



COZEX TOKEN

CRYPTOASSET FINANCING PLATFORM

UNLOCK THE REAL VALUE OF ASSETS
&
EXCHANGE THEM IN REAL TIME



ABSTRACT

I. ABSTRACT

Blockchain technology is fundamentally changing the way of creating and exchanging value. This new technology has generated an entirely new economy based on cryptoassets which is expanding extremely rapidly and tokens are at the heart of it. Tokens offer a new way to quickly and safely transfer an asset in total transparency without needs of intermediaries.

According to Coinmarketcap, there are more than 2100 cryptoassets that worth a total of USD 179 billion¹

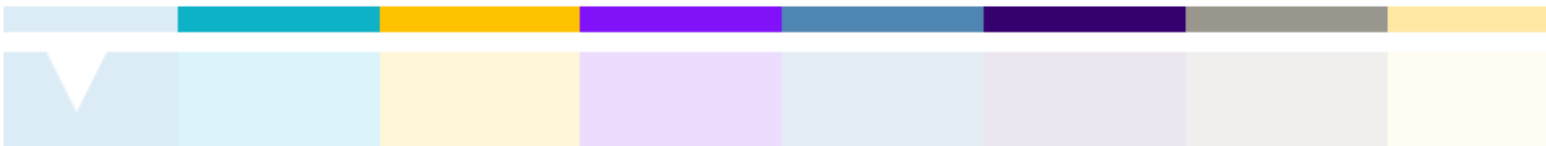
. Cryptoassets market experts forecast a proceeding tremendous growth and assume that they might be valued at USD 1 trillion by 2022. By 2025 cryptoassets market capitalization expected to reach \$5 trillion².

Despite continuous growth of the market and increasing of interest from investors and entrepreneurs, the current cryptoasset markets landscape remains very scattered, inefficient, opaque and risky³. Those barriers prevents the mass adoption of Blockchain technology for creating and exchanging value.

In early stage of Internet, Google unlocked the value of internet by organizing the world's information. COZEX will unlock the value of Blockchain technology for financing small and mid-size enterprise and gather in the same trustable ecosystem entrepreneurs and investors. Traditional finance does not offer an appropriate answer to small and mid-cap market.

COZEX platform has been designed to modernize SMEs capital raising. We facilitate its access for entrepreneurs and upgrading a traditionally illiquid and costly process for exchanging SME's investment made by investors.

COZEX is a combination of a 'Tokenpad' interface and a marketplace that will boost the mass adoption of cryptoassets.



COZEX aims to create the missing link between primary and secondary market by providing a unique gateway :

The decentralized Tokenpad module allows to issue, manage and distribute tokens without help and trust from a costly third party. It facilitates the use of the Blockchain technology for token issuance and distribution by using an open source library of smart contracts. Moreover, COZEX is a blockchain agnostic solution, our users will be able to choose the most suitable blockchain network of their choice (Ethereum, Ethereum Classic, RSK, Credits..) which mainly depends on their use cases.

The token marketplace module allows the issuer who used the Tokenpad to list, after successful campaign, their cryptoassets on the platform when the project undergo a series of mandatory technical, legal and financial compliance checks. The platform will create a sustainable secondary market with (i) the integration of an auditable decentralized order book to bring transparency avoiding market manipulation

(ii) and a liquidity management mechanism to diminish volatility

COZEX has been designed to facilitate the tokenization of our current economy within one ecosystem for all the stakeholders. COZEX aims to align the interests of entrepreneurs, investors and traders to bring them into a fully regulated and transparent ecosystem.

“ *We build too many walls
and not enough bridges.* ”

Isaac Newton

VISION: MOVING TO TOKEN BASED ECONOMY

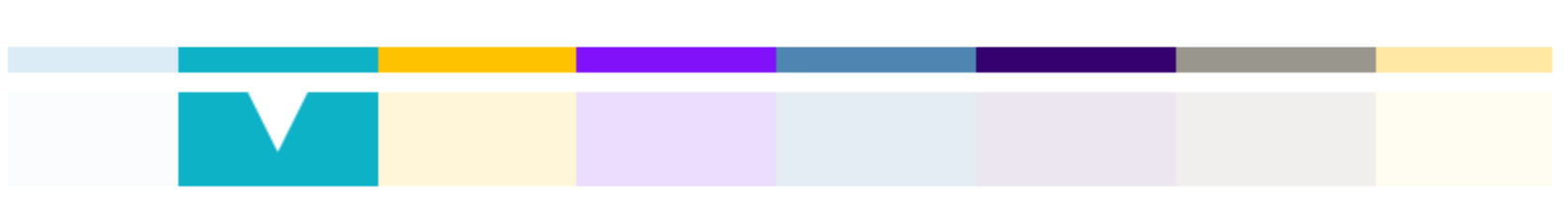
The current size of the aggregated cryptoasset markets is \$179 billion⁴. It has experienced very rapid growth over last 18 months with an increase of 870% (\$89B at July 21st 2017) and a peak to \$829 Billion in January 7th 2018⁵.

Despite the exuberance of the cryptoasset markets, this dynamic is based on **solid technological fundamentals which will have a significant impact on our future economy**. Industries will reinvent themselves and cryptoassets will give rise to entirely new primary and secondary markets with low cost and minimal friction. Indeed, Blockchain technology is one of the most disruptive technology of this century. The world known Organisation for Economic Co-operation and Development (hereinafter "OECD"), confirms that Blockchain technology will deeply transform our economies and societies⁶.

We believe that the **token is at the Blockchain what the email is to Internet**, a tool to represent and transfer value. **Tokens will be at the heart of the future economy as an efficient funding tool (1), providing liquidity to traditional assets (2) and led to the emergence of decentralized business model (3).**

1. TOKENS AS POWERFUL FUNDING TOOL

The last two years produced more innovation in technology funding mechanisms than the last two decades. Thanks to the Blockchain technology, a **new powerful way to raise funds emerged: Initial Token Offerings** (here in after "ITO"). An ITO consists in proposing the acquisition of tokens in exchange of cryptocurrencies (ie: BTC, ETH, etc.) or in compensation for the realization of actions in favor of the project (promotion, audit, test, etc.). Token issuance allows to raised funds in order to finance the development of a product or service.



Token based fundraising mechanism **can be carried out by any type of company regardless of size, age, geographical location or legal structure**. It's particularly attractive for SMEs who suffer from lack of investment.

One of the first chapter in the history of this new method of fundraising was written by the core team of the Ethereum blockchain. At the time, the team was looking for a way to finance the development of his new blockchain protocol by proposing to acquire Ether (ETH) against Bitcoin (BTC): Ethereum at the end raised more than 18 million in 42 days (July 20th to September 2nd, 2014)⁷.

After the deployment of the main net launched, we have seen a tremendous increase of issuing tokens to crowdfund projects through the use of ITOs smart contract, both in terms of the number of fundraising campaigns launched and the amounts collected: about sixty for more than \$100 million. The Singular DTV and Golem projects were the major successes of 2016. They respectively raised 7.5 million in only 17 minutes⁸ and 8.6 million in 29 minutes⁹.

The crazy period of ITOs reached his peak in 2017, with nearly 3 billion collected to finance several hundred projects in extremely varied fields: data storage, finance, development technology infrastructure, energy, art and music industry, health, video games, digital identity. The year 2017 also illustrates the passing of a new phase in terms of collection capacity more than a dozen ITOs have collected over 50 million¹⁰. Filecoin and Tezos are now the two biggest hits with 257 million and 232 million respectively.

Unlike traditional financing methods such as the issuance of shares or bank loan, the ITO allows the initiator of the project to dissociate control of its financing. The development of the project can be carried out in complete serenity without having to concede a part of the rights on the product or to undergo a dilution of the capital of the company. Moreover, taking into the fact that it's cross-border by nature, it makes it possible to solicit **an infinite number of potential investors (retail and professional) located in all corners of the planet**. The audience base is much broader than in the context of a traditional fundraising with investment funds, business angels or via crowdfunding.

From investors point of view, tokens are easily transferable, either directly between two people (Peer-to-peer), or through a specialized crypto exchange platform. This ability to exchange tokens makes it possible to give **greater liquidity to this type of asset than the shares of an unlisted company**. Cryptoasset market operates continuously 24/7/365.

In addition, the ITO is also a **great marketing tool to give visibility to a future product/service** and begin to federate a community that will contribute to the evolution of the project and its promotion.

The growing success of the ITOs makes this funding method a new and attractive tool that **will revolutionize the financial system**. Tokens will become the financial securities of tomorrow.



2.TOKENIZATION OF ASSETS

We think tokenization is one of the biggest promises of the **Blockchain Technology by providing more efficiency, liquidity, integrity and transparency of exchanged assets**. Tokenization has a big role to play in the future economy.

Tokenization of traditional assets

Tokenization of traditional assets in the coming years **will have an impact on liquidity across multiple asset classes**. Tokenization is the process of converting the rights associated with a physical asset into a digital asset representation (Token) backed by the asset itself or by an entity (organizations, institutions...).

Traditional assets such as real estate, oil or gold suffer from one common shortcoming, they are not liquid and easily transferable. Liquidity hugely influences trading volume and price of these assets. It's traditionally complicated to physically divide and transfer them.

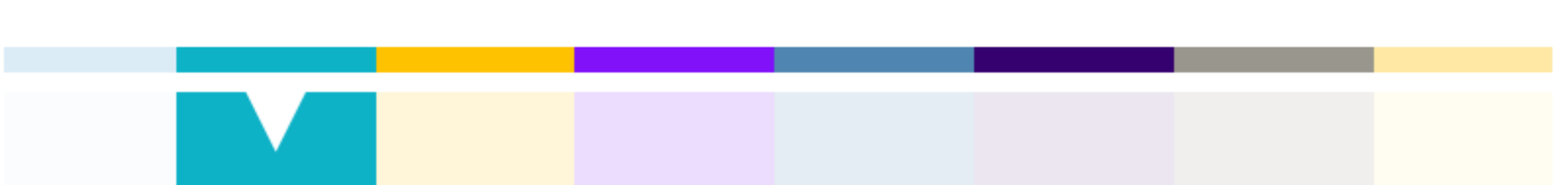
Tokenization of traditional assets facilitates the ownership mechanism over a physical asset by holding its digital representation, the token. Investors, corporations and financial intermediaries will undoubtedly benefit from tokenization. Tokens likely increase efficiency, improve security and make certain assets more accessible to a wider audience.

Tokenization became popular alongside **Bitcoin which opened the door to tokenization by proving that a traditionally physical asset, cash money, could be issued and exchanged in a peer to peer way without double spending risks**. Tokenization expands the power of Blockchain technology exponentially to the point where the technology has the potential to completely revolutionize our economies and societies.

Tokenization of securities

The tokenization of securities would mean assets such as equities, bonds, stocks could be represented by a token. In this way, a digital bond could pay coupons and redeem the principal to the address holding the digital bond, without the need of custodians. Tokenized securities improve the existing financial system because they **cut out expensive middlemen and open the market for worldwide access**.

Tokenized securities could be traded through smart contracts which are drawn up at an instant based on the impartial and independent information. In that sense, middlemen would not be required to process the transaction. Settlement will be achieved automatically within a matter of seconds. All transactions will also be recorded in a distributed ledger, meaning they are easy to track and incorruptible. As a consequence, **tokenization implies lower fees, more market exposure** as deals are public and so visible to everyone with internet connection, **more trading volume due to this larger investor base and faster deals** as there are no middlemen to elongate the process.



Moreover, tokenization also makes it easier to **subdivide assets**, in turn meaning it can be more affordable for investors with lower budgets to participate.

Tokenization provides financial flexibility and encourage greater diversity across an investment portfolio. Tokenizing assets lead to the democratization of trading **allowing anyone to trade without geographical limitation**.

We believe in a future where the traditional assets and securities will be tokenized and where the financing through the issuance of tokens will be spread on the 2022 horizon.

3. DECENTRALIZED BUSINESS MODELS

The asset owners, by enabling the creation of a token to govern the asset itself, **automating their business model and encouraging users to interact with their products through incentivization**. An economic model to the antipodes of the monopolistic economic models of GAFAs that centralize powers and capital. This model of **decentralized economy and redistribution of value is the future**. A token-based economy will fundamentally turn the existing model on its head.

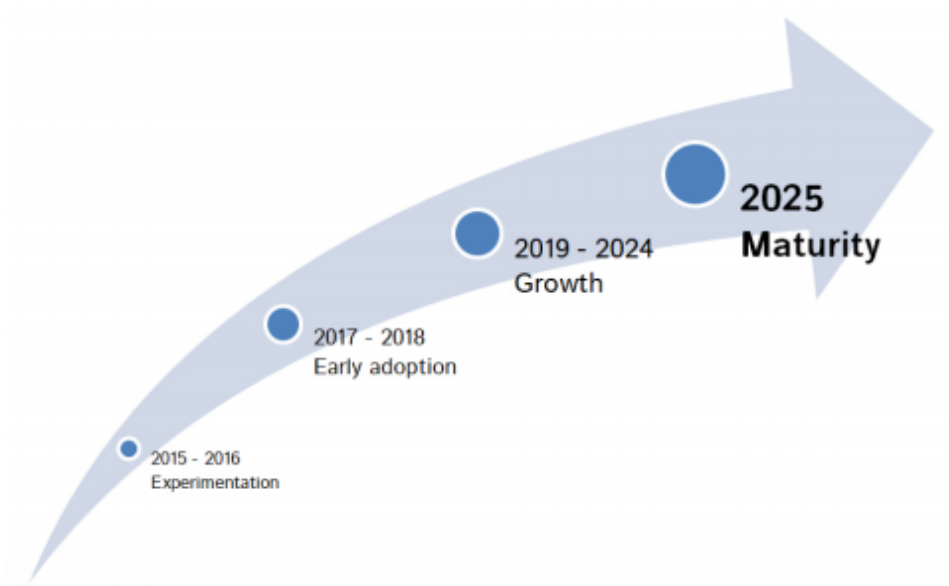
Tokens have the **characteristics of censorship resistance** due to decentralization that Blockchain technology brings. From insurance, banking, equity trading, capital raising, governance, everyone will be affected, with new products and services **redefining the way we think of money, transaction, value and trust**.

Moreover, tokens could also be used to replace the traditional stock options models. Indeed, stock options require a liquidity event to sell the underlying shares. This can take few years after the start of the company. Tokens, can be sold at any time once trading is active which means that team members (employees, investors and founders) gain liquidity for their tokens immediately after creation.

We are still at the beginning of the transition to a tokenized economy. The current situation can be compared to the Internet boom in 90s. At that time, nobody really knew what the Internet might become, so a lot of experimentation and speculation was taking place. For now, tokens are only used by a tiny fraction of the population and regulators are still trying to figure out their legal implications. **As soon as tokens become easier to acquire and store, and there's proper regulation in place, we might witness an unprecedented shift in our current economic model**. Regulatory approval is another key to emergence of token-based economy. The potential of a token-driven economy can only be achieved through regulatory acceptance.

We are at the beginning of the token-based economy era and COZEX will be the cornerstone of its expansion.

Blockchain adoption Timeline



Blockchain technology provides multiple benefits such as disintermediation and trustless exchange, process integrity, faster transactions and lower transaction costs. **According to the CEO of Intel, Brian Krzanich estimated 20% costs decline per year.** Hashing algorithm improvements should also reduce computational complexity.

Whereas at the beginning of 2015 about 100,000 merchants accepted crypto as payment, in the summer of 2017 more than 260,000 stores in Japan started accepting crypto. As cryptocurrency acceptance increases, it becomes even more attractive to users due to the network effect.

According to the 2018 report of Global Cryptocurrency Benchmarking Study, **since 2013 the number of crypto wallets has doubled every year.** Demand for crypto will be driven by the emergence of quality service provider which allow easy and safe access to the cryptoasset market.

COZEX ECOSYSTEM

We deeply believe that cryptoassets are the future of finance. Based on this conviction, we are designing the solution the crypto market deserves.

COZEX bring a reliable, transparent and user-friendly platform design to provide a unique gateway for token issuance, financing & trading. Management of all the phases of the token life cycle in one place creates a very efficient ecosystem which aligns the interest of all the stakeholders of this new token-based economy area **COZEX** aims to protect the interests of token issuers, investors and traders by creating an innovative entire ecosystem.

COZEX is a combination of a decentralized issuance module "Tokenpad" and a trading module with an integrated decentralized order book.

Even grandma will be able to create a token, list it and trade it on **COZEX** However, the token will be created, listed and traded only if the project complies with technical, financial and regulatory requirement. Every project will be submitted to the approval from the Committee of Control composed of experienced technical, financial and legal experts.

Firstly, the Tokenpad allows entrepreneur to issue tokens without help and trust from a costly third party (1).

Secondly, entrepreneur who used the Tokenpad for the token issuance is able to list the token on the crypto market if the project undergoes a series of mandatory compliance checks.

Thirdly, our crypto market will create a sustainable secondary market with the integration of an auditable decentralized order book to avoid market manipulation and a liquidity management mechanism to match with bids & asks orders (2).

COZEX can be distinguished among existing competitors which we can classified them following their functions.

	COZEX	ETHERPARTY	WINGS	AMBISAFE	ICOBOX	TOKENOMY
CATEGORY	FINANCING PLATFORM	TOKEN PLATFORM	DAPP	SERVICE PROVIDER	ICO PLATFORM	CENTRALIZED EXCHANGE
BLOCKCHAIN SKILLS REQUIRED	NO	YES			NO	
AUTOMATED PROCESS	YES	YES	NO			
CROWDSALE	YES	NO	YES	NO	YES	YES (MANUAL)
TOKEN ISSUANCE (ERC 20)	YES	YES	NO		YES	NO
TOKEN LISTING	YES	NO			YES	
TOKEN TRADING	YES	NO			YES	
REGULATED FOR SECURITY TOKENS	YES	NO				
MULTI BLOCKCHAIN NETWORK	YES	NO				
END-TO-END SOLUTION : PRIMARY & SECONDARY MARKET	YES	NO				
CURRENCY ACCEPTED	FIAT & CRYPTO	FUEL ONLY	WINGS ONLY	FIAT	BTC	CRYPTO
PROJECT SET UP DATE	2019	OCTOBER 2017	JANUARY 2017	2018	AUGUST 2017	DECEMBER 2017

As described above there is a lot of platforms proposing different services related to issuing, listing or trading tokens but **none of them propose a unique ecosystem for project owners, investors and traders**. The specificity of token economy and the difficulty to provide a blockchain friendly and secure solution has to be addressed to allow new actors to enter on this earlier market.

COZEX platform aims to deeply improve the process of issuing, financing and trading tokens by bringing liquidity. Indeed **COZEX** allows entrepreneurs who used the TokenPad for the token issuance to list quickly and efficiently the token on the platform (1).

COZEX will create a sustainable secondary market and improve the trading experience with the **integration of an auditable decentralized order book to avoid market manipulation and a liquidity management mechanism to match with asks & bids orders** (2).

1. TOKEN GENERATION: TOKENPAD

The **COZEX Tokenpad offers friendly and automatic issuance of tokens**. It facilitates the use of the Blockchain technology for token issuance. It's based on open source standard smart contract which integrates high security standards and complies with future Blockchain international standards (ISO TC 307).

Creating your own tokens and going through a token sale can be a long and exhausting process. Here at **COZEX the process of generating tokens is intended to be fast, easy and error free**. We handle all the technical aspects from the beginning until the end. By using **COZEX** you can automatically generate your own tokens and can simply choose whether you wish to use Ethereum, Ethereum Classic, RSK and Credits as your underlying Blockchain technology.

COZEX is user-friendly interface without any programming background required. Users just have to file the form with the information related to the project (Name, ticker, decimals, token price, total supply, token discounts, crowd sale rounds, amount of funds to be raised, token allocation, KYC value, etc...).

Smart contract used for the token creation has been designed with the highest security standards and best cybersecurity standards. No compromise on security has been achieved, our smart contracts not only integrate all the highest existing safety standards but are the fruit of the last two years of research & development of our team.

Moreover, **smart contract templates will integrate the future International standards applicable to product and/or services based on blockchain technologies & distributed ledger technologies**.

COZEX core team member includes the founders of the well know Engineering and Consulting company, Crypto4All. They are **active contributors of the construction of international standards as a member of the ISO Technical Committee 307** since its creation in October 2016⁴³. They contribute specifically on Working Groups dedicated to Smart Contracts and Blockchain system architecture.

Why standardisation is so important for Blockchain technology?

Standardization is the process of development and implementation of technical standards. **Standards are used in all aspects of our daily lives: transport, communications, energy, finance, media, healthcare, food and so on.**

In a global connected world, the need for international standardization is increasingly important. **International standards provide safety and reliability** (users perceive standardized products and services as more dependable). Furthermore, **legislation frequently referred to international standards** for protecting user and business interests. Then, standards provide **interoperability which allows devices functioning together**.

International Standards help to support innovation and contribute to the development of a worldwide industry. Global system mobile communication technology (GSM, 4G, etc...) is one of few examples which reveals the power of standardization. The use of the same standards rendered possible the world wide deployment of these technologies and as a result, everybody can communicate and use familiar services in every part of the planet.

2. TOKEN LISTING

Token listing is the major step after the achievement of the fundraising campaign. The token issuer who have successfully achieved the fundraising campaign have to make available tokens on the secondary market as soon as possible. **Investors will be able to sell their tokens once the token will be listed on the platform.**

Tokens issuers, investors and traders will not suffer from the current long and costly listing process and fattening of crypto exchange platform.

Token listing process and requirements

The process of listing a token on COZEX includes major due diligence. The token has to satisfy the following criteria from the COZEX token listing matrix:

- ▶ Regulatory compliance & legal
- ▶ Token design and qualification (utility, payment or security)
- ▶ Corporation & Team analysis
- ▶ Operations & technology

3. TOKEN TRADING

Decentralized stochastic order book

We have designed our exchange platform with the intention of solving a number of key problems and common annoyances. They affect the quality of trading experience from the current crypto exchange platforms.

Centralization of the order book allows the Exchange in charge of matching buy and sell orders to distort volume and manipulate price of cryptoassets especially the less liquid pairs. By creating artificial trade volumes, targeted cryptoassets look more appealing to traders and catch their attention to these cryptoassets, conducting to overvalued them. It's **acting like a trap by big market makers who are playing with the value of the asset itself.**

Acting as escrow for their clients, centralized exchanged can freeze any transfer or withdraw the customer's funds.

Trading costs and processes remain opaque and involve high trading costs, often higher than announced fees and higher delays due to peaks of demand badly managed. Furthermore, front-run orders can occur.

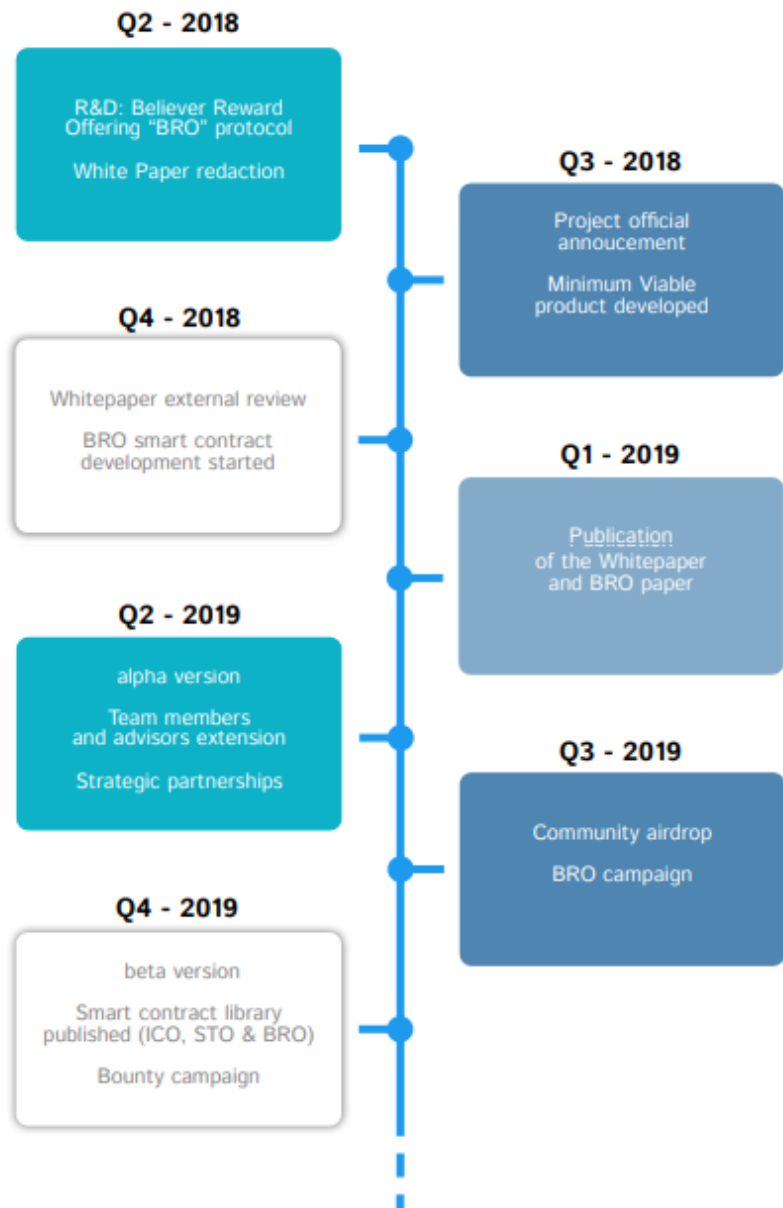
Traders do not join decentralized exchanges because few other traders are on the marketplace to be the counterparty for their trade, which leads to a low transaction volume and the classic chicken and egg problem.

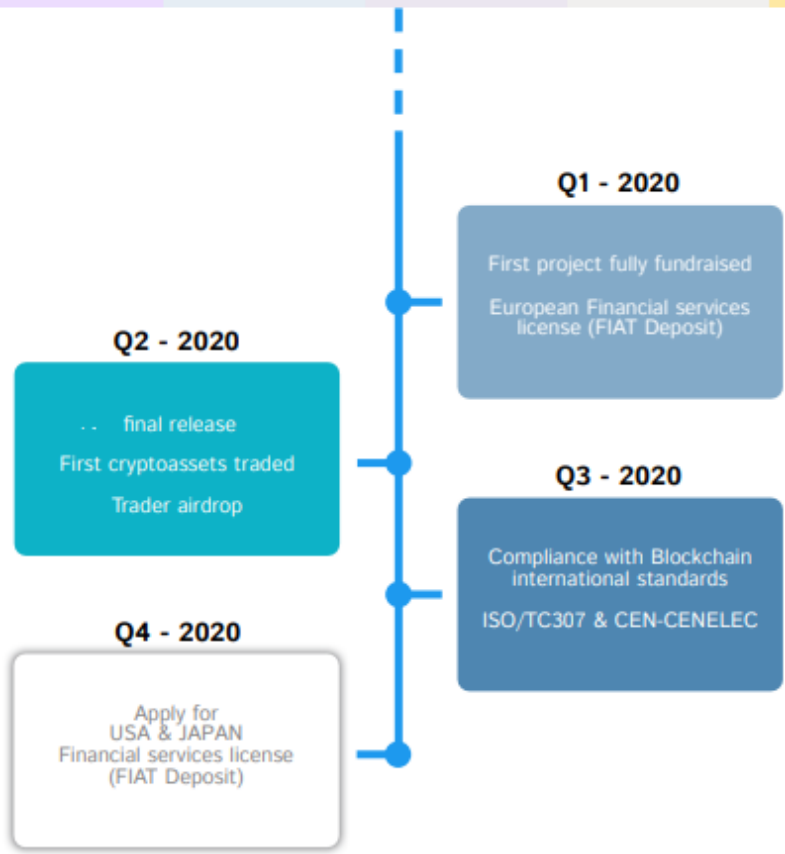
A direct effect of low trade volumes is that they contribute to limit the variety of cryptoassets available and to the lack of quality of cryptoasset to trade.

COZEX platform will propose the best of both model properties through a cryptoasset platform with an integrated decentralized order book.

ROADMAP

COZEX has already come a long way since the project started in June 2018 and significant work have been made since. COZEX will continue to grow substantially in the future according to the following roadmap.





DISCLAIMER

PLEASE READ THIS ENTIRE CHAPTER & DO NOT TAKE ANY ACTIONS UNTIL YOU FINISH IT.

The information set forth in this document ("WhitePaper") is not exhaustive and does not constitute a contractual offer. Contributors are advised to read this document and to inform themselves on the regular updates hereof. The content is therefore not binding for persons intending to participate in the token sale as described in this WhitePaper.

Readers must be aware that the White Paper has been developed by founders & advisors based on the basis of their respective best knowledge of the current state of the blockchain technology. It is developing at high speed and by its very nature will evolve fast and continue to present new challenges and risks. Therefore, it may be changed and modified discretionary from time to time, during and after the token sale. WhitePaper will be update accordingly, the latest version is available at the official website.

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As the nature of a token and the legal qualification thereof is from a global perspective still developing and may also greatly differ per jurisdiction, it is expected that not all persons from all jurisdictions will be allowed to participate. Please note, such exclusion does not imply that COZEX assumes such transaction would be non-compliant with relevant laws in such jurisdiction or the reverse if participation from a specific jurisdiction.

COZEX does so to avoid that persons and would inadvertently transact in a non-compliant manner in relation to the token sale. COZEX uses its discretion to sensibly invest resources and limit potential risk for token holders.

No regulatory authority has examined or approved of any of the information set out in this Whitepaper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this whitepaper does not imply that the applicable laws, regulatory requirements or rules have been complied with. No financial information contained in this whitepaper has been audited.

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It is therefore the responsibility of each potential token holder to determine whether participating in the token sale is allowed in the relevant jurisdiction and the same applies for using the functionality of the token or making any transaction with or in respect of the token.

Statements, estimates and financial details contained in the White Paper in part constitute forward-looking statements or information that both involve known and unknown risks and uncertainties and are in part based on assumptions, which in whole or in part may be wrong and result in actual developments materially differing from the statements, estimates and financial details referred to in this White Paper and its future versions.

We aim to use English to disseminate to further inform on the token sale and further developments.

From time to time it may happen that the information will be translated into other languages. Readers of this White Paper should be aware that some of the information may be inadvertently omitted or not adequately translated, leading to the risk of mistakes and misinterpretation. Accuracy of such alternative communications cannot be guaranteed.

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