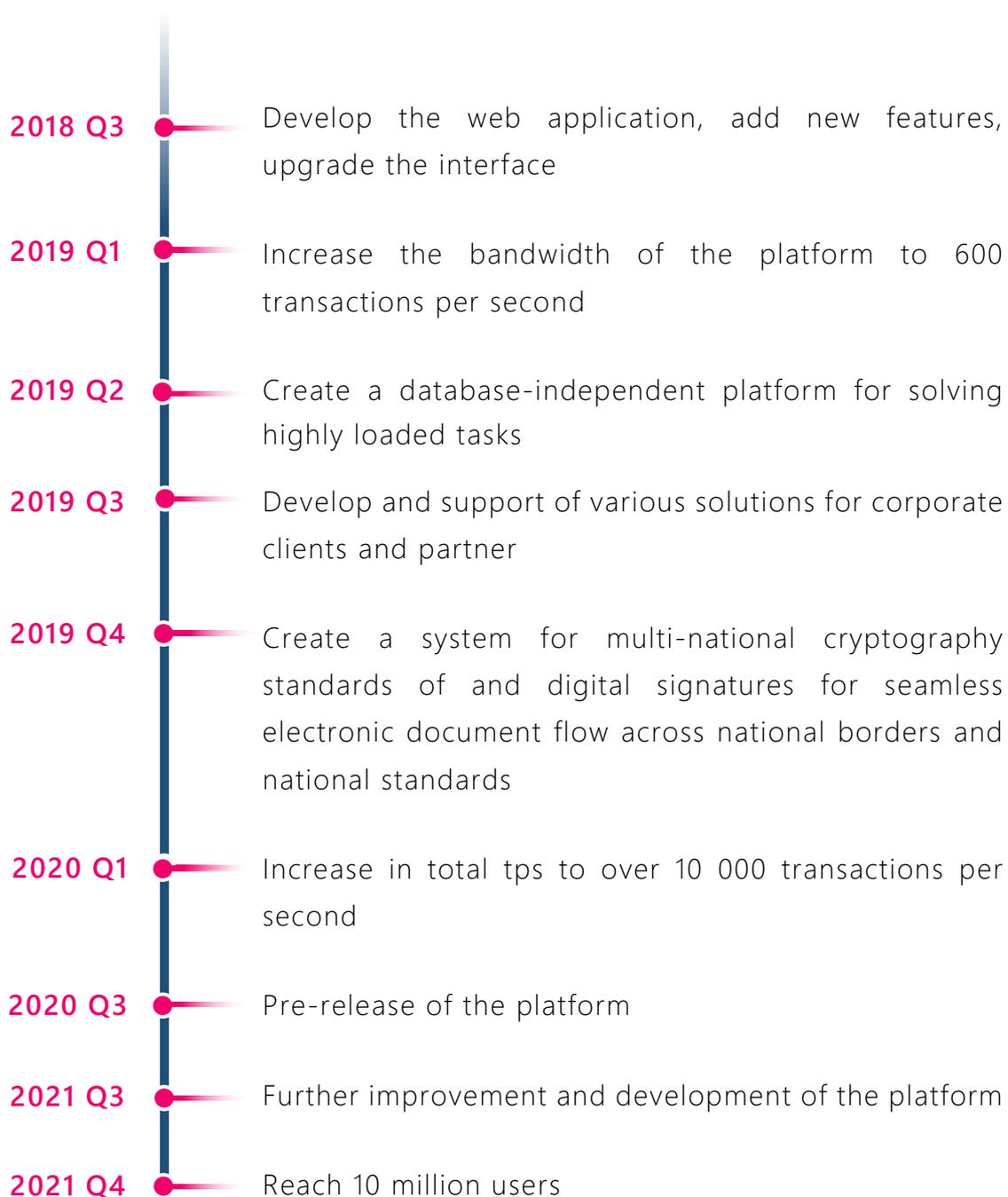
To date, despite multiple attempts, nothing has gained meaningful traction with an approach that we believed fundamentally fixes the problem without too many compromising trade-offs.

Taking into account the complexity of the problem which Erachain seeks to solve, we want highlight our progress to date and outline the strategic priorities and concrete goals we want to achieve.

What we've already accomplished

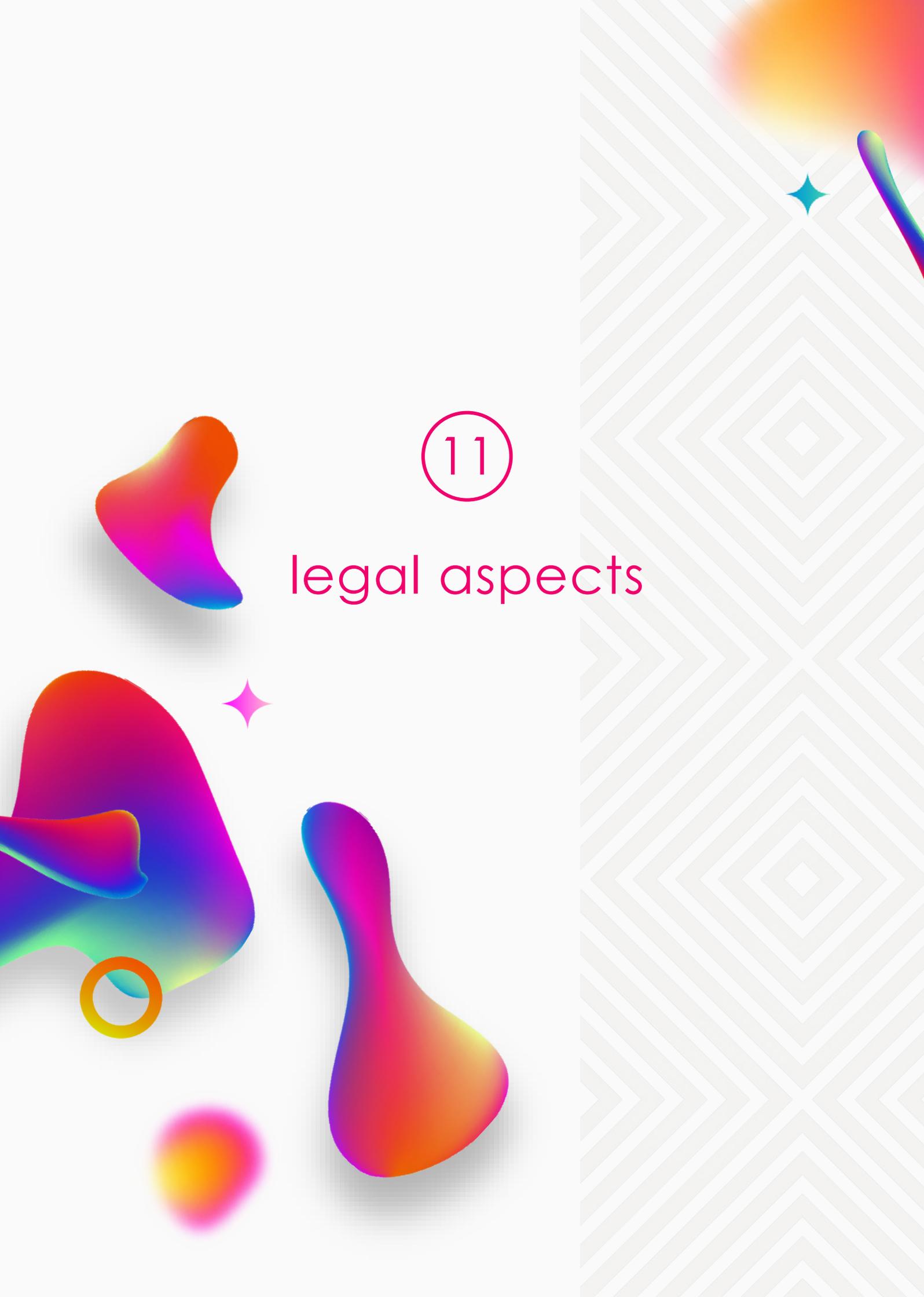


Key future milestones



11

legal aspects



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- (b)** you agree and acknowledge that this Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or any other regulated products in any jurisdiction or a recommendation or solicitation for investment in securities or any other regulated products and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper;
- (c)** you agree and acknowledge that no regulatory authority has examined or approved of the information set out in this Whitepaper, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of this Whitepaper to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;
- (d)** you agree and acknowledge that this Whitepaper, the undertaking and/or the completion of the ERA Initial Coin Offering, or future trading of ERA and COMPU Tokens on any cryptocurrency exchange, shall not be construed, interpreted or deemed by you as an indication of the merits of Erachain, the Erachain platform, ERA and COMPU Tokens or the ERA Initial Coin Offering;
- (e)** the distribution or dissemination of this Whitepaper, any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to Erachain;
- (f)** you agree and acknowledge that in the case where you wish to purchase any ERA, ERA are not to be construed, interpreted, classified or treated as:

 - i. any kind of currency other than cryptocurrency;
 - ii. debentures, stocks or shares issued by any person or entity, including Erachain;

- iii. rights, options or derivatives in respect of such debentures, stocks or shares;
 - iv. rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss;
 - v. units or interests in a collective investment scheme;
 - vi. units in a business trust;
 - vii. derivatives of units in a business trust; or
 - viii. any other security or class of securities;
- (g)** you are fully aware of and understand that you are not eligible to purchase any ERA if you fall into one of the Restricted Categories as defined in this Whitepaper;
- (h)** you have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, blockchain technology and smart contract technology;
- (i)** you are fully aware and understand that in the case where you wish to purchase any ERA, there are risks associated with Erachain and its business and operations, the Erachain platform, ERA and the ERA Initial Coin Offering;
- (j)** you agree and acknowledge that Erachain will not 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 this Whitepaper or any part thereof by you, including in relation to:
- i. any failure by Erachain or its affiliated entities to deliver or realise all or any part of the Erachain platform or ERA and COMPU features described in this Whitepaper;

- ii. your use or inability to use at any time the services or the products of the Erachain platform or ERA and COMPU Tokens;
 - iii. any failure to provide a secondary trading platform for ERA and COMPU Tokens or a lack of liquidity on other secondary trading platforms for ERA and COMPU Tokens;
 - iv. any security risk or security breach or security threat or security attack or any theft or loss of data including but not limited to hacker attacks, losses of passwords, private keys;
 - v. your failure to properly secure any private key to a wallet containing tokens; and
- (k)** all of the above representations and warranties are true, complete, accurate and not misleading from the time of your access to and/or acceptance of possession this Whitepaper or such part thereof (as the case may be).

Cautionary note on forward-looking statements

All statements contained in this Whitepaper, statements made in press releases or in any place accessible by the public and oral statements that may be made by Erachain or its directors, executive officers or employees acting on behalf of Erachain, 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 Erachain' financial position, business strategies, plans and prospects (including in respect of the Erachain platform) and the future prospects of the industry which Erachain is in are forward-looking statements. These forward-looking statements, including (but not limited) to statements as to Erachain's revenue and profitability, prospects, future plans, other expected industry trends and other matters discussed in this Whitepaper regarding Erachain are matters that are not historic 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 Erachain 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 stock or cryptocurrency market conditions, and the regulatory environment in the countries in which Erachain conducts its businesses and operations;
- (b)** the risk that Erachain may be unable to execute or implement its business strategies and future plans;
- (c)** changes in the anticipated growth strategies and expected internal growth of Erachain;
- (d)** changes in the availability and salaries of employees who are required by Erachain to operate its businesses and operations;
- (e)** changes in competitive conditions under which Erachain operates, and the ability of Erachain to compete under such conditions, including the launch of any other similar blockchain platforms or projects, or changes in the commodities markets which affect the viability of Erachain's business strategy;
- (f)** changes in the future capital needs of Erachain and the availability of financing and capital to fund such needs;
- (g)** war or acts of international or domestic terrorism;
- (h)** occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of Erachain;
- (i)** other factors beyond the control of Erachain; and
- (j)** any risk and uncertainties associated with Erachain and its businesses and operations, the Erachain platform, ERA and COMPU Tokens or the ERA Initial Coin Offering.

All forward-looking statements made by or attributable to Erachain or persons acting on behalf of Erachain 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 Erachain to be materially different from that expected, expressed or implied by the forward-looking statements in this Whitepaper, undue reliance must not be placed on these statements. These forward-looking statements are applicable only as of the date of this Whitepaper.

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

Nothing contained in this Whitepaper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of Erachain.

Further, Erachain 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

This Whitepaper includes market and industry information and forecasts that 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.

While Erachain has taken reasonable actions to ensure that the information is extracted accurately and in its proper context, Erachain has not 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 Erachain, nor its directors, executive officers and employees acting on their behalf 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 the ERA being offered for purchase, and the businesses and operations of Erachain, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this Whitepaper. 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 this Whitepaper should be considered to be business, legal, financial or tax advice regarding Erachain, ERA and COMPU Tokens or the ERA Initial Coin Offering. You should consult your own legal, financial, tax or other professional adviser regarding Erachain and its businesses and operations, the Erachain platform, ERA and COMPU Tokens and the ERA Initial Coin Offering. You should be aware that you may be required to bear the financial risk of any purchase of ERA for an indefinite period of time.

No further information or update

No person has been or is authorised to give any information or representation not contained in this Whitepaper in connection with Erachain and its businesses and operations, the Erachain platform, ERA and COMPU Tokens or the ERA Initial Coin Offering and, if given, such information or representation must not

be relied upon as having been authorised by or on behalf of Erachain. The ERA Initial Coin Offering 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 Erachain or in any statement of fact or information contained in this Whitepaper since the date hereof.

Restrictions on distribution and dissemination

The distribution or dissemination of this Whitepaper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of this Whitepaper or such part thereof (as the case may be) at your own expense and without liability to Erachain. Persons to whom a copy of this Whitepaper has been distributed or disseminated, provided access to or who otherwise have the Whitepaper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute this Whitepaper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

Risks and uncertainties

Prospective purchasers of ERA should carefully consider and evaluate all risks and uncertainties associated with Erachain, and its businesses and operations, the Erachain platform, ERA and COMPU Tokens and the ERA Initial Coin Offering, all information set out in this Whitepaper and the T&Cs prior to any purchase of ERA.

Personal data

The sale and purchase of ERA and COMPU Tokens on the Erachain platform may require disclosing personal data. Personal data is the information that identifies a person. Examples of collected personal data may include names, addresses, e-mail, telephone numbers. Personal data can be obtained in several ways, including an application through our website, correspondence, telephone, fax and e-mail.

Users should take into account that the blockchain does not allow you to delete data about any transactions and transactions concluded, unlike traditional banking operations.

THERE IS NO GUARANTEE THAT THE UTILITY OF ERA AND COMPU TOKENS, OR THAT THE ERACHAIN PLATFORM WILL BE DELIVERED OR REALISED. IF ANY OF SUCH RISKS AND UNCERTAINTIES DEVELOPS INTO ACTUAL EVENTS, THE BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS OF ERACHAIN COULD BE MATERIALLY AND ADVERSELY AFFECTED. IN SUCH CASES, YOU MAY NOT BE ABLE TO USE ALL OR PART OF YOUR ERA AND COMPU TOKENS. IN THE EVENT THAT YOU HAVE PURCHASED ERA, YOUR PURCHASE CANNOT BE REFUNDED OR EXCHANGED.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S).