

Ventureon Whitepaper

Preamble

The Hypercube platform specializes in investing in venture capital projects and helps startups from around the world to attract financing at early stages, to find the first investors, mentors and partners. We run projects competitions, undertake Due Diligence and help the teams in further development, what ensures the confident development of projects and a multiple growth of investments.

The priority task of the platform, to bring prospective projects and investors together, provide access to advanced technologies of project management, open access to the cryptoactive market. We have combined promising venture projects with the security and transparency of blockchain and smart contracts technology, which allowed us to bring reliability and accountability within the portfolio of projects to a qualitatively new level.

This document describes mechanism of investor interaction with venture projects within the platform the economics of token handling, the mechanism for allocating financing between the platform projects, their functions and interaction models within the platform, the project selection process, the VENTUREON (VNN) token transfer model, their role in the distribution rights between projects and platform investors. Detailed analysis of the ways to protect against bad projects and tools on the platform, that ensure the maximum growth and profitability of projects within the venture platform.

Plan

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1. Introduction

Within the Ventureon project, we provide an opportunity for the participants of cryptomarket to increase their capital through investments in high-yield and scalable venture projects. The emergence of a model for financing venture projects in the format of a closed investment club creates additional opportunities for both companies and investors, allowing to combine the advantages of the venture financing model with the high profitability of the cryptocurrency market, the possibility of diversifying investments with legality and maximum protection of the investor's interests.

The main task of the model for financing projects within the Hypercube platform is the elimination of non-viable projects, selection of companies with the maximum growth potential. Before gaining admission to the platform, the project must undergo inspection procedures, evaluation of product management experts and legal expertise, which enables private investors to be confident in the quality of the projects proposed for investment, without the need for additional in-depth analysis, because all these procedures have already been carried out by fund experts.

2. The problems of traditional investment models

The venture investments market, like crowdfunding and crypto assets markets, is experiencing serious difficulties, because many projects either fail or don't achieve the announced results after raising funds. This not only creates problems for investors, but, more importantly, undermines the belief in the prospects of blockchain technology and the very idea of decentralized self-government. There is a complete insecurity of investors and the absence of any guarantees that they will not lose their money.

Private investors have to do a lot of preliminary work on analysis, deal with technical terms, study the market, the team, the idea and try to assess the prospects of the project. But even in this case they are not protected from losses, because there is a possibility of encountering non-obvious legal nuances or issues related to the regulation of intellectual property, for example. In addition, there is a risk of team burn-out, loss of motivation by its members, lack of expertise in any industry ... And a lot of other nuances hidden from an investor who is not an insider.

These factors naturally cut off a significant audience of investors who are potentially interested in project investing. In contrast to the traditional model of venture capital investments, where it is necessary to have a large capital of hundreds of thousands of dollars for investing in projects even at the seed stage, the Hypercube platform gives access to investing in promising venture projects and introduces investors, that don't have a significant initial investment capital, to the venture capital community.

We focus on promising companies in the early stages of development, leaders in their market segments, with a high potential for development and scaling in the European,

North American and Asian markets. For financing we select projects, that have a ready product and being at the beginning of a rapid growth stage, which guarantees investors the maximum income with minimal risks. Additional value to companies is created by attracting the necessary competencies and expertise within the platform, which is traditionally not available to start-ups at an early stage of development. This gives project teams additional advantages over competitors.

We cooperate with professionals who becomes a part of the startup team for the time of placement on the platform, which makes it possible to provide projects with the necessary additional competencies, to go through the search for the monetization model as efficiently as possible and to enter the path of steady growth.

Additional advantages are:

- Quick scaling of projects. Projects that are secured by constant financing are rapidly developing, achieving declared goals faster than competitors and gaining greater profits.
- Investment Liquidity. An investor can withdraw from the project at any time by placing his share in the projects for an internal auction and redistributing investments between other promising instruments, from his point of view, or sell VNN tokens on crypto exchanges.
- Insurance of investments. First Ventures Insurance insures investments in volume up to \$ 25,000 and compensates 100% of the invested funds, in case of bankruptcy of the financed company.
- Transparency of investments. Integrating the security and transparency of blockchain technology will provide VNN-holders with a clear and understandable system for monitoring and control of project development indicators.

Within the Hypercube platform, we are creating a transparent, regulated ecosystem aimed at maximizing the development potential and scaling up of startups.

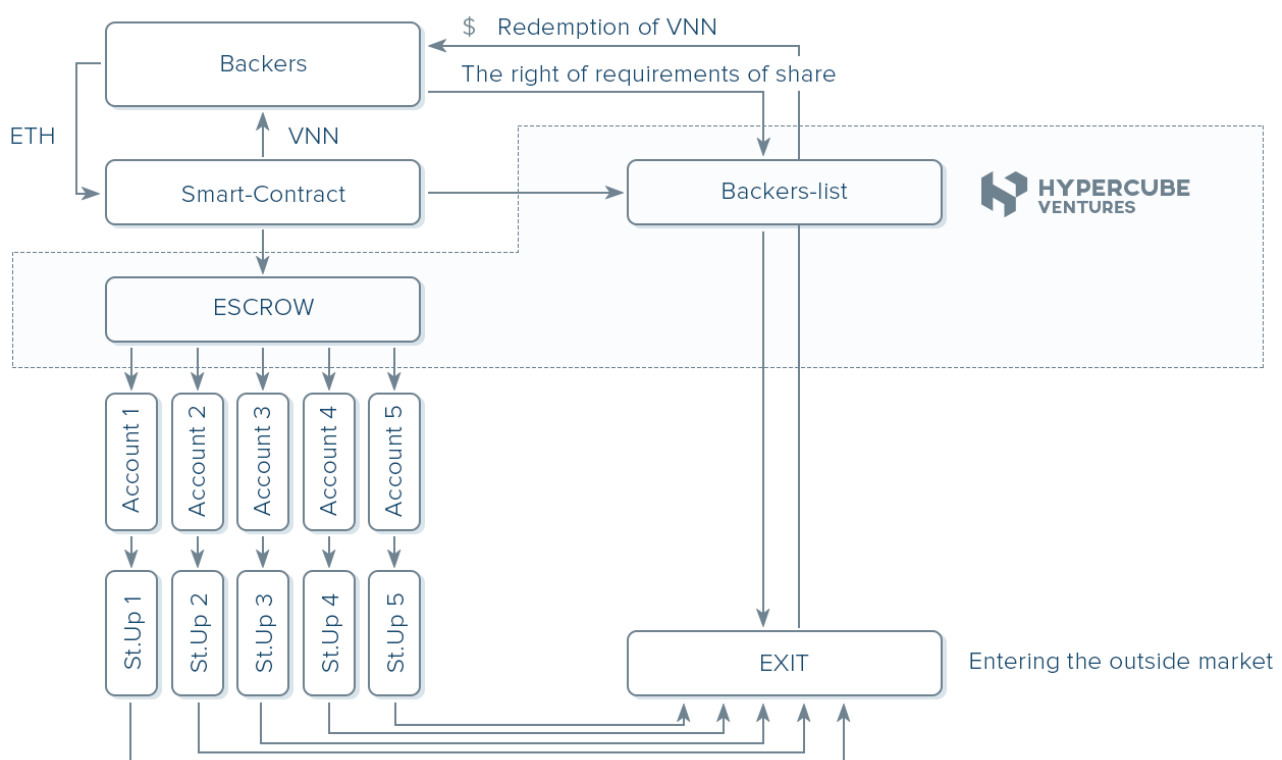
3. Financial and legal model of Ventureon (VNN) tokens turnover

How do finances work and why is VNN growing?

The funds received due ICO are distributed to the nominal wallets of each project. Hypercube Ventures, in the role of escrow, as the wallets are filled, gives permission to the projects initiators to use the funds and monitor their intended use. At the same time, the amount of resources used and the results obtained at each stage of financing are mandatory items of project reporting that will be published in the general access for all stakeholders.

The tokens cost is tied to the starting price of portfolio projects. These projects publish information about themselves nowhere else and do not attract financing in any other funds except for Hypercube Ventures. When they are launched and developed, the market value of projects grows, and the VNN cost increases on the whole.

VNN tokens holders at the time of their acquisition do not act as investors of a specific legal entity, as it happens when investment contract is concluded. Moreover, investor at the time of tokens acquisition may not exist. Buying VNN tokens, the holder does not acquire shares in the project/s. The Token IS THE CONVERTIBLE NOT OR THE RIGHT OF REQUIREMENTS OF THE VENTURE PROJECT/S SHARE, in the case of a successful ICO.



Will VNN be additionally issued after the completion of the ICO?

The Hypercube Ventures Fund plans to form a second portfolio of projects. After the tender and evaluation of the approved projects cost, an additional issue of VNN tokens will be made. The number of tokens will be calculated at the time of issue and will depend on the market VNN value and the required amount of financing.

3.1 The VNN token is a convertible note about transferring to the holder a certain number of shares in one (several) startups and projects, included in the financed by Hypercube Ventures pool, which is specified on the website www.hypercube.fund and in the personal account of the investor.

3.2 The number and value of project shares in relation to the VNN token, is specified in the personal account of the investor, on the Hypercube Ventures website, when the registration of the relevant legal entities is completed.

3.3 Each holder of VNN tokens has the right to exchange the tokens owned by him for the shares of startups and projects that are part of the Hypercube Ventures pool.

3.4 The transfer of shares in exchange for tokens will be made no earlier than 6 months after the announcement of the official end date of ICO Hypercube Ventures.

3.5 The transfer of shares in exchange for tokens will be made by Hypercube Ventures fund or a partner authorized by the fund. Most likely it will be Hypercube Billing.

3.6 It is planned that the tokens will participate in the insurance program of the First Venture Insurance project in case of a successful ICO.

3.7 If the management of the Hypercube Ventures Fund decides to finance a new pool of projects and startups, additional tokens will be issued.

3.8 Thus, VNNs are NOT money, a payment instrument, a security of any kind, a financial asset or a commodity, but are means of accounting for convertible liabilities for the financing of crowdinvesting projects.

3.9 In addition to the rules described above, the purchase of VNN tokens is possible by the following procedure:

3.9.1. The Buyer creates (or enters to) a Personal Account on the <http://www.hypercube.fund>;

3.9.2. The Buyer deposits to his Personal Account on the <http://www.hypercube.fund> the sum of money, the amount of which corresponds to the number of VNN tokens that the Buyer wants to purchase;

3.9.3. VNN tokens are transferred to the Buyer to his/her Personal Account on the VNN platform and the Buyer disposes of them at his discretion.

3.9.4. The exchange of VNN tokens is carried out in the order provided for in paragraphs 3.3 - 3.5. Venturion Whitepaper.

3.9.5. The cost of VNN tokens is filling with projects placed on the Hypercube platform and is regulated by the Exchange.

3.9.6. The purchase of tokens under the described procedure does not contradict the US legislation, including the provisions of the SEC governing the securities issue and trading.

According to the above rules, Hypercube Ventures LP proposes to purchase a VNN token, which in the future may entitle its holder to participate in one (several) of the projects located on the Hypercube Ventures platform. As stated above, the VNN token is not a security, including the provisions of the US Securities Act 1933. In particular, the VNN token is not an investment contract in accordance with the Howey test, for the following reasons. According to Howey test, an investment contract is investment of money from an expectation of profits arising from a common enterprise depending solely on the efforts of a promoter or third party. The contract has to meet all four prongs of this test and only a combination of all these factors allows the SEC of the USA to decide whether a particular transaction or scheme is an investment contract. The right to exchange VNN token for shares of projects placed on the Hypercube platform is not a right to receive profit (income) solely from actions of the manager or third parties. Moreover, having shares in the enterprise, the holder of the VNN token has the right to participate independently in the management of the enterprise by voting at the general meeting. There is also no single enterprise factor, since the issuer's owners and projects placed on its platform are principally different persons.

4. Advantages for Ventureon (VNN) tokens holders

In the traditional model of venture capital investments, the investor entirely depends on the successful development of the project he invested in. As a part of the Ventureon model, he can distribute the amount of investment between several projects, and also sell a share in the internal auction of the Platform or on crypto exchanges.

The venture model offered by Ventureon gives small investors access to a venture ecosystem, and also offers a model of protected investments. This is more attractive, because the tokens holders invest in several projects, and the possible risks are not only diversified, but also compensated by the successful development of other fund's portfolio projects.

Hypercube Ventures owns at least 26% in each startup (which is a blocking package that allows to influence the strategic decisions of each startup), 25% of which is owned by investors who bought a VNN token.

The Hypercube Ventures Fund analyzes and selects startups whose capitalization in the course of 1-3 years may be at least X10.

According to p. 3.3, owner's VNN tokens are exchanged according to the estimated market value of the portfolio of each of the projects included in the Hypercube Ventures project pool. By exchanging public VNN tokens, the holder of shares will participate in the distribution of 25% of profits and / or dividends. Shares participate in capitalization at the entrance of a strategic investor at the next stage or at the stage of EXIT *, which can increase the value of assets from 10 times or more.

*EXIT - selling its share in the company. Exit can occur when a share is sold to another person, in another company or on the exchange (in case of a startup on an IPO).

This gives investors the following additional advantages:

- The opportunity to access to investment in profitable, scalable projects in different countries
- Investment insurance and risk diversification
- Security and transparency of investments
- Analytical and legal support for investments in projects
- The possibility of withdrawing funds from the project and distribution to other investment tools
- Investments only in reliable projects that have passed the platform expertise.
- Passive increase in investments with the help of an automated trader *

* Automatic robot-trader, which increases the investor's funds, while they are in their personal account.

Believing in the prospects of a particular project, the investor buys a public platform token, which ensures a reduction in risks, because the platform monitors the target use of funds by the project. Even if a particular project is not successful, the platform token will lose only a minimal % of the value, which is proportional to the project share in the total capitalization of the platform. The decentralized platform, in turn, becomes the holder of the private project tokens and fully monitors the target spending of funds and compliance with the announced project development schedule.

Prospects for entering on the ICO stage and long-term prospects for the growth of the value of VNN tokens

The main advantage of investing in the ICO stage is the opportunity to buy tokens at a price below the market, which will give investors a high profitability after the completion of the ICO.

Greater profitability will be achieved if the value of tokens increases, which is influenced by the following factors:

- The launch of projects from the portfolio of HyperCube Ventures
- Exit from startups at the stage of profitability

- Growth of demand for VNN tokens on exchange of cryptocurrency
- Capitalization of investments in a startup during selling to a strategic investor in the next stage or at the stage of EXIT *
- Creating of the next projects pool
- Other news about startup, Ventureon and HyperCube Ventures development.

The HyperCube Ventures Fund analyzes and selects startups whose capitalization in the next 1-3 years can be x10, which is a strong argument for long-term investments.

*EXIT - selling its share in the company. Exit can occur when a share is sold to another person, in another company or on the exchange (in case of a startup on an IPO).

5. Benefits for funded projects and start-ups

In case of admission to the Platform, the project gets access to the investor base and a number of additional advantages:

- The opportunity to concentrate on the development of the project, without being distracted by the process of raising funds
- The team of professionals surrounding the project from launch to release
- Assistance in the implementation of legal and accounting procedures
- Access to the best specialists and consultants, which are not available to the startup by default

6. The structure of the placement of tokens

With the help of the emission of Ventureon (VNN) tokens, under the conditions described above, it is planned to attract crypto assets equivalent to \$ 5,000,000 or more to finance projects on the Hypercube platform. Token holders can realize their rights to the issuer by exchanging their tokens (part of them) for the corresponding shares in the projects of the Hypercube platform based on the estimated market value of the portfolio of each project. If the amount attracted is less than \$ 5,000,000, the proportion of acquired shares will be proportionally reduced.

We developed a simple model for the future distribution of profit for holders of the Ventureon tokens (VNN) using the token redemption mechanism. Tokens will be issued as a type of debt. As a limited partner Ventureon will receive a portion of the profit from

the projects portfolio of the HyperCube Platform participating in the placement and undertakes to use it to redeem the tokens at a market price.

7. Crowdsale details

Fundraising in the release of Ventureon tokens will be used for marketing and advertising ICO Ventureon, as well as for investments in a pool of projects financed by Hypercube Ventures, listed on www.hypercube.fund and in the personal cabinet of the VNN holder. At the request of the holder, the Ventureon tokens can be exchanged for shares of startups and projects that are part of the Hypercube Ventures project pool that are involved in the distribution of profits and the capitalization of startups.

Token name: VENTUREON

Ventureon Token: Convertible note

Howey test score = 30

[Howey Test Ventureon](#)

Ticker: VNN

The hard cap: \$65.000.000

Minting/mining: No

Total Issued: 4.500.000 VNN

VNN is available for crowdsale: 3.375.000 VNN



Stages of ICO:

Pre-sale by request - 35.715 VNN. Target \$250.000

Tokens price:

- 1VNN - \$7
- Min invest \$1.000

From September 26, 2017 Open Pre-sale - 100.000 VNN. Target \$1.000.000

Tokens price:

- 1VNN - \$10
- Min invest 1 VNN

From November 1, 2017 ICO. Target \$63.785.700

Tokens price:

- 1st 100.000 VNN
1 VNN - \$13
From November 1, 2017
Min invest = 1 VNN
- 2nd 100.000 VNN
1 VNN - \$15
From December 15, 2017
Min invest = 10 VNN
- 3.039.285 VNN
1 VNN - \$20
From February 1, 2018
Min invest = 10 VNN

VNN tokens represent a convertible note about transferring to the holder a certain number of shares in one (several) of the startups and projects included in the projects pool financed by Hypercube Ventures. There are its list on the website www.hypercube.fund and in the personal account of investor.

Redemption - Token holders can realize their rights to the issuer by exchanging their tokens (part of it) to the corresponding shares in the Hypercube platform projects based on the estimated market value of each project portfolio.

8. Hypercube Trust, manual and automatic trading

This functionality is created to enable VNN holders to increase their capital even when it is already invested in Ventureon while waiting for the accumulation of funds by projects.

Hypercube Trust is a service of the Hypercube Ventures fund, which allows you to accumulate investment capital in Ventureon digital tokens (VNN). It is not necessary to create cryptocurrency wallets of any third-party systems (Bitcoin, Ethereum, etc.). Deposits in the Hypercube Trust are automatically converted to VNN tokens at the current exchange rate on the day of purchase and are stored on the personal account. You can see the number of accrued tokens in the Personal account of the VNN-holder. Until the time the VNN-holder requested the purchased tokens, they are in the management of the Hypercube Ventures fund. Fund experts will provide your VNN tokens with maximum profitability with minimal risks. You can transfer tokens into your personal Ethereum wallet at any time, upon request, from the personal account of the VNN holder.

During confidential storage VNN-tokens will be under the professional management of Hypercube Trust - this will ensure their safety and cost growth.

Trading - from your personal cabinet, you have the ability to transfer your tokens into various crypto-currencies and back into dollars, thereby increasing the deposit amount, as the dynamics of the growth of the cryptocurrency are rapidly changing.

Trading has two main modes: manual and automatic.

Manual mode is available to every VNN investor inside a personal account. You can track the growth and fall of currencies yourself, moving your contribution to a particular currency.

Automatic mode - the robot keeps track of the courses on the main exchanges and transfer your investments under the most favorable conditions into one or another cryptocurrency without your personal intervention.

At current moment, the robot works with 5 cryptocurrencies: Bitcoin (BTC), Ethereum (ETH), Bitcoin Cash (BCH), Litecoin (LTC), Dash (DASH), and USD in case when all the aforementioned cryptocurrencies fall in price.

*Current information about the first project pool, roadmap, advisers and the Ventureon team is one that is posted on web-sites and landings - <https://ventureon.hypercube.fund/>, <https://hypercube.fund/>.