INTLCOIN

A Cryptocurrency for Everyone

White Paper

Index-Linked Cryptocurrency
Affordable Low-value Payments
Banking ◆ Credit ◆ Investment
Non-profit foundation

We envision a world where all human beings can transact payments and access their money. We believe that local economic conditions should not hinder people from conducting the daily activities of business. We see the rise of a decentralized digital economy where financial services are affordable and within everyone's reach.

This Document is not a Prospectus

This document does not constitute nor imply a prospectus of any sort. No wording contained herein should be construed as a solicitation for investment. Accordingly, this whitepaper does not pertain in any way to an offering of securities in any jurisdiction worldwide whatsoever. Rather, this whitepaper constitutes a technical description of the business purpose, functionality, and social value of the INTLCOIN ICO, the creation and distribution of coins based on that cryptocurrency, and the promotion and adoption of consumer financial services emerging from this ICO and the framework described in this document.

Mission

- **Enabling citizens of distressed countries to conduct commerce.**
- **Introducing the benefits of cryptocurrency and blockchain technology to the masses.**
- **Lowering risk in cryptocurrency transaction, making it accessible to everyone.**
- **Eliminating the high expense from low-value payments.**
- **Bringing a fast, legal, and safe payment framework to those lacking easy access to cash.**
- **Making banking, credit, currency exchange, and commercial transactions available to one and all.**
- **Revolutionizing how people around the world do business.**

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Executive Summary

INTLCOIN introduces a cryptocurrency designed especially for citizens of financially distressed countries. It is aimed in particular at people seeking affordable low-value payments, access to their cash, and simple and inexpensive ways to do business.

An ordinary person living in a country with a volatile currency needs, above all, a sense of assurance that the value of the crypto in which they're trading won't diminish the next day. Getting non-experts and more risk-averse consumers to feel comfortable using cryptocurrency requires having a currency that's stable, reliable, and accessible.

INTLCOIN achieves this mainly through index linkage, collateralization, liquidity cushioning, and securitization. These are INTLCOIN's key selling points, what makes it special, and why it stands to bring dramatic change to the world of payments.

Market

Marketing efforts are aimed primarily at lower-income people in emerging economies. More well-off customers, as well as people in affluent countries who are off the financial grid, are target segments as well. In addition, INTLCOIN is building strategic partnerships with dozens of businesses, spanning financial institutions, credit card companies, and merchants.

Challenge

Today, mainly because of their considerable volatility, almost all cryptocurrencies are being traded by expert investors and various types of speculators. The uninitiated refer to these insiders as the “gurus” and “gamblers” of the crypto medium. In the words of INTLCOIN CEO and founder Alex Kundin, “Today, nobody wants to use Bitcoin to spend on goods or services, because tomorrow that Bitcoin is likely to be worth significantly more (disappointing the consumer), or possibly a lot less (annoying the merchant).”

INTLCOIN addresses a spectrum of challenges that have kept consumers, specifically poorer populations and those lacking a good credit history, away from cryptocurrency. These include the perceived instability of crypto, the difficulty and expense of acquiring and transferring it, and the lack of access to banking services.

Solution

Linking INTLCOIN to an index of currencies, both fiat and crypto, makes it resistant to the market fluctuations and volatility of any one currency. Backing INTLCOIN with tangible assets places a liquidity cushion under the currency, making it a safe investment. Securitizing INTLCOIN under the management of a non-profit foundation places its assets into solid financial instruments, diversifying risk.

INTLCOIN's conversion rate is calculated based on a clearly defined and publicized set of rules. The basket of currencies at the foundation of its index is steady and relatively static. INTLCOIN is collateralized, ensuring depositors access to their money at any time. INTLCOIN's investment policy is supervised by a non-profit foundation, securitizing its assets, making INTLCOIN safe for customer and investor alike.

Token Sale

At the time of its ICO, INTLCOIN will begin distribution as a token on a blockchain. The valuation of that token will be calculated based on a published formula.

Technology

INTLCOIN enables a super-fast transaction rate and provides a decentralized platform supporting smart contracts. What's more, it's modular and adaptable. INTLCOIN combines the very best of EOS and Graphene. Together, through parallelization, these technologies provide scalability and speed unmatched in the industry.

Use Cases

INTLCOIN supports a variety of compelling user scenarios. These include working with credit and debit cards, handling on-screen cashier payments, ATM withdrawals, sending payments person-to-person, and issuing and receiving loans. INTLCOIN is available in third-party wallets, and features an easy-to-use app that makes access to the platform simple and quick.

Advantages

INTLCOIN offers clear and ground-breaking advantages. These include the safety of deposits, index-linked stability, an affordable service without commissions, readiness to exchange crypto for cash at any time, and full transparency. What's more, INTLCOIN is designed to be crisis-resistant and is protected against the kinds of risks inherent to both crypto and fiat currencies.

Security

INTLCOIN is accessible from any location with an Internet connection. It is fully compliant with the highest and most reputable security standards in the industry, providing anonymity, privacy, and trust.

Early Stage Financials

INTLCOIN seeks to raise $2 million in funding during its pre-ICO stage, with a discount of 50% applied to INTLCOIN tokens during this period. The pre-ICO will take place from December 4th to 18th, 2017. Funds raised will be used to cover all development and operating expenses of the Non-profit Foundation (NFP) anticipated during INTLCOIN's preparation for the ICO. Pre-ICO activity will mainly entail development of the INTLCOIN infrastructure, establishing INTLCOIN's standing among the financial community worldwide, and marketing of the platform. Between 10 and 15 team members will be engaged in this activity. The ICO is scheduled for May 15th, 2018.

Introduction

INTLCOIN is an index-linked, asset-backed cryptocurrency poised to dramatically transform how people transact payments and access cash. INTLCOIN brings to market financial mechanisms that utilize the well-known blockchain infrastructure in place today. The INTLCOIN solution is designed to benefit citizens and consumers living in economically distressed countries, as well as those living in places better off. With INTLCOIN, people in emerging markets will be able to execute financial transactions without the burden of high fees, or the concern that they'll lose their money. The financial index to which INTLCOIN is linked represents a basket of select fiat and cryptocurrencies. Through this linkage, INTLCOIN reduces the risk associated with many crypto- and national currencies by eliminating volatility.

INTLCOIN's backing by a non-profit foundation makes transacting in the coin low-risk and safe. The coin's value is collateralized by an asset pool. This characteristic is unique to INTLCOIN, making it a compelling choice for those who are financially underserved. INTLCOIN customers can access their money at any time. INTLCOIN provides a simple and straightforward payment mechanism for consumers in more affluent countries seeking a hassle-free and lower-cost way of conducting business.

INTLCOIN's founders come with deep and diverse experience across the financial and technology sectors. They have formed an expert team that stands to disrupt the way financial services are accessed and provided worldwide. Accessible financial services are essential for the wellbeing of everyone, globally. The INTLCOIN team envisions this project as having a profound and positive impact on humanity.

The Industry

Cryptocurrency will transform the delivery of financial services to consumers, citizens of low-income and financially distressed countries, and those otherwise at the bottom of the financial food chain. This disruption will undoubtedly pave the way to new and profitable opportunities in the financial services sector. According to some estimates, crypto-finance could enable conventional banks to save up to $80 billion a year on money transfers and remittance services. On the one hand, it is anticipated that banks will lose out on a portion of revenue from fees. On the other hand, the loss will be counterbalanced by huge gains in the additional volume of savings from serving customers who previously had no access to reliable banking. Even better, those customers save considerable sums avoiding the excessively high rates banks charge for financial services, most notably transacting payments (see Use Cases and Customer Scenarios).

Challenges

While cryptocurrency is gaining traction in the investment markets and among crypto gurus and technology buffs, it's not reaching many of the people who stand to benefit the most. Many are staying away from cryptocurrency for the following reasons.

- Crypto-based commerce is perceived as unstable, and the fluctuations in currency make people fear losing value.
- It's difficult to purchase cryptocurrency and to convert between cryptocurrency and fiat currency.

The most vulnerable populations stand to benefit the most from cryptocurrency, because they are facing the following issues:

- Financial services are expensive, and banking fees are extremely high.
- In emerging economies, banking systems are inaccessible to many people.

- People with poor credit ratings or no credit ratings are excluded from many financial services.
- Transferring money between people is extremely costly for low-income individuals.
- Banks take a higher percentage of fees on small transactions, based on minimum fees.

The Solution

INTLCOIN is a financial index representing the average value of all InltCoin's constituent currencies, fiat and crypto. The value of each currency in the index equals its percentage representation in the index as a whole. When one constituent currency increases in value, it is doing so with respect to the others, whose value is decreasing.

Rates

The rate at which INTLCOIN trades against other currencies is calculated based on the principles governing the index. The INTLCOIN trading rate is also dependent on several additional factors. These include the representative rates of the other fiat currencies making up the index, in various proportional ratios, as well as a small proportion of the other crypto currencies inside the index.

Appendix A. describes the formula used in calculating the rate.

A Stable Basket of Currencies

The rule underlying the index schema is that the portfolio's representative currencies, commonly referred to as a currency "basket," remain relatively static. Consequently, INTLCOIN's rate holds steady. The index will likely undergo revision and recalibration only once per year. See Appendix B. for a preliminary listing of currencies making up the index.

INTLCOIN employs an advanced patented algorithm, referred to as INTLCOIN Price. This algorithm is constantly performing the index calculation. The formula maintains the rate at as stable a level as possible, without artificially tethering it to any one parameter. This allows the price of INTLCOIN to be influenced naturally by the market.

Pegging INTLCOIN to a basket containing the world's primary currencies positions it to remain buoyant in the event that one, or even several, of the indexed currencies experiences a period of weakness or volatility.

Capitalization, Weight, and Price

The *weight* of a particular currency in the index relates to the impact of that currency on the global economy. This influence consists of factors such as national monetary policy, volume of the currency in circulation, economic indices, World Bank and IMF statistics, and so forth. Ordinarily, the weight remains relatively static. Only a major financial upheaval would likely shift a currency's weight in the index.

The *price* of INTLCOIN, on the other hand, can be impacted by the market conversion rates of currencies in the basket, and by a change in INTLCOIN's capitalization. In fact, at any given moment, using a simple formula, you could calculate the price of INTLCOIN in terms of one of its member currencies.

Appendix C. shows two examples that demonstrate how to calculate the current value of INTLCOIN in terms of particular member currencies (in this case, US Dollar and Euro).

Collateralization of Assets

INTLCOIN is a fully collateralized asset-backed security (ABS). This means its value isn't contrived. Rather, payments made in the coin are supported by an asset pool resting at the very foundation of the currency. Part of these collateral assets will remain on-deposit, consisting of fiat currencies represented in the index. These will be used solely as a backup for the currency. The other asset portion will be invested in hedge funds through highly-liquid securities. This will provide a liquidity cushion, or "cash pillow," against any potential liquidity crunch or unexpected events like an economic downturn.

None of the banks or hedge funds in which INTLCOIN assets are held is affiliated with INTLCOIN.

Liquidity Cushion

Every INTLCOIN will be backed by the corresponding exact amount of collateral in its various forms, namely cash, securities, and other liquid assets. The upshot is that capitalization of the INTLCOIN market will remain on par with the valuation of all the NPF's assets. Take, for instance, cash, which is the most liquid asset. The NPF's bank accounts in the USA, Switzerland, Great Britain, Japan, and other primary locales will maintain the cash reserves. These holdings will be utilized for the buy-backs of INTLCOINs whenever a customer chooses to cash in their coins, that is, convert them back to fiat. When coins are returned to INTLCOIN, they are removed from circulation, and listed as such in INTLCOIN's internal accounting system.

The size of the liquidity cushion on customer accounts will vary and will depend on the average volume of buybacks. However, the cushion will constitute approximately 70% of the bank's total assets, depending on economic fluctuation. Contrast this with the norm in many places, which is around 10%, giving INTLCOIN yet another advantage over conventional banks, which are intrinsically less stable. The other assets won't be as liquid as cash; however, they will be liquid enough to sell and enable obtaining cash, usually the very same day. This holds true even in the event of a global or national financial disruption. INTLCOIN cannot insure all its collateral assets against a 1929-like collapse. However, in such circumstances, the NPF would mitigate risk through means described below. Furthermore, the invested collateral will be secured by stop-loss hedging.[1]

Organizational solution: Transacting through the NPF

INTLCOIN places a non-profit foundation at the center of its operations. The NPF will supervise, manage, and determine investment policy regarding the bank's collateral assets. These holdings include mainly interest income gained from bank deposits, and profits earned from hedge funds. Together, they will finance all expenses associated with the NPF.[2]

INTLCOIN places all funds that the NPF receives in exchange for selling the coin into an asset-backed security. This security is designed exclusively for trading INTLCOIN. Securitization involves placing assets into financial instruments. It will facilitate the sale of those assets to investors. Each security would represent only a small fraction of the total value of the asset pool. This diversifies the risk associated with investing in the assets backing the coin, as cash holdings are spread out among many banks across different countries.

The diagram below depicts the interactions and flow of funds between the consumer, the banks, and the collateral-holding entity (i.e. the NPF).

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[1] Stop-loss hedging refers to limiting losses in foreign exchange trading by placing an automatic sell order when an asset or currency crosses a predefined price threshold.

[2] Note, however, that fees charged by entities such as banks, credit card issuers, and third-party exchanges can be expected.

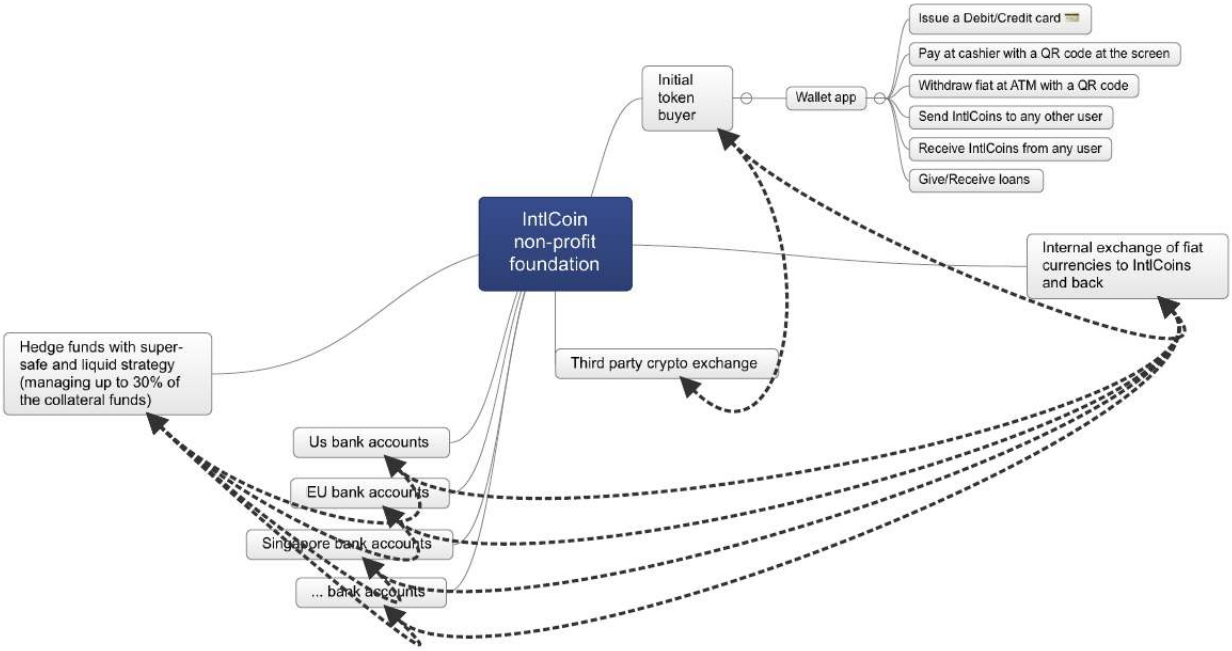


Figure 1: NPF and the INTLCOIN Flow of Funds

The transactions illustrated in the fund flow diagram are driven by consumer access to the INTLCOIN token, and its exchange between third-parties. The entities depicted above play various roles that ensure trade in the token remains safe, affordable, and liquid. The management of holdings is governed by the NPF, which stands at the center of operations (see Governance Model). Transactions include purchase of the initial token, crypto traded through third parties, and internal crypto-fiat and fiat-crypto conversions, through institutional bank accounts. Also illustrated is communication between a token buyer and various financial processes, through a wallet app. The role of the NPF is shown keeping INTLCOIN stable and safe through an asset liquidity strategy, placing up to 30% of collateral into reputable hedge funds.

Crisis-resistant Crypto

Monetary policies are at the heart of every national economy. Governments will always issue their own fiat currencies because doing so is essential in implementing government decisions. At some point, governments might begin replacing fiat currencies with their own cryptocurrencies. However, it is highly unlikely that those currencies will be replaced by the independent cryptos such as Bitcoin or INTLCOIN.

In the event of a global financial crisis, INTLCOIN would suffer no major impact. The rates of the various fiat currencies in the index would fluctuate slightly with respect to one another, as the currency of every major economy would be affected. In the case of a local financial crisis impacting one or several countries, the rates of those fiat currencies would decline against the index's other currencies. Yet as an aggregate, the index, and thus INTLCOIN, remains comparatively stable. Furthermore, we expect global and local financial crises to cause growth in the capitalization of INTLCOIN. That's because more and more people would place their trust in an index-linked, asset-backed cryptocurrency, as opposed to the national fiats.

In the event of long-term depreciation of one or several of the index's fiat currencies, the NPF would intervene and reduce the weight of those currencies. If necessary, INTLCOIN would exclude those currencies from the index entirely.

Risk Mitigation

To protect its investment portfolio, INTLCOIN utilizes the most sophisticated, AI-based financial projection system available today. It also employs an impressive assortment of trading tools and techniques. In addition, the placement of assets into specially selected hedge funds provides further layers of protection. This occurs through applying a variety of tactics that include limit order, stop order, bracket order, covered calls, protective put, and collar. Please see the Glossary for a brief description of these methods.

Combined, these tactics represent essential components of INTLCOIN's trading plan, and decrease the likelihood of investments losing value. INTLCOIN is developing and refining its trading strategy so that only the amount of capital representing return on investment would incur risk. The value of the initial investment itself remains unaffected.

Use Cases and Customer Scenarios

Through a combination of joint ventures, acquisitions and partnerships, INTLCOIN will create a consolidated and collaborative network of banks, credit and debit card issuers, ATM operators, and fintech firms. The use cases described below represent the ways INTLCOIN customers will benefit from engaging in financial transactions mitigated by the collateral-holding entity represented by the NPF.

Issuing a credit or debit card

INTLCOIN is engaging with banks committed to making integration with cryptocurrencies part of their financial service offerings. Financial institutions will be issuing major credit card brands (Visa, MasterCard, and AMEX, for instance) linked to crypto-based accounts. Earlier this year, Norway's largest Internet-only bank began allowing customers to link their accounts to Bitcoin wallets. In the USA, Coinbase has partnered with USAA, enabling military personnel and their families access to Bitcoin balances via the bank's portal. Beyond credit cards, the trend toward diversifying into cryptocurrency is now extending to mutual funds, investment banks, pensions, brokerage houses, and hedge funds.[i] Ultimately, the consumer will enjoy being able to pay with INTLCOIN-linked credit cards, and debit cards linked to INTLCOIN-funded accounts. Savings to businesses in conversion fees are generally about 2-3%, though these can sometimes reach as high as 6%.

Handling on-screen cashier payment through a QR code

INTLCOIN will support handling on-screen cashier payments through a QR code. In some locations, payment terminals are already being refit. More will follow suit. At the payment terminal or kiosk, a customer would simply select their preferred payment currency. Then, they'd open an app-based wallet containing cryptocurrency, scan the QR code on the terminal's screen, finally confirming (by button click) the transfer of funds to the merchant associated with that wallet. Compare this feeless process with cashier's checks, which can charge around $10 for a single check!

Withdrawing cash at an ATM through a QR code

Banks working with INTLCOIN will be updating their ATM software to enable customers to choose a desired cryptocurrency (INTLCOIN), and the fiat currency they want to receive from the ATM. This involves simply scanning the QR code appearing on the ATM screen. Presto, the customer gets cash. Compare this feeless process to brick and mortar bank ATM withdrawals, which in the USA charge at least $3.50, and in some major banks as high as $6.00.

Sending payments to others

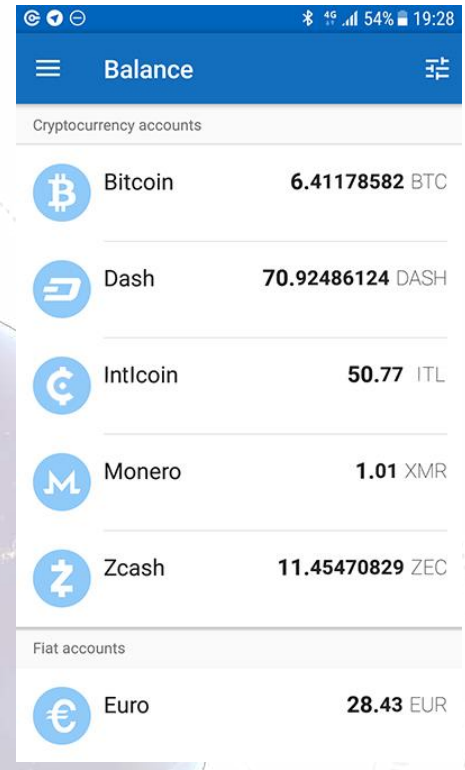
INTLCOIN users will enjoy making wallet-to-wallet money transfers by sending QR code payment requests to one another, or by simply sharing a wallet number. Compare this to wire transfer fees, which according to a recent survey average $9 and $25 for incoming and outgoing domestic wire transfers, respectively, and $10 for incoming international transfers. [ii]

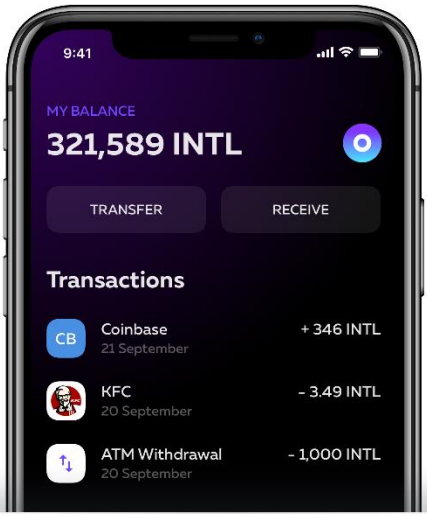
Issuing and Receiving Loans

At some point in the future (currently theoretical), a marketplace will evolve where INTLCOIN users will be able to issue loans to anyone, receiving interest payments accordingly. For the sake of comparison, consider the global average interest and fee rate for microcredit loans, which stands at 37%(!).[iii]

Availability in 3rd Party Wallets

INTLCOIN apps are designed for simplicity to the end-user (not just the crypto and fintech experts). Though the various 3rd party wallets may differ in design, integration of INTLCOIN with those wallets is straightforward and simple.





The INTLCOIN Application

The INTLCOIN app will be freely available via iOS and Android download marketplaces. It will provide an easy-to-use interface making acclimation to the platform quick and easy, and new-user adoption painless and fast. In addition, the user initially may purchase INTLCOINs directly in the app and using fiat currency. They could then buy back fiat, in any desired currency, using their INTLCOINs.

Corporate Webpage

A professionally designed, compelling, and informative web resource will welcome visitors to the INTLCOIN homepage. This page will provide the procedural details customers need to get started. It will also make a convincing case as to why INTLCOIN is the smart consumer choice for transacting payments, and for executing fiat currency buy-backs using the coin.

Advantages

In contrast to the volatility of competing cryptocurrencies, INTLCOIN provides the safety, security, and credibility of an index-linked and asset-backed currency designed with the needs of the consumer and account holder in mind.

- **INTLCOIN is safe for depositors.**
- **INTLCOIN is stable.**
- **INTLCOIN can always be exchanged for fiat.**
- **INTLCOIN is transparent.**
- **INTLCOIN saves money.**

Surcharges associated with credit cards, ACH, and banks, as well as the cost (in money and time) of currency conversion and encashment services, can add about 10-15% to the cost of goods and services globally. INTLCOIN, through P2P blockchain transactions, eliminates the commissions associated with traditional payment schemes, making transactions affordable and easy. What's more, the backing of INTLCOIN with a sizable liquidity cushion provides a level of stability, security, and depth unmatched in the conventional banking industry. Those deep financial reserves further assure customers that they'll always be able to buy back fiat currency in exchange for their INTLCOINs.

Technology

INTLCOIN's innovative architecture leverages existing proven cryptography and blockchain technologies, introducing a decentralized application to the low-value payments space.

EOS and Graphene

INTLCOIN combines two powerful blockchain technologies, EOS and Graphene, to enable an exceptionally fast transactional rate. The result is an unbeatable app experience at the customer end.

EOS is an open, decentralized platform that supports smart contracts, providing a blockchain OS for corporate deployments. Graphene is an OpenSource, mostly C++, blockchain implementation that offers modularity and a high degree of adaptability.

The rapid processing achieved by EOS is the result of a couple of key factors. One is its use of asynchronous communication. Another is its separation between the authentication and execution layers. What's more, EOS entails no transaction fees. Thus, it doesn't require counting operations. The upshot is that EOS anticipates being able to support thousands of commercial-scale decentralized applications (DAPPs). This winning combination, architected into a technical solution by the world renowned crypto designer Dan Larimer, offers a tremendously robust platform featuring high-speed through enhanced performance.

Scalability

The Ether network maintains between 10-100 transactions per second. EOS, when used with Graphene, provides 10,000-100,000. Even better, through parallelization, that rate scales to about a million transactions per second. This speed is critical for a global currency-based payment system intended for everyday use. It is at the center the INTLCOIN solution.

Hardware

The INTLCOIN framework doesn't require any special hardware or plug-in. An app will enable customer access to financial services offered by INTLCOIN, though all infrastructure will be handled at the backend.

Workflow

The following diagram illustrates the transactional flow of a typical customer interaction on the INTLCOIN platform. These steps include address creation (wallets), payment submission, verification, and the hashing of cryptographic functions.

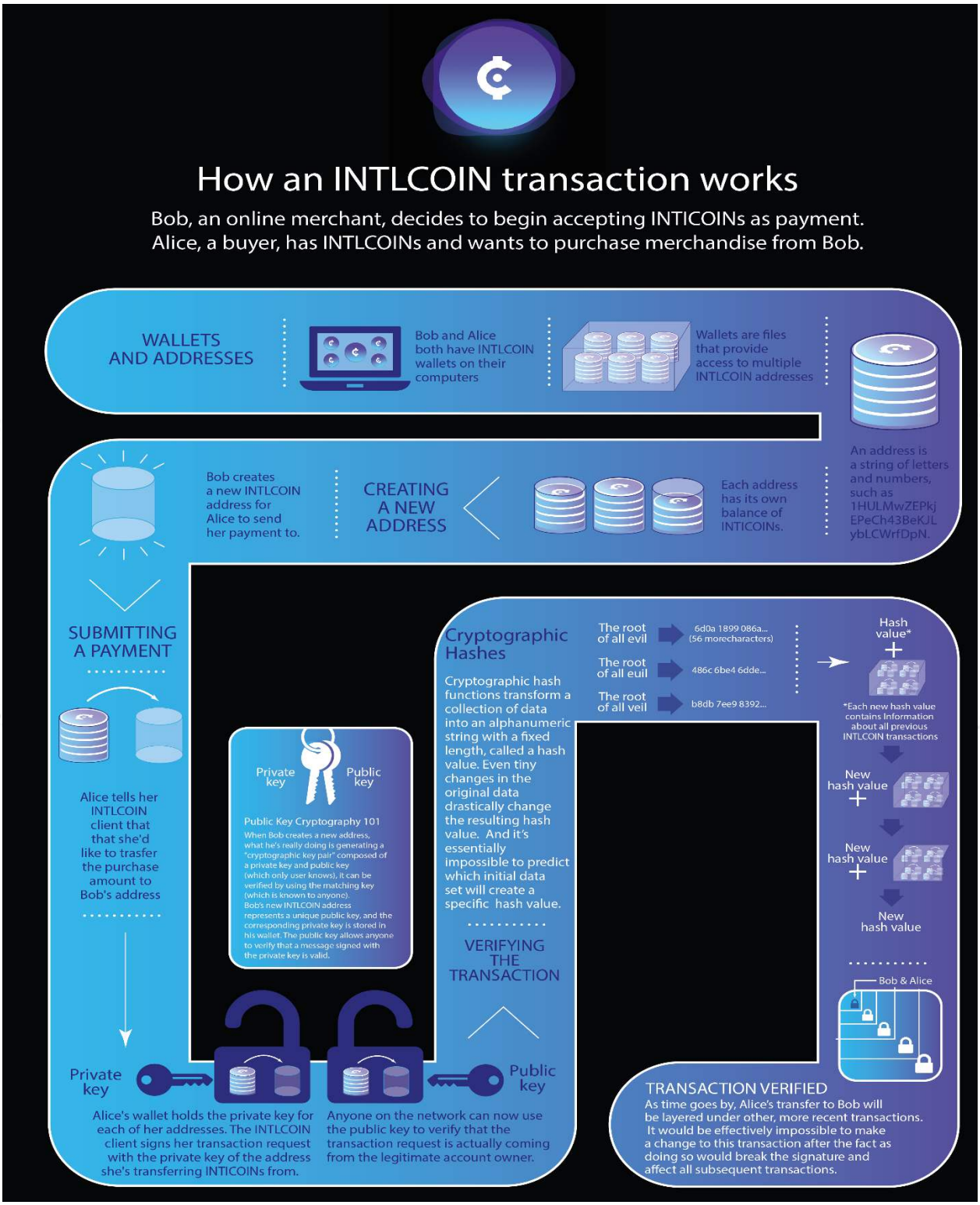


Figure 2 INTLCOIN Transactional Flow

Token Economy

Tokens in Use

INTLCOINs will be issued in the form of tokens, where a single token is the equivalent of one INTLCOIN.

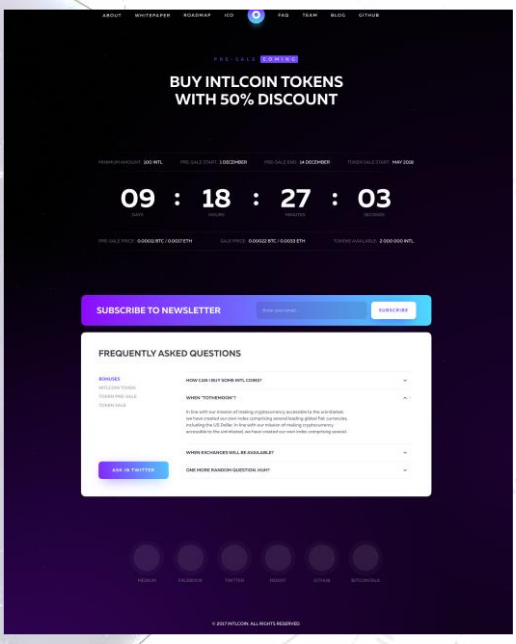
Discounted Tokens

INTLCOIN tokens will be issued on a blockchain, upon ICO. Discounts apply only to the pre-ICO process during which no token will be issued. The pre-ICO discount rate for future token issue is 50%. This means an investor purchasing 'x' quantity of tokens would pay **1 INTLCOIN / 2 * 'x'**, and would receive 'x' quantity of tokens upon ICO without having to make any additional payment.

For the pre-ICO period, the minimum purchase is ten INTLCOINs.

Tokens Held in Trust

No tokens are held in trust or in escrow accounts. The collateral backing all INTLCOIN issued and sold will be 100%, where 70% of this total will come from fiat currencies in NPF accounts in various countries, and 30% will be managed by hedge funds.



ICO Targets

There are no target figures, nor is there a deadline for the ICO. In practice, the ICO will commence with the issuance and sale of INTLCOIN, and will continue for the lifetime of the project.

Pre-ICO

INTLCOIN's target is to raise $2 million during the pre-ICO stage. Participation is open to a limited group of investors. A publicly accessible website will be online and available. A sample page is shown here.

Assets raised during the pre-ICO phase will be utilized for the following purposes:

- Completion of blockchain development for the issuance of INTLCOIN tokens
- App development for iOS and Android
- Marketing initiatives in anticipation of the ICO
- Engaging an auditor to evaluate the assets of the NPF, and to publish a monthly report on the INTLCOIN site
- Opening accounts in major banks of the countries whose fiat currencies are included in the index
- Signing contracts with prospective partners in the infrastructure development needed to deploy INTLCOIN
- Acquiring a technical loan from a bank, required to cover the difference in NPF assets due to the 50% discount occurring at the pre-ICO sale.

Token Distribution

As mentioned, distribution of tokens will begin upon commencement of the ICO. We anticipate that a substantial quantity of tokens will be issued the moment the ICO starts. These tokens will be held in INTLCOIN's internal account. Coins sold to new buyers will be drawn from that account, and will be placed into the wallets of the pre-ICO participants and new buyers at the ICO.

Only the NPF will have the ability to issue new tokens. They will do so only upon receiving real assets (fiat or crypto) in exchange for the value of those tokens. There is no mining of tokens by external parties.

Vesting

Since INTLCOIN assets and investment will be under the management and control of the NPF—a non-profit by definition—there is no distributable profit, per se, and thus, vesting is not applicable.

Competition

When examining potential competitors to INTLCOIN, consider its advantages over these alternative approaches.

Tether

Tether is an asset-pegged cryptocurrency existing on the Bitcoin blockchain. Though a cryptocurrency in every respect, Tether is linked and market-capitalized, on a one-to-one basis, directly to the USD. Thus, it carries all the disadvantages and reasons for concern associated with dollar linkage.

US Dollar

Even in countries regarded as financially stable, the assumption that a major currency will remain reliable cannot be taken for granted. Since 1971, the USD has been backed solely by the aggregate of goods and services exchanged in the domestic economy (GDP). A Federal Reserve Note no longer holds any *inherent* value. Rather, the USD's value is based on the conceptualization—read: the imaginary notion—that Americans and people across the globe associate with the dollar, demonstrated by their willingness to trade and hold their savings in it. [iv, v]

Bitcoin and the Crypto Market

Compared to the global economy as a whole, the cryptocurrency market is tiny. Even a small but influential group of investors can easily cause a significant shift in the crypto economy. Other cryptocurrencies, such as the well-known Bitcoin, serve important purposes in this newly emerging economy. Yet only INTLCOIN offers backing by tangible assets. With INTLCOIN, you can always look at the latest audit report to discover the degree of liquidity of INTLCOIN's collateralization. Furthermore, you can examine whether the current price of the coin is aligned with the currency's capitalization. You can also check whether the currencies in the index are, from your point of view, balanced and adjusted logically. Such a degree of stability and transparency simply does not exist in the crypto world … outside of INTLCOIN.

Marketing

INTLCOIN is aimed primarily at common consumers, namely those in financially distressed locations. The main thrust of INTLCOIN's marketing efforts will target the vast proportion of the world's population who, at present, have little or no familiarity with cryptocurrency. The goal is to convince folks that crypto presents a logical and rational option for low-value payments, and that INTLCOIN provides the best choice. While INTLCOIN will be investing significantly in marketing its services, consider that INTLCOIN will not be acting alone. On the contrary, INTLCOIN intends to build upon the popularity and promotional efforts of an assortment of existing cryptocurrencies, such as Bitcoin, LiteCoin, Ethereum, and others.

Go to Market Strategy

Initially, during the pre-ICO and ICO stages, the price of INTLCOIN will increase as capitalization grows. At present, capitalization is worked into the coin's price calculation formula. At any point during the coming years, if the price needs to be held in check, capitalization can be removed from the formula. The NPF can take this measure at its discretion. Once INTLCOIN is introduced to the market, the aim will be to ensure price stability. This measure is to attract target customers, in particular, those living in places with high currency volatility (true in about half the world's countries) due to hyperinflation and other factors.

Business Partnerships

There is a tremendously lucrative opportunity for established merchants like Amazon, Apple, and Walmart to accept—and even encourage—payment by INTLCOIN. Building strategic partnerships with these and other online vendors tops the post-ICO agenda for INTLCOIN, which includes:

- Working to develop partnerships with merchants and banks to fully embrace crypto-based payment mechanisms and to collaborate on putting the mechanisms in place to facilitate working with crypto in addition to fiat currencies.
- Engaging financial institutions to refit their ATM systems to accommodate INTLCOIN (and possibly other cryptos). Customers will use their smartphone to scan a QR code displayed by the ATM, to withdraw cash (or deposit cash, checks, or to check balances) without requiring insertion of a physical card.
- Partnering with popular global and national credit card companies to have cards issued based on INTLCOIN accounts.

To date, approximately 30 businesses have committed verbally to partnerships with INTLCOIN, and are working with the INTLCOIN team sorting out the infrastructure issues required for integration. Entities include financial institutions, retailers, and online vendors with worldwide reach.

Target Market

Africa is currently seeing the most rapid uptake of new digital technologies, and we expect this trend to continue for the foreseeable future. There are parts of the continent where half of all payment volume is less than $1. In order for the people making these payments to subsist, the cost of low-volume payments needs to be affordable. This basic truth applies to other emerging markets and economically distressed parts of the world. It is especially true in countries that have experienced hyperinflation in the relatively recent past. [vi, vii]

INTLCOIN is expected to act as a lightning rod for the uptake of cryptocurrency-based payment mechanisms, in particular in financially-distressed nations, though also in the developed world.

The Emerging Market Customer

Residents of countries with weak or unstable currencies and governments are the first target market for the INTLCOIN consumer base.

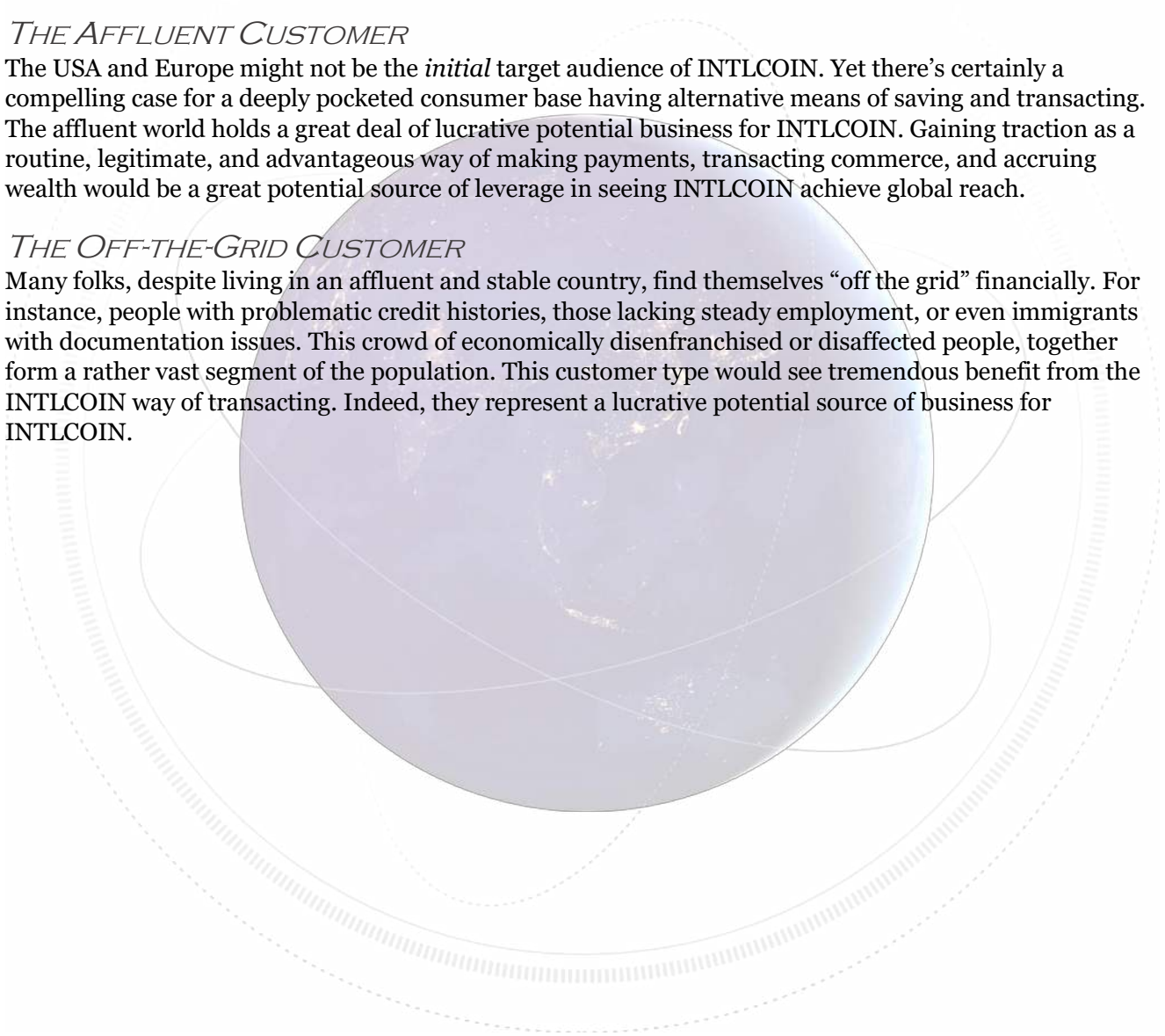
Globally, those with the lowest incomes and the least wealth spend the most accessing their money. For these "unbanked" and "underbanked" populations, access to cash is severely limited. What's worse, when they do access money, they're paying disproportionately high, exorbitant, or even extortionate fees to do so. INTLCOIN will make available affordable, secure, and accessible banking services to those previously underserved by the financial system. Reaching out to these potential customers, showing them how to turn a distant dream into concrete reality, INTLCOIN expects to win business providing services that are attractive, affordable, and easily within reach.

The Affluent Customer

The USA and Europe might not be the *initial* target audience of INTLCOIN. Yet there's certainly a compelling case for a deeply pocketed consumer base having alternative means of saving and transacting. The affluent world holds a great deal of lucrative potential business for INTLCOIN. Gaining traction as a routine, legitimate, and advantageous way of making payments, transacting commerce, and accruing wealth would be a great potential source of leverage in seeing INTLCOIN achieve global reach.

The Off-the-Grid Customer

Many folks, despite living in an affluent and stable country, find themselves "off the grid" financially. For instance, people with problematic credit histories, those lacking steady employment, or even immigrants with documentation issues. This crowd of economically disenfranchised or disaffected people, together form a rather vast segment of the population. This customer type would see tremendous benefit from the INTLCOIN way of transacting. Indeed, they represent a lucrative potential source of business for INTLCOIN.



Security

Like all cryptocurrencies, INTLCOIN can be accessed anywhere an Internet connection is available.

Identity Management

INTLCOIN is fully compliant with KYC and AML procedures. In addition, the user database will be stored within the EOS-backed blockchain, and is thus fully secured.

Identification, Anonymity, Authentication, & Authorization

INTLCOIN will employ TFA (2FA), a process that verifies user identity when attempting to access a service. It does this by applying two forms of authentication. INTLCOIN's implementation of 2FA utilizes the customer's ordinary password in combination with one of the following methods:

a) SMS (text message)
b) Yubikey
c) Google Authenticator, or
d) Email

In the interest of security best practice, INTLCOIN's security experts recommend options 'a' through 'c' as preferable to option 'd'.

When a user creates a wallet with INTLCOIN, the Security segment of the procedure presents the option to select a second means of authentication, mentioning Two Factor Authentication.

Identity Proofing

Identity proofing is accomplished using the KYC procedure. Please refer to the KYC and AML procedure document. Proofing for the pre-ICO has been performed by an underwriter. The final mechanism, and the procedure document, will be in place for the ICO.

Multi-factor Authentication

For wallets stored on smartphones, multi-factor authentication, with biometrics, will be utilized.

Reputation Score

At a later stage of deployment, once loans and lending services have been introduced, reputation score will be implemented. This will enable participants in the INTLCOIN ecosystem to make better informed decisions without compromise to security or privacy.

Technical Support

INTLCOIN will maintain a technical support team to ensure smooth, efficient, and uninterrupted functioning of its website and apps.

Blockchain technology provides the greatest level of digital security currently known. It is self-regulated and doesn't require additional support, dispute resolution, or insuring payments. Any issues requiring the intervention of a governing body (national, international, or regulatory) can be referred to the appropriate established court. (This is the case today with disputes involving Bitcoin or fiat currencies.)

Securing Accounts and Wallets

INTLCOIN employees will not have access to user accounts or INTLCOIN held in 3rd party wallets. These are governed automatically by the relevant smart contract. Only account owners have access to their accounts and to the INTLCOIN held in those wallets. Passwords to accounts are not stored on the site, and hashing is used for fast login. Users can either store passwords to their wallets on the platform or, if they prefer, delete them. In the latter case, for each transaction and payment, a user will have to enter the password to their wallet, since it isn't saved on the INTLCOIN platform.

Privacy and Confidentiality

Payments made by users are recorded in the system and encrypted. User wallets are also encrypted on the platform, and their association with user profiles is minimized to the extent possible. Only the developers of the INTLCOIN platform can connect wallets to platform users.

Links in user profiles to social networks, emails, and other contact information are visible only to account owners, and are hidden from other users. All personal user data, including passwords, emails, and wallet IDs, are encrypted. This protects INTLCOIN users from hacking or information leaks. Even in the worst-case scenario, user data, passwords, and wallets will remain safe, since no access to them or money transfers from them are possible.

Trust

INTLCOIN's founders (see Team), have created this platform as a safe, secure, friendly, convenient, and economically advantageous place to transact business and to secure funds. The team remains committed to ensuring that the platform continues to be regarded globally as the go-to option for conducting low-value transactions. The safety, security, and reliability of INTLCOIN is—and will always be—of paramount importance to the team. Ensuring that its reputation of trustworthiness continues unblemished is, and will remain, the top priority of the NPF, the Board of Directors, and all those involved in INTLCOIN's governance, policy, and practice.

Governance Model

The Board of Directors of the NPF will be responsible for all critical decisions regarding infrastructure development, NPF growth, investment, as well as any major modifications to policies and procedures. The Board will include well-known specialists in the fields of finance, technology, and governance, and will have responsibility for the future direction of INTLCOIN. The Board is currently in the process of formation, and will consist exclusively of people respected for their knowledge, professionalism, and ethics.

Alex Kundin, INTLCOIN CEO, will head the board, and will function as the public face of the NPF and of INTLCOIN. Mr. Kundin is the project's primary technical expert. He is widely regarded in the industry, will be leading the initiative, and will be managing INTLCOIN's employees.

INTLCOIN will address regulatory and compliance issues, on a country by country basis, as they arise.

The platform will automatically generate tax reports on holdings, income, and transactions, where required.

Team

Executive Management

Alex Kundin
CEO & CTO

Alex brings a wealth of knowledge in cryptocurrencies and blockchain technology. His experience includes over 15 years working as a Head of R&D, and as a programmer, software engineer, and web architect in a variety of companies, including:

- Larbotrader,
- Intel,
- PTC,
- Samsung,
- Card Guard, and
- MAMRAM

Alex Artyukhin
Co-founder & CFO

Alex comes with experience and knowledge in the function and operation of central banks. He's spent over a decade holding a number of roles in the financial world, at companies that include:

- SnapExit (CEO),
- "Double R" (General Director), and
- Deutsche Bank (Assistant VP)

In addition, Alex has held several key positions at MICEX (the Moscow Exchange), operating under the Central Bank of Russia.

Constantine Potamianos
Co-founder, Management Leader & Advisor

An experienced business leader with a cross-disciplinary background in a range of industries, Constantine's professional history includes depth in strategy, law, finance, and operations. Over a 30-year period, he's held the position of CEO, Chief Strategy Officer, Chief Legal Officer and General Counsel, as well as Founder and Partner at companies that include:

- IPN, Inc.,
- DGNY Group,
- AudioEye,
- Duval & Stachenfeld, and
- The Gryphon Group.

Constantine specializes in mentoring startups, and is well-known for his skills as a corporate communicator across the various executive and leadership levels.

Technology

Yanis Tsaunya
Software Developer & Team Lead

Yanis' expertise covers an assortment of areas including five plus years in growth hacking, content marketing, data science, BI visualization, Blockchain/Tangle, and fintech. He's held positions as a team leader and developer (C# and Ruby) at:

- SnapExit,
- YouRoute.ru, and
- Chesterton Humberts

Legal

Jillian Sidoti
Chief Legal Officer

Jillian's legal background covers the various dimensions of business transactions. Her specialization includes ICOs, IPOs, Private Placement Memoranda, Form 10's, S-1's, Regulation D filings, trademarks, copyrights, NDA's, and contracts. Over 15 years of work history in both partnerships and individual practice include the roles of:

- Financial Analyst,
- Controller, and
- CFO.

Jillian is also a professor at the University of Redlands, teaching finance, accounting, investment, and business management in the school's B.S. and MBA programs.

Public Relations and Marketing

Tim Peshkov
PR, Marketing

A communications executive with more than 20 years' experience in financial services, fintech, technology and media, Tim has held the position of Deputy Director, Consultant, Advisor, and Partner. He's played roles that have involved government and public relations, as well as marketing, having worked in the following organizations:

- Government of the Russian Federation,
- "Star" TV,
- "Business Open,"
- MediaSolutions,
- MicroGen (BioMed),
- Oneksim Bank, and
- RosBank.

In addition to leading traditional media relations and marcom efforts, Tim has launched major national brands, introduced products to market, guided messaging for M&A and led IPO communications. He's worked closely with most major (Russian) national and international publications and TV news outlets.

Roadmap

The diagram below provides a timeline showing, in brief, key events and milestones in the development, integration, and implementation of the INTLCOIN platform. The roadmap is undergoing review, and may be revised.

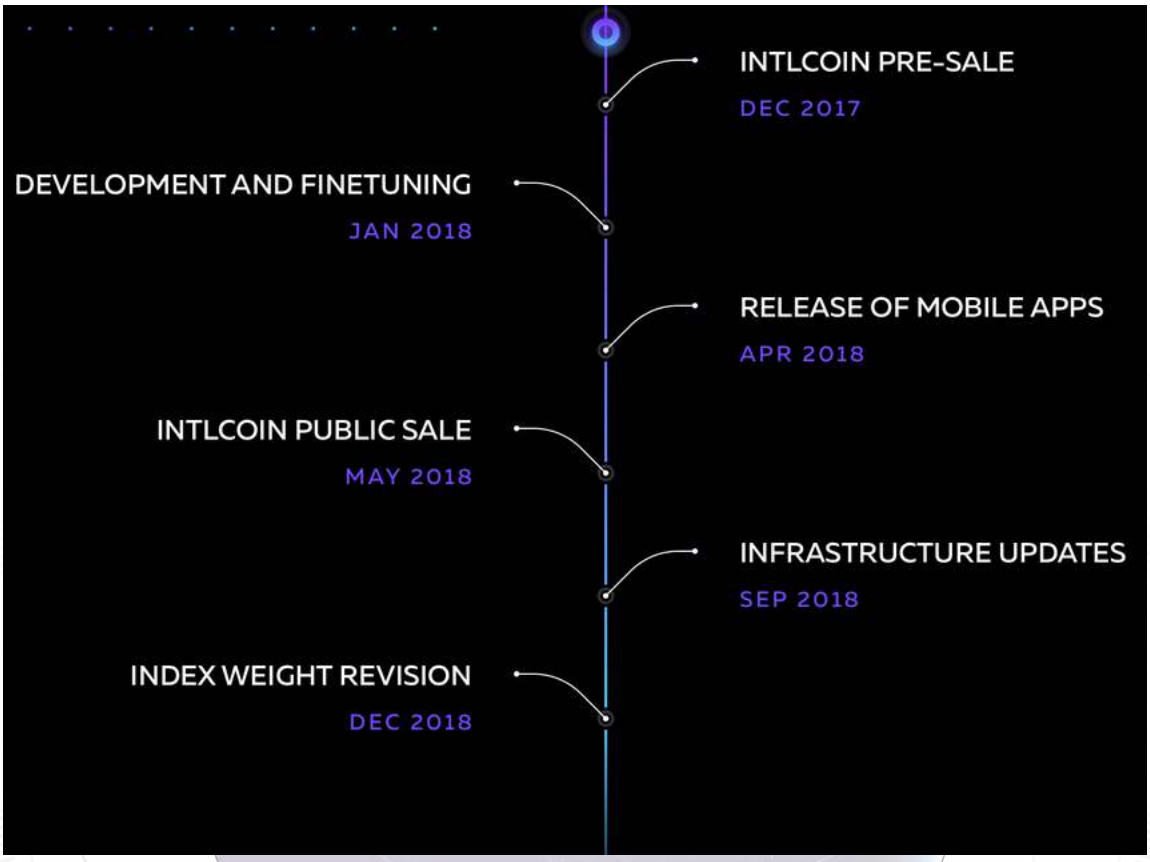


Figure 3 The INTLCOIN Deployment Roadmap (in approval process)

Note that in addition, the following tasks have been accomplished, or are in progress.

- INTLCOIN's corporate website has been completed,
- iOS and Android apps 40% finished, and
- Back-end and API 60% there.
- Production of a promotional video is on the agenda and will be ready in time for ICO.

Appendix A.: INTLCOIN Price Calculation

As a general principle, the price of INTLCOIN at a given moment is obtained by applying the degree of change in its market performance to that of the previous period.

The formulae below detail how INTLCOIN's price is calculated.

INTLCOINPriceUSD t = (WeightUSD t + WeightLocalsUSD t) / 100 * INTLCOINMarketCapUSD t / INTLCOINMarkeCapUSD t-1

INTLCOINPriceLocal t = (WeightPriceLocal t + WeightLocalsLocal t) / 100 * INTLCOINMarketCapLocal t / INTLCOINMarketCapLocal t-1

Where:

Parameter	Description
WeightUSD $_{t}$	The "weight" or influence of USD currency in the index at time 't' (for example, if the USD presents as 20% in the index, its weight is 20).
WeightLocalsUSD $_{t}$	The weight of all other currencies in the index at time 't' multiplied by the rate of the local currency in USD (for example, if the USD presents as 20% in the index, the mutual weight of all the other currencies will be 80). The weight of each currency should be multiplied by the market conversion rate of this currency to the USD. The summarized results will represent the weight of all other currencies in USD.
INTLCOINMarketCapUSD $_{t}$	The Market Capitalization of all the currencies in the INTLCOIN index in USD converted using the FX (foreign exchange) rate as of t-1 at time t.
INTLCOINPriceLocal $_{t-1}$	The INTLCOIN Price in any other currency from the INTLCOIN index at time t-1
INTLCOINPriceLocal $_{t}$	The INTLCOIN Price in any other currency from the INTLCOIN index at time t

Appendix B.: INTLCOIN Index (Preliminary)

The following table is a highly preliminary listing of the currencies making up the INTLCOIN index. It is expected that this mix of representative national (fiat) and cryptocurrencies will change by the time the pre-ICO occures. It is presented for informational purposes, with the aim of providing a clear indication as to how the INTLCOIN team envision the shape the index will take.

Table 1: The INTLCOIN Index (Preliminary)

Currency	Index Weight (%)
US Dollar	20.00
Euro	18.00
British Pound	12.79
Indian Rupee	8.98
Australian Dollar	4.71
Canadian Dollar	3.00
Singapore Dollar	4.42
Swiss Franc	9.45
Malaysian Ringgit	1.74
Japanese Yen	3.25
Chinese Yuan Renminbi	8.66
Blockchain Index (BLX)	5.00
Total	**100.00**

Note that the blockchain portion of the INTLCOIN index is linked to the well-known and publicly traded Blockchain Index (BLX), in which all the major cryptocurrencies are represented. [viii]

Appendix C.: Calculating Local Currencies

This appendix demonstrates how to calculate the current value of INTLCOIN in terms of particular member currencies. The examples provided here show calculations for US Dollars and Euros. These are based on applying the formula (the inverted conversion rate) introduced in Appendix A., where:

$$INTLCOINPriceUSD_{t} = (WeightUSD_{t} + WeightLocalsUSD_{t}) / 100 * INTLCOINMarketCapUSD_{t} / INTLCOINMarkeCapUSD_{t-1}$$

and ...

$$INTLCOINPriceEUR_{t} = (WeightEUR_{t} + WeightLocalsEUR_{t}) / 100 * INTLCOINMarketCapEUR_{t} / INTLCOINMarkeCapEUR_{t-1}$$

The inverted conversion rate indicates the value of the member currency, meaning, how many Dollars (or Euros) you would be able to purchase in each of the other member currencies appearing in the index. The reverse, of course, is also true. That is, the "regular" (i.e. not inverted) rate indicates how much of each member currency you could buy with a single Dollar (or Euro).

Table 2: Sample Rate Tables for Dollars and Euros

	Nov 2	Nov 1	Weight
US Dollar	**1**	**1**	**20.00**
Euro	1.16561	1.161720	18.00
British Pound	1.310305	1.325568	12.79
Indian Rupee	0.015276	0.015491	8.98
Australian Dollar	0.762152	0.767296	4.71
Canadian Dollar	0.785236	0.775589	3.00
Singapore Dollar	0.734031	0.734668	4.42
Swiss Franc	1.002618	0.998793	9.45
Malaysian Ringgit	0.238705	0.236402	1.74
Japanese Yen	0.008802	0.008765	3.25
Chinese Yuan Renminbi	0.150606	0.151313	8.66
Blockchain	1.390000	1.400000	5.00
INTLCOIN Market Cap (USD)	**21,000,000**	**20,000,000**	

	Nov 2	Nov 1	Weight
Euro	**1**	**1**	**18.00**
US Dollar	0.85792	0.860793	20.00
British Pound	1.124137	1.141039	12.79
Indian Rupee	0.013106	0.013334	8.98
Australian Dollar	0.653865	0.660483	4.71
Canadian Dollar	0.67367	0.667621	3.00
Singapore Dollar	0.62974	0.632397	4.42
Swiss Franc	0.860166	0.859754	9.45
Malaysian Ringgit	0.20479	0.203494	1.74
Japanese Yen	0.007551	0.007545	3.25
Chinese Yuan Renminbi	0.129195	0.130249	8.66
Blockchain	1.535677	1.235405	5.00
INTLCOIN Market Cap (EUR)	**18,016,318**	**17,215,852**	

In the examples shown in the table above, INTLCOIN's Dollar rate changes, between sample dates November 1st and November 2nd, from **0.853793503** to **0.895001007**.

INTLCOIN's Euro rate changes, between these same sample dates, from **0.73645396** to **0.783231775**.

Glossary

Awareness of the acronyms, abbreviations, terms, and concepts appearing below could prove helpful in understanding the information provided in this whitepaper.

Table 3: Acronyms, Abbreviations, Terms & Concepts

Acronym	Definition
ABS	Asset-backed Security
ACH	Automated Clearing House. Enables electronic payment collection from customers for single-entry or recurring payments, via direct debit of customer checking or savings accounts.
AI	Artificial Intelligence
AML	Anti-money Laundering. A set of procedures, laws, or regulations designed to stop the practice of generating income through illegal actions.
BLX	Blockchain Index
Bracket order	Includes both upside (limit order) and downside (stop-on-quote or stop-limit-on-quote) selling prices. These represent two separate orders, used in tandem so that when one order executes, the other automatically cancels (meaning, one cancels the other). This enables INTLCOIN to establish two selling prices on the same security.
Capitalization	A cryptocurrency's capitalization equals the total supply of the coin multiplied by the token's current price in the market.
Collar	INTLCOIN can employ a collar strategy to establish upside and downside selling prices. This approach involves selling a covered call, as well as buying a protective put, where the cost of the put is offset by the cash generated from selling the call. This offers the advantage of a guaranteed selling price for the lifetime of the option.
Collateralization (of assets)	When a borrower pledges an asset as recourse to the lender in the event that the borrower defaults on the initial loan. Provides lenders with a sufficient level of reassurance against default risk, allowing loans to be issued to people or firms with less than optimal credit history or debt rating.
Covered calls	When INTLCOIN owns shares of a security, INTLCOIN can sell a "covered call" on those securities. This generates income that can either boost gains, or offset losses. However, a covered call obligates INTLCOIN to sell the security (e.g. a stock) at a specified price, which could cap INTLCOIN's gains.
EOS	A consensus blockchain OS that provides developers of decentralized public ledger applications with a set of tools (databases, scheduling, authentication, and internet-application communications) enabling them to focus exclusively on creating their application's particular business logic.
KYC	Know Your Customer. Refers to due-diligence activities that financial institutions and other regulated companies must perform to ascertain relevant information from their clients for the purpose of doing business with them.
Limit order	Enables INTLCOIN to sell a stock when it hits a target price. That price could be based on the percentage gain from the entry point, or alternatively, on a resistance level the security has had difficulty breaking.

Acronym	Definition
Liquidity Cushion	A “cash pillow” reserve or “rainy day” fund—for an individual or firm—made up of highly liquid investments. The cushion refers to a person or business holding a sizable quantity of cash or other highly liquid assets, in relation to debt, for the purpose of protection against a short-term liquidity crunch—or other unforeseen circumstance—that could potentially lead to financial trouble.
NPF	Non-profit Foundation. Capitalization of the INTLCOIN market, as a whole, is equivalent to the evaluation of all assets held by the NPF.
P2P	Peer-to-Peer
Protective put	Gives INTLCOIN the right to sell a stock at a specific price, prior to expiration of the option. INTLCOIN could use this strategy if there’s concern about the price of a security in the portfolio declining.
Stop order	Triggers either a market order (stop-on-quote or trailing stop-on-quote) or a limit order (or stop-limit-on-quote). The stop order price is usually set below a support level price, which, if breached, could lead to further losses.
TFA (2FA)	Two-factor Authentication

Endnotes

[i] (Five) 5 Big Financial Institutions Betting Big on Cryptocurrencies. https://cryptovest.com/education/5-big-financial-institutions-betting-big-on-cryptocurrencies/

[ii] Wire Transfers: What Banks Charge. https://www.nerdwallet.com/blog/banking/wire-transfers-what-banks-charge/

[iii] Microfinance. https://en.wikipedia.org/wiki/Microfinance

[iv] History of the United States Dollar. https://en.wikipedia.org/wiki/History_of_the_United_States_dollar

[v] Nixon shock. https://en.wikipedia.org/wiki/Nixon_shock

[vi] Zimbabwe dollar. https://en.wikipedia.org/wiki/Zimbabwean_dollar

[vii] These 21 Countries Have Experienced Hyperinflation in the Last 25 Years. http://www.munknee.com/21-countries-have-experienced-hyperinflation-in-last-25-years-is-the-u-s-next/

[viii] Blockchain Index (BLX). https://www.iconomi.net/dashboard/#/daa/BLX