ELITIUM

TRANSFORMING THE WORLD OF LUXURY

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1. Introduction

The pace of innovation has been exceptional in the past few years with the surge of new disruptive technologies. Amongst all these new technologies, the most promising one available today is blockchain technology. Elitium stands at the centre of this technological revolution and introduces a global platform where consumers in the luxury industry can purchase goods and services using a cryptocurrency solution. Thus, Elitium aims to remove any barrier for mass adoption of blockchain-based solutions in the luxury industry.

Nowadays, consumers in the luxury industry are faced with a highly dispersed landscape of different channels and sources for purchasing goods and services. Typically, these consumers are required to access multiple websites and/or applications, and manage multiple user accounts to complete purchases. Consumers are often faced with a rather cumbersome and time consuming process in their search for their favourite products and services. Therefore, one of the key missions of Elitium is delivering a new customer experience in the luxury industry by offering consumers an all-inclusive luxury platform with access to a wide range of goods and services. The purpose of our innovative solution is to connect supply and demand in a frictionless way on a secure, fast and easy to use platform.

We believe our innovative platform will not only provide benefits to consumers but it will also have the potential to highly improve the efficiency of businesses on our platform. Currently, there are many segments in the luxury industry that face inefficient processes which often lead to time and cost intensive activities. There are several examples of businesses that are still dealing with a high degree of manual processing for example execution of contracts, customer requests, rentals or refunding. A good example is the renting process for luxury yachts, which includes exchanging several confidential documents, processing international payments and a lot of communication and correspondence between several parties. These inefficiencies have led Elitium to collaborate with EOS.IO ("**EOS**"). Powered by the unique technology of EOS, we believe Elitium's luxury platform for goods and services will be very efficient, innovative and user friendly.

The Elitium core team consists of highly skilled people with expertise in yachting, luxury markets, digital marketing, mobile applications and blockchain. Further, Elitium's business model is based on well-known companies which have been active in the luxury industry for more than 40 years. This, combined with a highly experienced team and a large network of global partners creates an excellent foundation for the future of Elitium. Our mission at Elitium is the core of our business and drives our day-to-day efforts:

Elitium provides a luxury lifestyle platform for its clientele using a sustainable cryptocurrency solution.

The future of Elitium is underlined in our vision statement which gives the company direction and purpose:

Create a global network for the luxury lifestyle through a secure, fast and easy to use payment service on the blockchain.

1.1 Boatsters: the start of the journey

The idea of Elitium originated from the team behind *Boatsters* and a leading blockchain expert. Boatsters is a world leading rental company for yachts and boats with offices in Mallorca (ES), Miami (US) and Amsterdam (NL). They recently partnered up with a family-owned yacht broker company with more than 50 years of experience in the luxury industry.

Since the start of Boatsters in 2015, the company has experienced a tremendous growth with currently more than 12.000 yachts on the platform while being active in 63 different countries. Boatsters has always been a forerunner in introducing innovation in the traditional yacht rental industry. This innovative mindset has led Boatsters into exploring opportunities that blockchain technology could offer to the nautical industry in a very early stage. Today, Boatsters is the only platform in this industry which accepts (up to 60) cryptocurrencies as standard payments for chartering yachts. This first shift to blockchain technology marked an important milestone for *Boatsters* as early-adopters in their industry.

The payment solution of Boatsters facilitates payments with cryptocurrencies for yacht charters all around the world. The wallet-to-wallet solution has been thoroughly developed with a focus on being user-friendly and ensuring a safe environment. Additionally, the solution avoids unnecessary transaction costs and provides the opportunity to convert assets at any given moment in time.

1.2 The birth of Elitium

Boatsters new payment solution was not the only planned milestone in the company's innovation strategy. The team of Boatsters had a more visionary concept in which a wider range of luxury goods and services could be offered on a single platform. The concept translated into an innovative platform which connects consumers and providers in the luxury industry, in a secure and easy to use environment. The further development of this idea marked the birth of Elitium.

1.2.1 Why use a blockchain-based solution?

Elitium has been designed as a blockchain-based platform for processing of payments and purchases in the luxury industry. The adoption of blockchain technology enables Elitium to offer a wide range of benefits for both consumers and businesses in the luxury industry compared to traditional, digital based payment solutions, including:

1. **Increased security**

The deployment of a blockchain-based payment system leads to increased security for transactions of users compared to other traditional digital payment systems. In traditional payment solutions, transactions are typically uploaded to a cloud server or stored in a set of locations. These inherently possess a security risk while cyber-criminals can technically break into these networks and retrieve/corrupt sensitive data in a single repository. On the contrary, blockchain technology makes the opportunity for a malicious attack unfeasibly hard as the data is decentralized, encrypted, and cross-checked by the whole network of nodes. Once a transaction is on the distributed ledger it's almost impossible to change or delete the entry without it being noticed and invalidated.

2. **Lower transaction fees**

The unique characteristics of blockchain technology enables companies to operate a lot quicker and in a more cost-efficient way, with less risks and lower capital requirements. Therefore, blockchain technology enables Elitium to maintain reduced transaction fees compared to other traditional payment solutions, which benefits both the consumers and providers on the platform.

3. **Increased operational efficiency**

There are many examples of enterprises that face a high degree of manual processing of contract executions, rentals or customer enquiries, and this also applies to Boatsters. Consequently, Boatsters' team identified the opportunity that blockchain technology could offer for improving operational efficiency. Their interest in blockchain technology was mainly triggered by the potential for highly automated business processes through the use of *smart contracts*. This journey led to collaborating with EOS, which develops unique technology that has the solution to enable major efficiency improvements for businesses in our network.

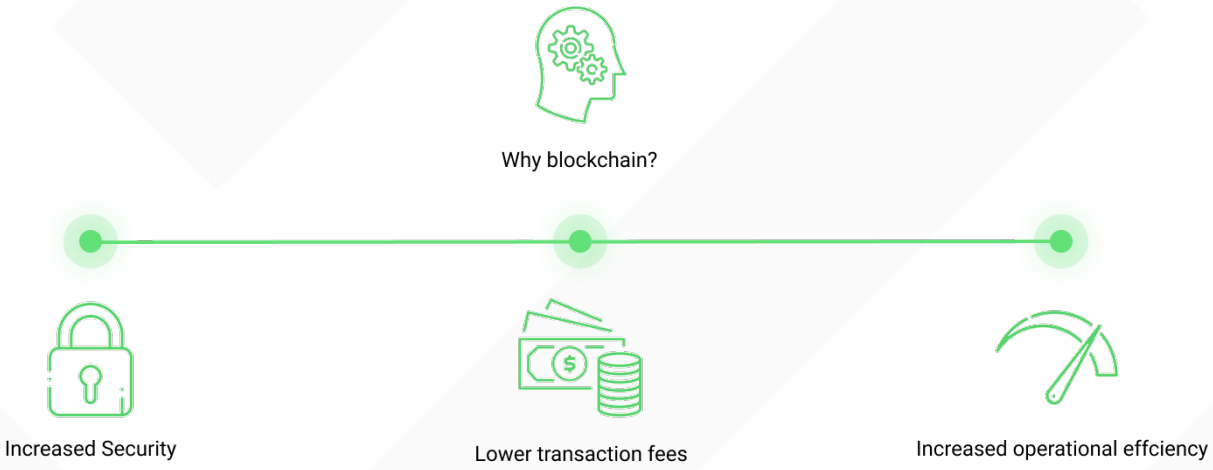


Figure 1 – Key reasons for using blockchain technology

1.2.2 Why use an own native currency?

The decision to adopt blockchain technology on our platform is one of the key design elements of the platform. Another essential cornerstone of the platform is the adoption of Elitium's own native cryptocurrency, the Elitium coin (the "**EUM**"). The key advantages of using EUM instead of a "3rd party cryptocurrency" include:

1. **Sustainability of ecosystem**

The ecosystem of Elitium will be dependent on the EUM for its proper functioning and long term sustainability. This increases the stability of the platform as Elitium is not dependent on the viability of other (crypto)currencies. Consequently, potential risks associated with other (crypto)currencies such as security flaws are mitigated. Moreover, development of a native currency is an important prerequisite for maintaining a sustainable economy within the platform.

2. Additional services

Our own native currency provides opportunities for the implementation of additional services, for our users, which are already well-known in traditional payment solutions:

- **Instant conversion to/from Fiat**

Users and partners on the platform will be able to instantly convert Fiat currencies into EUM or vice versa (see chapter 2.2). This service increases the accessibility of Elitium to a wide range of users including both cryptocurrency users and consumers who are not familiar with cryptocurrencies.

- **Loyalty programs**

In order to encourage consumers to join Elitium and thereafter transact on the platform, a loyalty program will be introduced to reward those users who purchase goods and services on the platform (see chapter 2). Users are rewarded with EUM based on a percentage of the total amount they spend on the platform. Therefore, users will be able to benefit from similar reward programs employed by e.g. credit card companies.

- **Insurance**

EUM is also essential in providing insurance to users in case of malicious transactions on the platform. This insurance service is based on an additional ERC20 coin which is closely linked to EUM (see chapter 2.1). We believe that this type of service is a key prerequisite for mass adoption as they are also generally applied in traditional payment solutions.

3. Customization of smart contracts

With the deployment of our own native currency we make it possible to provide pre-coded smart contracts with certain degrees of customization for example each type of renting agreement. Further, collaborating with EOS provides the possibility of creating smart contracts in a relatively more technical and cost efficient way. Therefore, it enables Elitium to automate the smart contracts precisely as we envision it for the users of our platform.

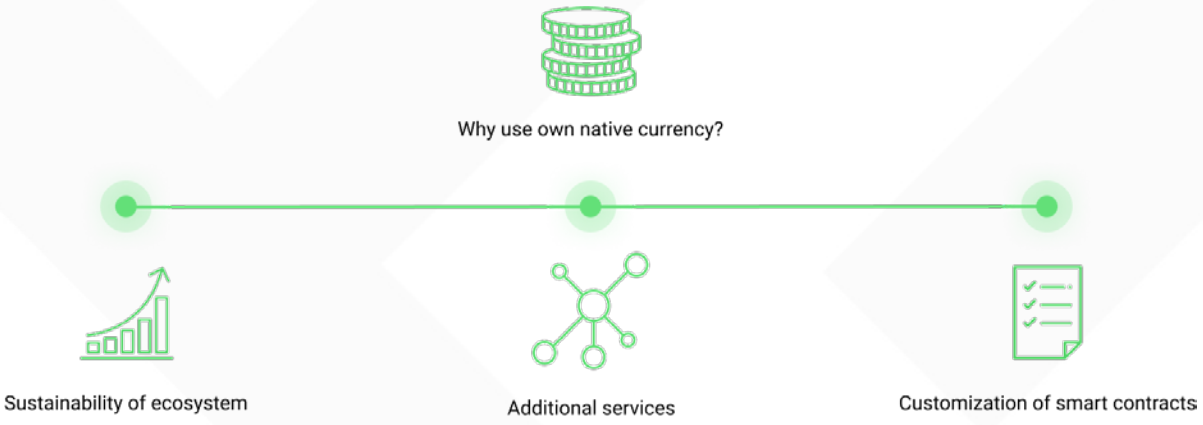


Figure 2 – key reasons for development of own native currency

1.3 Identified problems in industry

Elitium's team identified five problem areas based on their years of experience in the luxury industry and in-house blockchain expertise.

1. **Lack of integrated solution across different luxury brands**

Boatsters cryptocurrency payment solution triggered a lot of interest from different luxury service providers such as private jet services and luxury resorts. These companies were interested in introducing a similar payment solution for their individual brand. However, creating individual payment solutions for every luxury brand did not prove to be efficient. Hence, there was a clear lack of an integrated solution across different brands within the luxury industry on a single common marketplace.

2. **Risk of malicious attacks on cryptocurrency holders**

Cryptocurrencies have become an increasingly popular target for cybercriminals. On the other hand, transactions on the blockchain cannot be reversed and thus a malicious transaction cannot be undone. As cryptocurrencies merely represent digital coins with no backing (e.g. government, physical commodity) victims rarely have any legal recourse in the event of a malicious attack. In addition, transactions in the luxury industry are often relatively large amounts which makes user security even more important in this environment.

3. **Limited options for direct conversion between cryptocurrencies and Fiat currencies**

One major issue with cryptocurrencies is the limited number of options to exchange different cryptocurrencies directly into Fiat money and vice versa. Typically, cryptocurrency holders have to exchange their cryptocurrency into e.g. Bitcoin before being able to convert to Fiat money. This increases security risks for users as they have to deal with different platforms and keep adequate safety measures on different accounts. This could also easily increase costs for users as transaction fees and price differences accumulate over the intermediate transactions. In addition, conversions between cryptocurrencies and Fiat currencies can take up a significant amount of time.

4. **Absence of tangible use-case for many cryptocurrencies**

The absence of tangible use-cases is one of the greatest criticisms towards many cryptocurrencies. Many cryptocurrencies have been criticized as they simply don't have a purpose outside of being a speculative device. In recent years there has been a rather low amount of cryptocurrencies that have been developed with a core purpose of supporting a specific sector or platform. In addition, the absence of a strong backing from industry has also been a major gap in many cryptocurrency projects which makes widespread adoption less likely. Besides, cryptocurrencies are a relatively new phenomenon for which holders face the challenge of evaluation of their fundamental value. Hence, this makes this most cryptocurrencies highly sensitive to market sentiments instead of their fundamental value.

5. **Inefficiencies of operational processes in the (yachting) industry**

There are several examples of businesses that are still dealing with a high degree of manual processing of execution of contracts, customer requests, rentals or refunding for example. Typically, these processes are time consuming and require additional costs which could affect the efficiency and profitability of a business. These inefficiencies also apply to different segments in the luxury

industry, for example, in the area of yacht rental where various documents are distributed to different parties with high-touch communication, leading to a rather inefficient and lengthy process.

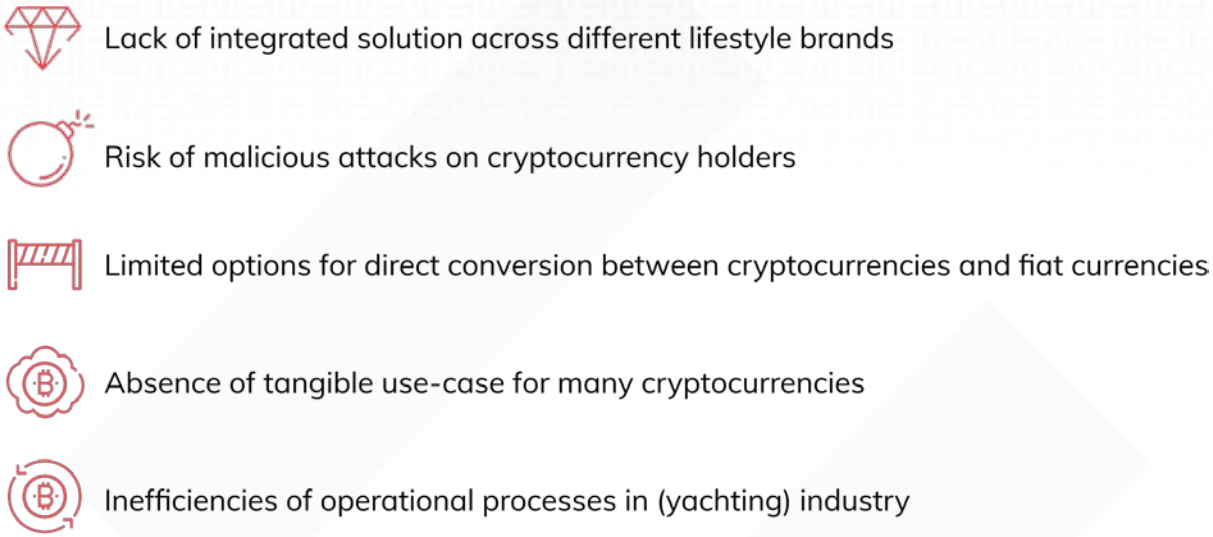


Figure 3 – Identified problems in the industry

1.4 Elitium solutions

After identification of the key issues, the founders of Elitium intend to solve these problems by developing an integral solution.

1. **Integrated global luxury platform for luxury brands**

The intention is to launch an all-inclusive luxury platform in which a (growing) network of luxury brands will be connected to customers through Elitium's own native currency, EUM. The luxury platform will be launched in the form of a lifestyle app available on all platforms (e.g. Web, Android, iOS and Smart TV) to enable a user-friendly payment platform for luxury goods and services. The aim is to have every luxury brand in the world become part of this all-inclusive luxury platform in order to provide our users with the ability to access all of these brands. Customers will also have the ability to manage transactions, memberships and on-demand personal concierge services in a secure environment.

2. **Elitium's innovative insurance coin for malicious transactions**

The security features of the Elitium Network (see chapter 2) have been carefully designed with high standards to maintain a safe and secure environment for users at all times. However, there is always an amount of risk that is unavoidable due to e.g. account hacking, phishing, malware. Therefore, Elitium intends to take security to the next level by developing a novel concept: an insurance coin. The insurance coin, Elitium-i ("**EUMI**"), has been developed to serve as an additional safety measure. EUMI represents an additional layer of user protection to support victims in the event of malicious transactions from their account. EUMI will be used to reimburse any lost funds in case of malicious transactions from a compromised/hacked account. This security feature, as far as we are aware, is not (yet) used anywhere else making Elitium the first to take such a step towards improving user security.

3. Elitium's Online ATM provides a Fiat gateway for cryptocurrencies

One of the core features of the Elitium Network is the Online ATM that functions as a Fiat-gateway for all participants on the network. The Online ATM is designed to directly convert Fiat money (e.g. EUR, USD, JPY, CHF, GBP) to EUM and vice versa. Network participants will be able to use the ATM with the click of a button without complex intermediate steps. This also allows users who are not familiar with cryptocurrencies to benefit from a secured, fast and easy to use solution. The only prerequisites for the use of the Online ATM are a verification of a bank account/credit card and a KYC/AML verification.

4. Real use-case and dedicated strategy for EUM

We aim to develop the EUM coin as a useful, reliable and sustainability currency which is positioned at the centre of the platform. The EUM coin acts as the 'fuel' of the platform and is the most vital part of the Elitium Network as the coin is always required for participation on the platform. Whether it is consumers that pay for goods with EUM or a partner that receives EUM for their services, every participant will have to interact (in different degrees) with EUM. This dependence on EUM enables the currency to act as the platform's fuel. This contrasts with many cryptocurrencies that do not possess a tangible use case.

5. Improving operational efficiency with smart contracts

Elitium has technology collaborations that strengthen our solutions and platform. A great example of one of our collaborations is with EOS. They are considered as one of the most successful smart contract platforms that enables smart contracts, near instant payments, higher scalability and processing thousands of transactions per second. The smart contract technology of EOS enables Elitium to introduce a major efficiency improvement for businesses operating in our network. Consequently, we can collectively improve the efficiency, accuracy and speed of our operations.

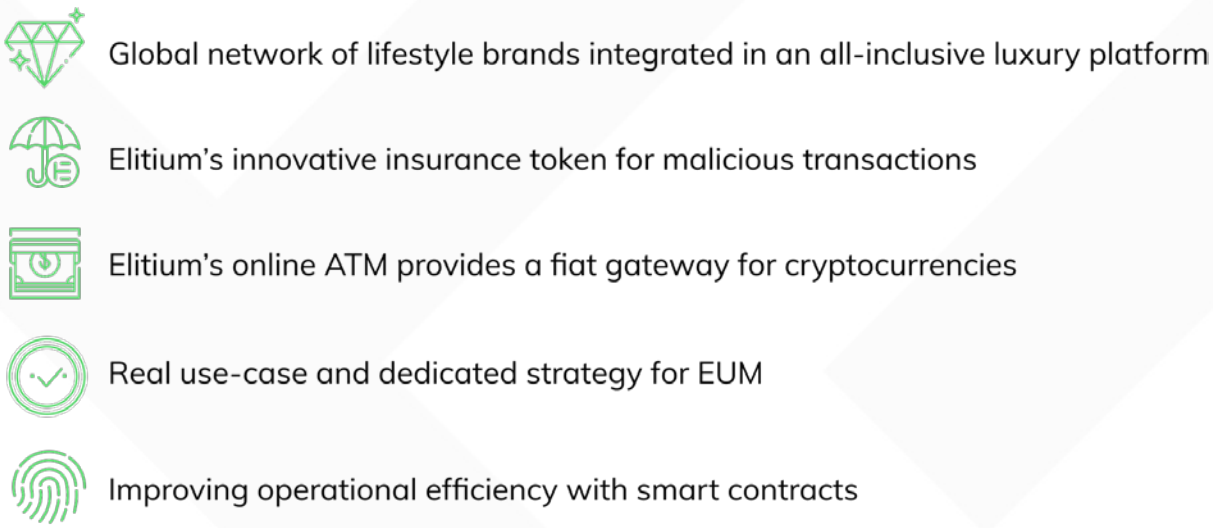


Figure 4 – Solutions developed by Elitium

2. The Elitium Network

The Elitium Network is a unique ecosystem connecting luxury goods and service providers with a global client-base via a standalone app – ensuring a seamless, secure, and low-cost payment process complemented by bespoke member benefits. The Elitium Network leverages the Elitium coin – EUM – to enable fast, secure, and anonymous payments within the ecosystem.

Figure 5 – Users will be able to purchase all offered goods and services on the Elitium Network with EUM

One of the core features of the Elitium Network is the Online ATM, which functions as a Fiat-gateway for all network participants to convert Fiat currency (e.g. EUR, USD, JPY) to EUM, and vice versa. The Online ATM is an important part of the ecosystem as it provides users with an easy and accessible tool to purchase goods and services on the platform after conversion from Fiat currencies to EUM. For partners, the Online ATM represents a fast solution to securely convert their revenues in EUM to Fiat currency at any point in time (see chapter 2.2).

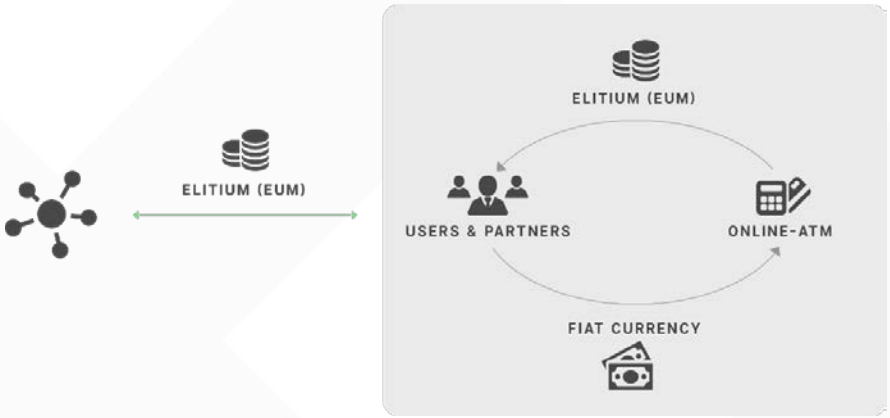


Figure 6 – The Elitium Network with EUM as the fuel of the ecosystem

In order to encourage consumers to join and thereafter transact on the platform, the *Elitium Loyalty Program* will be introduced to reward active users on the Elitium Network. The loyalty program will reward users with EUM based on a percentage of the total amount they have spent on the platform. This is similar to cashback reward programs operated by credit card companies where a part of the expenditure is sent back to the card holder.

2.1 Elitium-i (EUMI): The insurance against fraud

An important cornerstone of the Elitium Network is the additional layer of protection through EUMI, the insurance coin of Elitium. The concept of EUMI has primarily been developed to reimburse users of the Elitium Network in cases of malicious transactions from a compromised/hacked account. Elitium intends to be the first blockchain platform that offers such a feature to users, without any additional costs. This is a great example of bringing security to users by combining a blockchain solution and best practices in traditional payment solutions concerning insurance (e.g. PayPal, VISA).

The process starts when a user suspects that a malicious transaction has been made or an account has been hacked. The first step is communicating this to Elitium's *Fraud Department*, which will be a department specialized in fraud detection. This department offers a service where customers send the required evidence by filling in a specific application form to start the procedure of recovering the transaction(s). The Fraud Department, following a thorough investigation, may decide that there is adequate evidence in favour of the application and may therefore proceed to approve the application. The applicant then receives a reimbursement in EUMI for the lost EUM amount. In all approved cases the legal authorities will be contacted to start criminal investigation.

The amount of the reimbursement will be the equivalent of the amount of EUM which was lost in the transaction in the form of EUMI. EUMI can be considered as a duplicate of EUM however it cannot be publicly traded and can only be used in the recovery process for malicious transactions. Hence, transactions will not be frozen or reverted but instead the applicant receives an equivalent amount in EUMI. EUMI will not have any use outside of the Elitium Network and can only be used on the Elitium Network to make purchases as a user. In this way the EUMI coin will not be affecting the ecosystem. Once users perform a transaction and pay with EUMI, partners will be able to receive and convert EUMI into Fiat money through the Elitium Network.

An extension of the concept of EUMI is the Elitium-i+ which will provide extended protection for transaction recovery. Elitium-i+ will only be available to Elitium Diamond Members. With Elitium-i+ the transaction recovery process is not only limited to malicious transactions but also extended to erroneous transactions which are made by mistake. Elitium Diamond Members will therefore also be protected against human errors in the payment process at all times.

Figure 7 – Refund process for the Elitium-I coin

2.2 Online ATM: Gateway to EUM

The Elitium Network's Online ATM will act as gateway for two types of conversions:

1. Fiat money (e.g. USD, EUR, JPY, CHF, GBP) to EUM
2. EUM to Fiat money (e.g. USD, EUR, JPY, CHF, GBP)

Both users and partners will be able to interact with the Online ATM at all times for two types of conversions. The prerequisite for this conversion of currencies is a verification of a credit card and/or bank account and a KYC/AML verification. The goal of the Online ATM is to provide simplicity for users and partners when converting all different currencies.

Users

This simplicity for users can especially be seen in the payment process with EUM for purchases through the network. Once a purchase has been selected, the required amount in Fiat money can be converted immediately into EUM at the moment of purchase. Due to this direct conversion, individual users benefit from transparency on the exact value of the transaction. Moreover, users benefit from security and anonymity of transactions made on the blockchain with low transaction fees relative to traditional online payment solutions.

Partners

The Online ATM also plays an important role for partners as they are paid out in EUM in exchange for their goods and services. The Online ATM will provide partners with a fast and reliable instrument for exchanging their revenue in EUM into their preferred Fiat currencies such as USD, EUR, JPY, CHF or GBP. The possibility of instant conversion greatly benefits partners as they can receive the expected amount of revenue in Fiat currency.

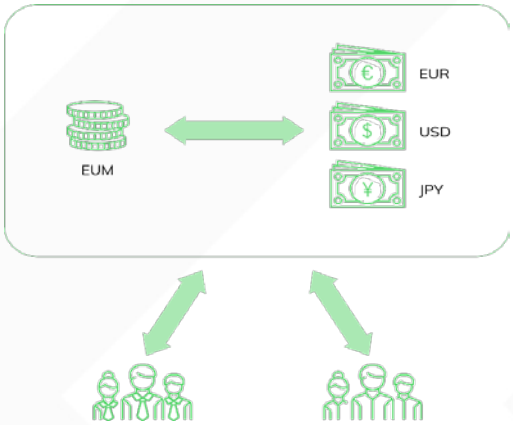


Figure 8 – The Online ATM offers different conversions for (crypto-)currencies for users & partners

The simplicity of the online ATM provides Elitium's users and partners with an opportunity to benefit from a secure, fast and easy to use solution without having advanced knowledge on blockchain. This feature is important as it increases the potential customer base from experienced users of cryptocurrency to any other customer in the luxury market. Hence, the online ATM is another feature that lowers the entry barrier for the usage of cryptocurrencies and increases the potential for mass adoption. Users will be able to easily connect a credit card to the Elitium Network and make purchases without complex intermediate steps.

2.3 Managing the development of EUM

The main functionality of the EUM is to purchase goods and services on the Elitium Network. In addition, we encourage the mass adoption of EUM and listing on third party exchanges. The intention is to list the EUM on cryptocurrency exchanges, which would allow public trading of EUM. Thus, we aim to deploy EUM as a useful, reliable and sustainability currency. Therefore, an essential part of Elitium's strategy is dedicated to actively manage the development of EUM by three key elements:

EUM acts as fuel

EUM is the most vital part of the Elitium Network as the coin is always required for participation on the platform. Whether it is consumers that pay for goods with EUM or a partner that receives EUM for their services, every participant will have to interact (in different degrees) with EUM. This dependence on EUM enables the currency to act as the platform's fuel. This contrasts with many cryptocurrencies that do not possess a tangible use case.

Elitium Network Expansion Strategy

A key part of the Company's growth strategy is the expansion of the Elitium Network, primarily in terms of user base and partners. We will adopt a long-term focus on continuously delivering benefits for our stakeholders. Moreover, we proactively manage the onboarding of new luxury brands for continuously expanding the available goods & services on the platform.

Elitium Burn Strategy

The Elitium Burn Strategy functions as an important tool for managing the total number of EUM coins that are in circulation. In short, the strategy is aimed at periodically burning a certain portion of the total coins in circulation in a publicly verifiable way. These systematic coin burns have several positive effects and intrinsically encourage a long-term commitment to the Elitium ecosystem. In turn, this greatly benefits the future development and prosperity of the platform.

Figure 9 – key elements for value protection, volatility reduction and sustainability

2.4 Smart contracts: increasing efficiency in our network

An essential opportunity for increasing efficiency in our network is the deployment of *smart contracts*. In essence, smart contracts are lines of code that are stored on a blockchain which are automatically executed when predetermined conditions are met. The benefits of smart contracts are very significant for business collaborations, as they are mostly used to enforce a type of agreement for which all participants can be certain of the outcome. If implemented correctly there are various benefits that smart contracts offer, such as:

Savings and Efficiency

With smart contracts the need for intermediaries is becoming increasingly obsolete as parties can trust the openly available ledger and technology to properly execute the transaction. Hence, the additional verification of an agreement by a 3rd party is not needed and the associated fees are saved. Besides, smart contracts have the potential to highly improve time savings related to the processing of documents and information.

Autonomy

Smart contracts eradicate the need for a third-party intermediary or facilitator, essentially giving the parties full control of the agreement. Further, a smart contract can be used on its own, but it can also be implemented in combination with other smart contracts that are triggered upon successful completion. This creates the potential for networks running entirely on smart contracts in an autonomous way.

An excellent example of the potential for smart contracts can be seen in the experience of Boatsters with the rental process of super yachts. Currently, the rental process of a yacht is a lengthy and extensive process with multiple involved parties (brokers, owner, tenant), international payments and different documents as illustrated in figure 10.

Figure 10 – Simplified example of yacht rental process

The introduction of a smart contract solution would highly improve the efficiency of this process as nearly all the steps are suitable for implementation trough smart contracts. If a smart contract solution would be deployed between the tenant, owner and a broker, the smart contract will behave logically based on its algorithm and will guarantee that all the agreed terms and conditions will be fulfilled.

An example of a smart contract application for a yacht rental process could be as follows:

- Independent storage is generated for which all involved parties are allowed to input value but cannot easily take out.
- All contracts and documents are placed on this distributed ledger and consequently signed by the different parties involved.
- The tenant inputs the required amount of money in the storage.
- The owner inputs the code for obtaining access to the yacht.
- The owner receives the payment confirmation and the tenant receives the access code.
- If the tenant obtains access to the yacht with the provided access code, the payment to the owner is executed and the owner receives the money. Further, the broker(s) will also automatically receive the broker fee as a percentage of the gross amount.
- If it appears that the access code supplied by the owner is wrong or the contractual agreement is not met, the tenant receives a refund.
- If it appears that the tenant did not attempt to access the yacht before a predefined cut-off time, the owner gets a liquidated damages payment according to the contractual agreement.
- After a successful rental period the tenant receives a refund of any deposit(s) made for the yacht and other advance allowances (e.g. fuel, food, beverages).
- At the end of the agreement, the smart contract is fulfilled and remains stored in the blockchain network.

2.5 Memberships: Becoming part of the Elitium Network

There are several benefits for customers to interact on the Elitium platform with EUM. The Elitium Network has been thoroughly designed to cater for different types of customers with different needs and preferences to fully cover all customer profiles in the market. Through the Elitium Network, customers will have the possibility to apply for three different types of memberships.

2.5.1 Elitium User

An Elitium User is an individual who holds EUM and has access to the Elitium Network. Elitium Users will be able to pay for the luxury goods and services offered by our partners with EUM and use all of the Elitium Network's luxury platform functionalities.

2.5.2 Elitium Membership

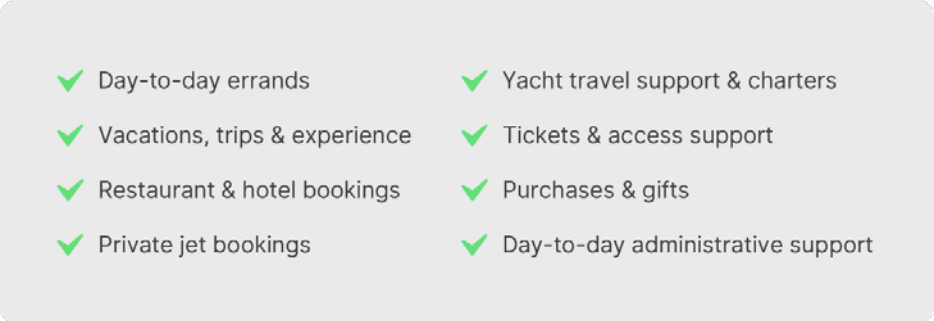
The Elitium Membership enables participants to join the Elitium Network, gaining access to enhanced platform functionality. Elitium Members also receive exclusive deals and limited offers for bespoke goods and services from our network of luxury brand partners. Additionally, this membership provides a limited amount of annual credits to be used for on- demand concierge service requests.

2.5.3 Elitium Diamond Membership

The Elitium Diamond membership is reserved for a select few: Elitium Diamond Members receive exclusive deals and limited offers, as well as extensive personal services not included within standard Elitium membership. Elitium Diamond Members enjoy additional privileges such as:

- 24/7 personal concierge
- Unlimited credits for on-demand services
- VIP access to sports, music & luxury events
- Exclusive Diamond Member-only network events

This part of the organization will be setup under the supervision of Daan Stots, former Director of Quintessentially (Netherlands). Quintessentially is a members-only "luxury lifestyle management service" founded in 2000. The company is headquartered in London and operates 65 offices worldwide and will oversee the support for our Elitium Diamond Members. Through the guidance of Daan Stots, the Elitium Diamond Members can enjoy customized and personal concierge services:



*The Diamond Member has the option to have all transactions managed by their personal assistant.

Figure 11 – Membership perks for Elitium Diamond members

3. The Elitium Lifestyle App

Elitium's lifestyle app offers an intuitive platform with a streamlined payments process to procure luxury goods and services across the globe. Any luxury brand can apply to become part of the Elitium global marketplace, while consumers can purchase the offerings on any device, any operating system, through the simple click-of-a-button – courtesy of the EUM coin. The aim is to further enhances the customer experience while speeding up the pace of innovation in the industry, focusing on:

- Delivering more customized and richer user experience on a large scale
- Increase user security whilst ensuring easy to use functionalities
- Develop deep relationships with customers and partners on the network
- Create one central environment to manage all accounts, services and transactions

Elitium's team comprises of members with successful results in the mobile app industry, Artificial Intelligence and Machine Learning. This represents a strong fundament for future growth and ongoing innovation in developing the mobile application for Elitium.

3.1 Main features of mobile application

The planned features for development of the mobile application are distinguished in five areas: User management, Wallet management, Services, Elitium Blockchain and Support.

User management

Users of the Elitium mobile application will have a wide range of functionalities available for user management such as:

- Creating an account & editing personal information
- Register for KYC/AML verification
- Edit public user profile & define level of user anonymity
- Connecting social media accounts of a user
- Manage settings for 2FA verification

Wallet management

All users will be able to freely define individual preferences for managing their Fiat currencies and EUM on the Elitium Network with the mobile application. For example:

- Create new wallet(s)
- Deposit and withdrawal EUM to wallet(s)
- Withdraw EUM from the Elitium Loyalty Program
- Manage bank account and credit card information
- Manage online ATM with instant conversion settings and preferred Fiat currency (e.g. EUR., USD, JPY)
- Manage (daily) payment limits

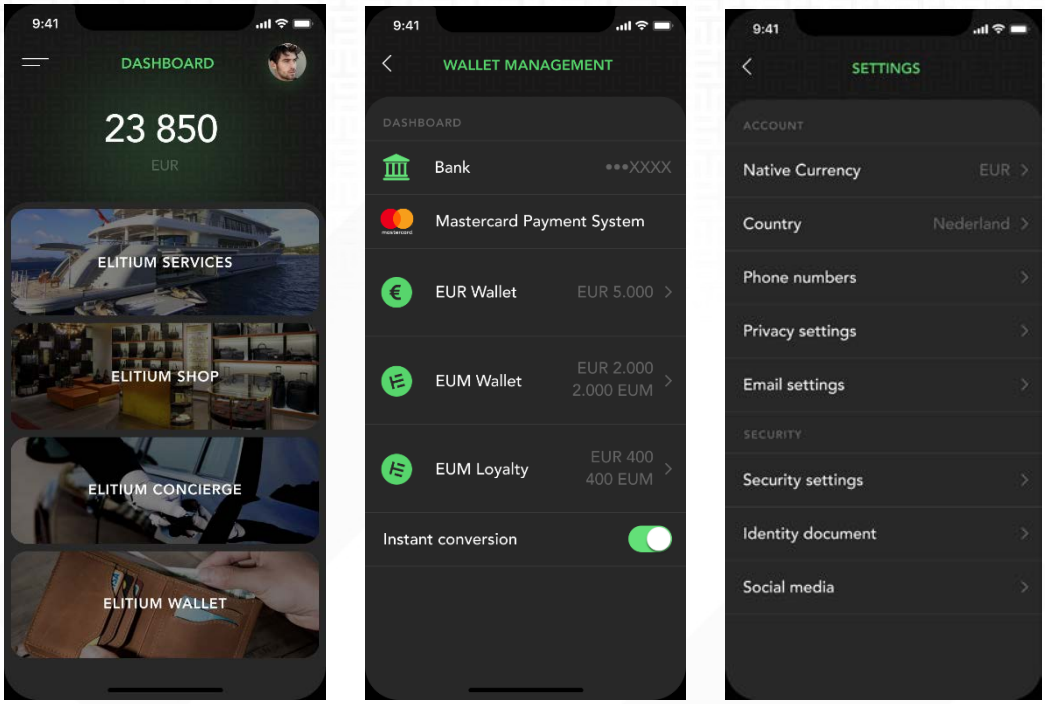


Figure 12 – Demo views of the Elitium Lifestyle App

After successful purchases on the platform a certain percentage of the transaction will be reimbursed to the customer as part of the Elitium Loyalty Program. These rewards are paid out in EUM coins and can be used for purchases of goods and services or traded for fiat money on the platform. Moreover, a special product segment is designed for smaller (luxury) offerings that can be purchased with the EUM coins that users receive from the Elitium Loyalty Program.

Services

Users of the mobile application will have the possibility to fully interact on the Elitium luxury platform and make use of all functionalities, such as:

- Browsing for goods and services on the platform
- Directly purchasing goods and services with EUM
- Reviewing services in order to share experiences and ratings
- Subscribe for exclusive luxury events (holders of the Elitium Diamond Membership only)
- View new product launches, partnership announcements and exclusive offers

Elitium Blockchain

The Elitium mobile application will be developed to provide functionalities which are specifically related to the Elitium blockchain such as:

- Viewing blocks on the Elitium blockchain and the network status
- Mining functionality for users to mine Elitium (EUM)
- View latest cryptocurrency updates (e.g. headlines, listings)
- View range of (external) cryptocurrency exchanges

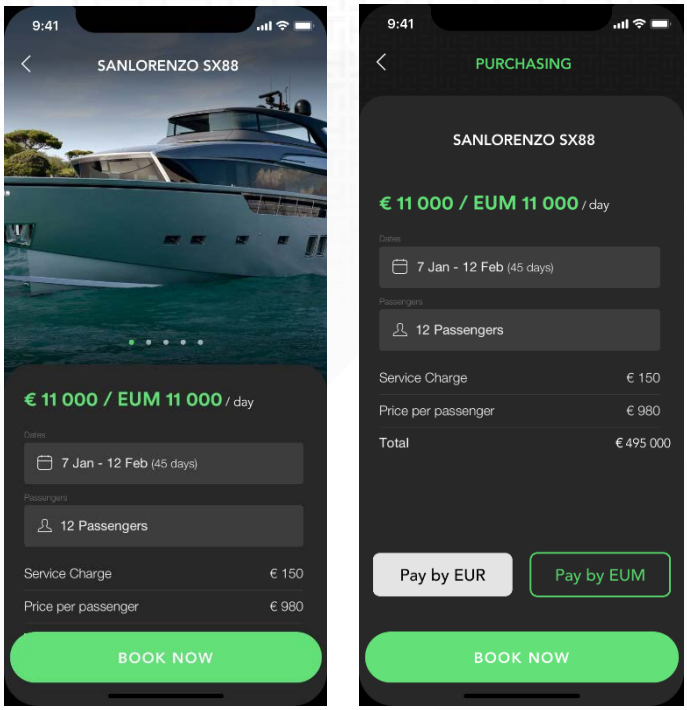


Figure 13 – Demo views of the Elitium Lifestyle App

Support

A wide range of support functionalities are planned to be available including:

- Request concierge services (members only)
- Request pre-sale support (e.g. assistance in service/product selection)
- Request reimbursement with insurance service Elitium-i
- Perform voice commands through e.g. Alexa, Siri and Google Voice (members only)

Mining on a mobile phone

Users of the Elitium Lifestyle App will also have the opportunity to mine XMR and receive the EUM coin as a reward on the mobile application, which is made possible by our technology partner *CoinHive*.

3.2 EUM Staking program

Elitium is planning a feature in the form of a custom Staking Program that rewards Elitium Members and participants for holding a balance/amount of EUM within their Wallet in the Elitium App. Members and participants will have to agree not to spend the staked EUM for a predetermined period of time. In return, members will be able to receive an attractive reward for the staked EUM balance, distributed on a monthly cycle. This feature is planned to be available once the Elitium App is launched.

However, the launch of the Staking Program is subject to having all relevant licences and documentation in place. Thus, the development of the Staking Program can be subject to change, depending on any legal circumstances related to this feature. This means that the Staking Program could potentially be omitted in the roadmap in case the relevant licences and documentation, that may be required for the feature cannot be granted, due to (conditional) regulation and legislation.

The Elitium Staking Program serves three core purposes:

1. **Secures the network**

By encouraging users to hold a certain amount of EUM, the effect will have a positive impact on the platform. The more users hold on to a quantity of EUM, the stronger the platform will become. This strengthens the system from the inside and has great advantages for the long-term vision of the platform, resulting in a considerable benefit for the users.

2. **Underpins EUM stability**

Many Cryptocurrency projects suffer from short-term currency speculators that cause large volatility. This has a negative impact on the currency itself and thus the project. If the users / network participants decide to keep a certain amount of EUM in their Wallets and do not participate in short-term trading, this will have a positive effect on the stability and strength of the EUM. This is going to have an effect on the attractiveness of the currency itself and as a result, a faster growing network.

3. **Incentives for adoption**

The Elitium's EUM Staking Program offers a reward structure for a broad audience to participate in the Elitium luxury lifestyle network. It is certainly also very interesting for participants who are not explicitly interested in the Elitium luxury lifestyle platform itself.
And for those who wish to participate in the Elitium *membership network*, the rewards program is an attractive tool to significantly increase the available volume within the ecosystem itself. Therefore, the program is attractive to all EUM participants, regardless of their motivation, the rewards are substantial.

3.2.2 How the EUM Staking Program Works

It is clear that Elitium has designed the Staking Program to offer an attractive incentive to all participants in the network. Anyone can join the network and join the rewards program and thereby will be eligible to receive a percentage of their staked amount of EUM, to be distributed on a monthly basis. To receive the reward, participants simply have to create an Elitium wallet, hold a balance of EUM in the Elitium App, and keep the wallet connected. The process is outlined below:

1. Download & Install the Elitium App
2. Create an account and wallet within the Elitium App
3. Complete KYC and AML verification
4. Exchange fiat into EUM via Elitium’s online ATM
5. Hold the staked balance in the Elitium App
6. Receive staking rewards

Participants are free to use the remuneration in EUM according to their own wishes: for example by exchanging it into fiat, or using it within the Elitium luxury network or adding it to the staked amount to increase the remuneration.

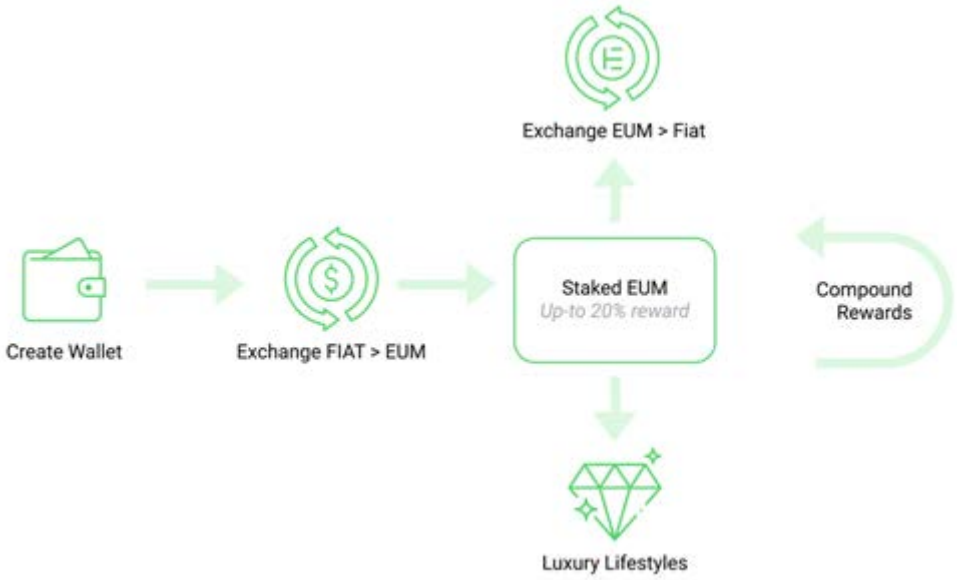


Figure 14 – EUM Staking Program explained

3.3 Customer service empowered by Artificial Intelligence (AI)

The strategy of Elitium is not only limited to introducing an innovative payment solution as we also focus on integrating traditional customer service with new cutting edge technology, such as Artificial Intelligence (AI). The AI developments of Elitium will be led by Mike Melanin, the Founder and ex-President of Statsbot.co (Business Intelligence solution used by over 30,000 businesses).

3.3.1 What is Artificial Intelligence (AI)?

Artificial Intelligence (AI) refers to intelligent behaviours performed by machines, which is different from 'natural intelligence' that is displayed by humans. Typically, AI refers to a machines that mimics cognitive functions of humans e.g. problem solving, learning and automation. By doing this, the machine perceives its environment and takes actions to maximize the chance of a successful outcome of its goals. Moreover, AI already exists since the early 50's, however it is only in recent times that the technology has advanced in a way that it can be used as a reliable tool for key business tasks. This could range from basic customer service, to highly personalized tasks and more advanced problem-solving activities.

3.3.2 Why use Artificial Intelligence (AI) for Elitium?

Elitium aims to maximize customer experience on the platform by empowering customer service representatives and human concierges with AI technology. The use of AI technology has a great potential to support employees in delivering exceptional customer experience and careful assistance. This combination enables Elitium to deliver a new kind of customer experience with a wide range of benefits, including: instant communication, personalized customer experience, and improved efficiency.

Instant communication

The use of AI could dramatically improve timely responses towards customer questions and requests, which is generally considered a key challenge in customer service. The ability of AI-powered customer service bots to carry out traditionally human functions at any time of the day is a great potential for eliminating human error and delivering superior service. AI technology has proven to be very effective in direct messaging and online chat services that respond to customers. With instantaneous responses (e.g. 24/7), it provides a superior customer service in comparison with human-to-human interaction. Additionally, AI-powered bots are able to automatically recognize if a customer requires a real person to solve more complex topics, this enables a more effective and efficient use of the 'human' value-add.

Personalized customer experience

Many aspects of the activities of consumers in the luxury market are captured in massive amounts of data which often remain unused. Combining this data with AI technology is highly valuable for Elitium to create high-grade personalization and exceptional customer experiences. Hence, this represents an important opportunity for utilizing AI technology for its ability to capture preferences of customers and tailoring highly personalized recommendations. Here, the concierge service in the Elitium Lifestyle App is a great example, as a wide range of activities will be automated by combining AI and our payment solution such as e.g. ticket bookings, hotel reservations, taxi booking. Lastly, the AI powered solutions of Elitium will continuously learn throughout time by interacting with customers to continuously improve our service towards customers.

Improved efficiency

AI powered bots can lighten the load on customer service staff while still maintaining a private and personalized service for guests. The reduced workload is a unique opportunity for employees to dedicate on combining artificial intelligence and 'real intelligence' for optimized customer interaction. Besides, the use of AI technology also enables Elitium to target larger consumer bases without suffering a loss in the level of customer service, thereby facilitating growth of the platform.

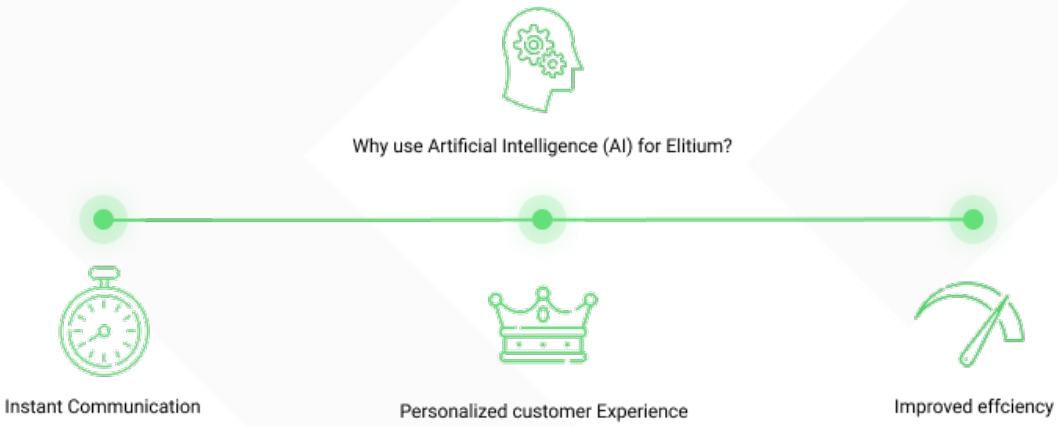


Figure 15 – Key reasons for using Artificial Intelligence (AI)

4. The Elitium Coin (EUM)

The first version of the EUM is being developed on the ERC20 coin standard, which has the capabilities of being compatible with an Ethereum ("**ETH**") wallet and global exchanges. The ERC20 will be live on the Elitium Network's mainnet with a total maximum supply of 332,200,000 EUM.

EUM will be accepted by exchanges and platforms because it has:

- Generated insights over researches on the best suitable architecture possible
- Created/killed several smarts contracts for direct research purpose (burn/pair/swap)
- Built a fully customized and proprietary mineable coin architecture from scratch
- Implemented pairing/swapping capabilities
- Been fully developed on solidity language
- Been developed to be fully compatible with all ETH wallets
- Been developed to fully comply with the ERC20 standard, which guarantees the compatibility of the coin with third-party services and also ensures ease of integration
- Been developed in a way that it can be stored by using any wallet service that supports ERC20 compliant coins, such as MyEtherWallet, Mist and Metamask

4.1 Coin protocol & blockchain architecture (EOS.IO)

The launch of the Elitium Lifestyle App marks an important milestone from a technology perspective as it covers an essential step in the development of the EUM coin. More specifically, the ERC20 Elitium coin will be burned and swapped on a 1:1 ratio with the EUM coin based on the Native EOS platform.

4.1.1 What is EOS.IO?

EOS.IO is a new blockchain protocol - powered by the native cryptocurrency EOS - which operates as a smart contract platform and decentralized operating system. The EOS.IO software is intended for the deployment of large-scale decentralized applications through a decentralized autonomous corporation model. More specifically, EOS.IO introduces a new blockchain architecture designed to enable vertical and horizontal scaling of decentralized applications (DApps).

This results in a technology with a blockchain architecture that has the potential to scale up to millions of transactions per second, eliminate user fees, and allow fast & easy deployment and maintenance of DApps.

4.1.2 Why use EOS.IO blockchain?

The EOS.IO platform was designed to solve inefficiencies and meet all requirements for improving the speed of developing and deploying DApps. Hereby, the EOS.IO platform is able to provide many benefits for Elitium and other companies, including:

- **Support of industrial-scale applications**

In order for Elitium to operate on a large global scale such as eBay, Uber, AirBnB, or Facebook it requires blockchain technology which is capable of handling millions of active daily users. The EOS.IO

software has the potential to handle and support a large number of user requests and reach industrial-scale user bases. This is a key advantage for the development of the Elitium Network as this enables handling millions of requests and daily transactions generated on the platform.

- **Low latency of applications**

Elitium aims to introduce an excellent user experience in the world of luxury which also requires a timely and reliable feedback to user while using the application. Typically, users demand reliable feedback with a delay of no more than a few seconds as longer delays make the solution less competitive with traditional solutions. As the EOS.IO software supports and prioritizes low latency of transactions on the platform it makes it perfectly suitable for the use-cases of Elitium.

- **Consistent performance with high workloads**

A key characteristic of highly scalable decentralized applications is the capability of division of work capacity across numerous nodes and processing units. The handling of high workloads is of paramount importance Elitium envisions to bring its solutions to a global scale with thousands of daily users. The EOS.IO platform enables efficient, enhanced parallel performance to handle the DApp workload which is an essential characteristic for developing the Elitium Network.

- **Cost efficiency of platform**

Within the EOS.IO platform application developers have the flexibility to offer users free services; users should not have to pay in order to use the platform or benefit from its services. Hence, the free to use policy of the blockchain platform is also potential catalyst for widespread adoption and user growth. This allows Elitium to have a low-cost and efficient way of operating the platform and creates several opportunities for effective monetization strategies.

- **Easy Upgrades and Bug Recovery**

Businesses that are developing blockchain-based applications require the flexibility to enhance their applications with new features and upgrades, this is especially relevant for Elitium as an innovator in the luxury industry. The software of EOS.IO supports ongoing development and provides the flexibility that Elitium requires for e.g. smart-contract code versioning, adding new features to existing DApps.

4.1.3 How does EOS.IO work?

Consensus Algorithm (BFT-DPOS)

EOS.IO software utilizes the only known decentralized consensus algorithm proven capable of meeting the performance requirements of applications on the blockchain, Delegated Proof of Stake (DPOS). With this algorithm, those who hold coins on a blockchain adopting the EOS.IO software may select block producers through a continuous approval voting system. Anyone can choose to participate in block production and will be given an opportunity to produce blocks, provided they can persuade coin holders to vote for them.

The EOS.IO software enables blocks to be produced exactly every 0.5 second and exactly one producer is authorized to produce a block at any given point in time. If the block is not produced at

the scheduled time, then the block for that time slot is skipped. When one or more blocks are skipped, there is a 0.5 or more second gap in the blockchain.

Using the EOS.IO software, blocks are produced in rounds of 126 (6 blocks each, times 21 producers). At the start of each round 21 unique block producers are chosen by preference of votes cast by coin holders. The selected producers are scheduled in an order agreed upon by 15 or more producers.

Under normal conditions a DPOS blockchain does not experience any forks because, rather than compete, the block producers cooperate to produce blocks. In the event there is a fork, consensus will automatically switch to the longest chain. This method works because the rate at which blocks are added to a blockchain fork is directly correlated to the percentage of block producers that share the same consensus. In other words, a blockchain fork with more producers on it will grow in length faster than one with fewer producers, because the fork with more producers will experience fewer missed blocks.

Furthermore, no block producer should be producing blocks on two forks at the same time. A block producer caught doing this will likely be voted out. Cryptographic evidence of such double-production may also be used to automatically remove abusers.

Byzantine Fault Tolerance is added to traditional DPOS by allowing all producers to sign all blocks so long as no producer signs two blocks with the same timestamp or the same block height. Once 15 producers have signed a block the block is deemed irreversible. Any byzantine producer would have to generate cryptographic evidence of their treason by signing two blocks with the same timestamp or blockheight. Under this model an irreversible consensus should be reachable within 1 second.

Transaction Confirmation

Typical DPOS blockchains have 100% block producer participation. A transaction can be considered confirmed with 99.9% certainty after an average of 0.25 seconds from time of broadcast.

Transaction as Proof of Stake (TaPoS)

The EOS.IO software requires every transaction to include part of the hash of a recent block header. This hash serves two purposes:

1. prevents a replay of a transaction on forks that do not include the referenced block;
2. signals the network that a particular user and their stake are on a specific fork.

Over time all users end up directly confirming the blockchain which makes it difficult to forge counterfeit chains as the counterfeit would not be able to migrate transactions from the legitimate chain.

5. Company

5.1 Organizational setup Gibraltar & Switzerland

Part of Elitium's organizational structure will be based in Switzerland as it proves to be an adequate fit with our organization. Moreover, Switzerland has been named the most blockchain- friendly country in Europe by the Blockchain Conference Europe 2018 and provides many opportunities for blockchain start-ups. As a consequence Elitium will also maintain a strategic positioning in the proximity of Zug (CH), the centre of the "Crypto Valley".

Further, a large part of our current and future activities will be carried out in Gibraltar. Gibraltar has established itself as a blockchain-friendly jurisdiction due to the government's early engagement in embracing blockchain technology. They also stand out due to the most forward- thinking regulatory agenda with an innovative vision on the future economy.

Gibraltar took the ambitious step in being the first jurisdiction in Europe that actively regulates firms operating in the space of blockchain. The development of the regulatory framework has been carried out in close relation with the industry to create a framework that protects consumers and safeguards the jurisdiction's reputation. Nevertheless, the framework also gives blockchain companies the flexibility to grow and develop in a controlled and safe environment. Therefore, we believe that Gibraltar is becoming an increasingly important hub for blockchain start-ups with many opportunities for early innovators such as Elitium, now therefore the Elitium headquarters will be established in Gibraltar.

5.2 Company Structure

The future structure of the Elitium organization will consist of several departments and teams that will collectively dedicated themselves to provide excellent service to all parties on the network.

Technology team
A technology team will be put in place to take on the future development of the Elitium Network. The main focus of the team will be the continuous improvement of the payment solution user experience to become a sustainable and easy to use platform. Furthermore, the content on the luxury platform will be developed, maintained and extended by the technology team.

Business development team
The Company will have a strong business development team in place which will take on all commercial activities and develop business strategies towards initiating partnership with global luxury brands in order to expand the offerings on the luxury platform of Elitium.

Concierge service team
The concierge service team is a dedicated team of professionals who are responsible for the daily operations for Elitium Members and Diamond Members.

Fraud detection team

Lastly, a fraud detection team will be set up in order to handle all insurance related requests. As addressed in chapter 2.3, this team will consist of experienced professionals with insurance and cyber security experience who will be able to handle requests with due care.

5.3 Company Roadmap

The Company's roadmap presents its planned activities and key milestones including its vision for the future of the business. These future plans are based on a strong foundation of early research and innovation. A great example is the early research and development of smart contracts dating back to 2014 and the continuous innovations from Boatsters over the past years. These past activities form the basis of Elitium's future paths and key milestones for Elitium's future. All of Elitium's key milestones ranging from technical milestones to business milestones (see figure 19) are marked on the roadmap. The technical milestones mainly reflect the development of the testnet, mainnet and Elitium Lifestyle App. On the other hand, the business milestones are primarily concerned with the launch of the Elitium Network, events and other business activities.

Within our roadmap there are several essential activities that are continuously performed and remain ongoing throughout the roadmap:

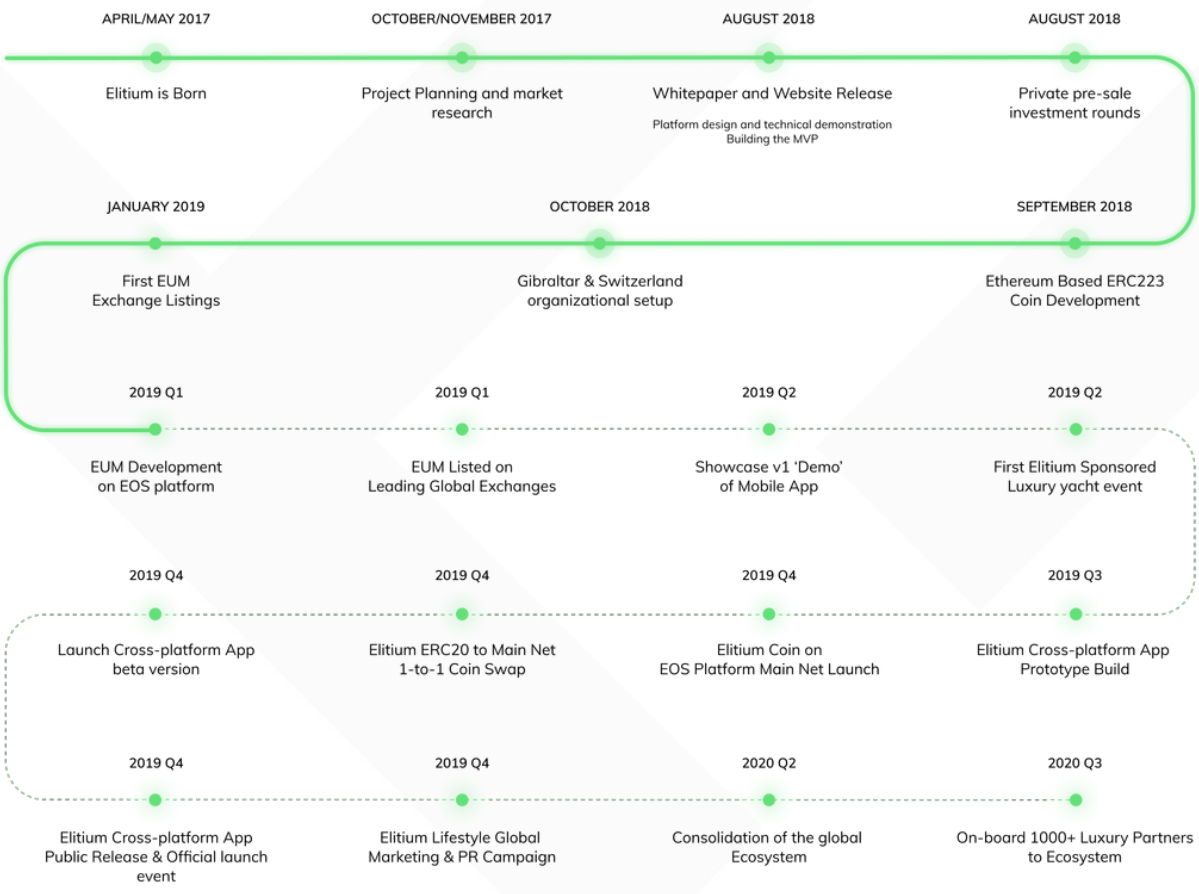


Figure 16 – Elitium roadmap

5.3.1. Development of the Elitium Lifestyle App

There is a high emphasis in the development roadmap on finalizing the current demo-version of the Elitium Lifestyle App. The Elitium Lifestyle App has already undergone several development stages and the demo version of the application is planned to go live in 2019 Q4. Once the Lifestyle App is finalized and released, the Elitium Network will be launched shortly hereafter. By launching the Elitium Network, members will have access to the full functionality of the platform.

5.3.2. Expansion of global luxury brands

The expansion of the connected luxury brands to Elitium is a key element in the growth of the company and will receive continuous focus throughout our roadmap. In particular, the expansion during the period before the official launch of the Elitium Lifestyle App will receive dedicated and increased attention. We therefore expect to establish an excellent first pool of connected partners to provide a wide range of goods and services after the launch of the Elitium Network.

5.4 Business models

Elitium's internal business model is designed to generate a constant and reliable revenue stream in order to maintain a high level of service to customers. The Company will generate fees in the following ways:

- **Transaction fees** per successful transaction for buyers (Users & Members)
- **Commission fees** per successful transaction for Partners
- **Setup fees** are incurred once, by new partners joining the Elitium Network
- **Advertisement fees** are provided as an opportunity for partners to highlight their services and goods in the Elitium Lifestyle App. This includes e.g. highlighting new introduced products, promoting exclusive event and offers
- **Yearly annual fee for Elitium Diamond Members** which includes 24/7 personal assistance and on-demand concierge services

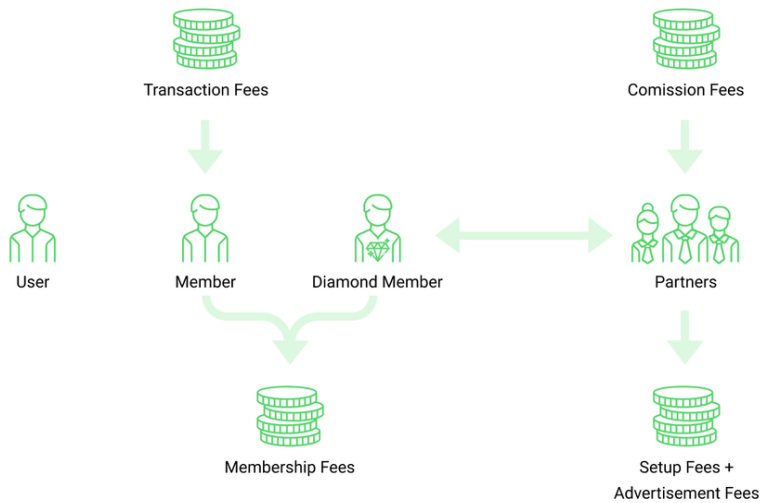


Figure 17 – Business models overview

5.4.1 Elitium & charity: Our contribution to a better world

Even though the world of luxury is full of glamour, enjoyment and comfort, it has also an important consideration for charity. This increasingly interesting element of the luxury world will also be included in the Elitium Network, as Elitium plans to donate 1% of the monthly profit generated through purchases on the platform to charitable activities around the globe.

Elitium's team is currently in touch with multiple foundations and charitable organizations to discuss this unique opportunity. Based on previous discussions with different organizations, a decision will be made with regards to selecting a suitable party to become Elitium's charity partner and receive the donations. For the first year, following the official launch of the Elitium Network, the Company's management will decide the charity that Elitium will partner with, however afterwards there will be an annual vote whereby all Elitium Members and Elitium Diamond Members will decide which charity will be selected as Elitium's charity partner.

5.5 EUM coin model

The EUM coin model represents an important element of the Elitium Network as the coin entails a central role in our ecosystem. In general, a large part of the business model of Elitium is estimated to consist of generating payments, transaction fees and commission fees. Hence, the daily use of the platform is expected to generate a continuous flow of transactions between several different parties. The flow of transactions is designed to be settled with the EUM coin in a fast, secure and efficient manner. More specifically, the EUM coin is empowered by the blockchain technology of EOS to enable high efficiency and security of executing a high volume of transactions.

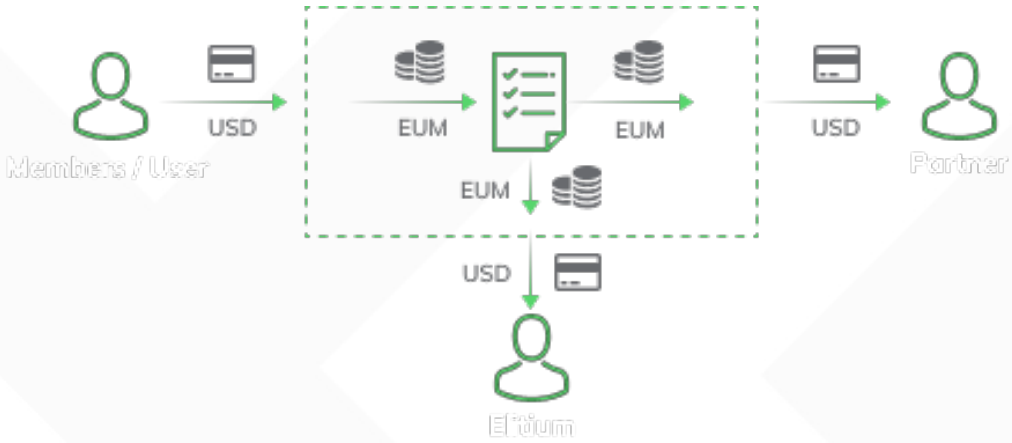


Figure 18 – Application of smart contracts powered by EUM

Thus, the EUM coin will be used to settle e.g. transaction fees, commission fees, deposits and loyalty rewards. In this way, all transaction flows between different parties on the network will be coordinated and executed though predefined and customized smart contracts. In addition, the increase in efficiency allows Elitium to offer highly competitive transaction fees and commission fees to members and partners, respectively.

6. Partnerships

Elitium has already established relationships with the first companies that have expressed an interest in becoming partners on the Elitium Network. These companies are all active in the luxury market and they will be able to accept EUM as payment for goods and services once they are live on the Elitium Network. The following entities are our current partners:

Boatsters Black

Boatsters is a world leading rental platform for yachts and boats, with a portfolio of over 12,000 rental boats spread across 63 countries. With the label *Boatsters Black,* luxury yachts starting from 60 ft and upwards are also made available for charter. Boatsters Black comes with extra services in which both owners and renters benefit from a global concierge service that takes care of all demands and special wishes.

LunaJets

Since 2007 LunaJets is the leading private aviation booking platform, combining innovative technology and the highest personal service standards. With access to over 4,800 aircraft around the world, LunaJets is able to select the most suitable private jets for their customers. The innovative technology of LunaJets allows to search, find, filter, select and then negotiate the business jets that will best match the very specific needs of customers.

Cobra Art Company

Cobra Art Company was founded in 1983 as an art wholesaler for the B2B market. Currently the company has developed itself into a world-wide recognized player collaborating with well- known international photographers and artists. Cobra Art Company is now considered to be one of the top internationally recognised art wholesalers and distributors of modern paintings and photo art on plexiglass, with a world-wide client base consisting of luxury interior shops, architects, interior designers, hotels and project developers. Cobra Art Company participates in various international trade fairs in countries such as France, USA, Spain, England and Asia, where they present their latest high-end collections.

Stotsy

Stotsy was founded in 2014 and hosts worldwide luxury events and exclusive network gatherings in Monaco, Amsterdam and Miami. They are mainly focused on racing events (e.g. Formula E, Formula 1 and IndyCar) for which they also offer private racing lessons and accredited race license courses. Additionally, the company is also offering motorsport inspired merchandise such as the Stotsy Caps. Stotsy is also actively involved with fundraising events for charity organizations.

Selected Luxury Solutions (SLS)
Selected Luxury Solutions (SLS) is an agency specialized in offering tailor-made experiences and journeys on the Balearic Islands (Spain). The company offers a wide range of solutions such as private jets (incl. medical air services), personalized tours with luxury cars or luxury yachts and dinner arrangements in special settings (e.g. marvellous nature, panoramic views).

Arma Security
The product range of Arma varies from anti-intrusion equipment, fire detection, leak detection, security doors, cameras and live camera surveillance. The services of Arma are specifically designed around discretion, quality, unburdening and health. Arma configures innovative security solutions for various customers, enabling users order on-demand security services in the form of bodyguards, yacht security, event security and risk analysis.

6.1 Future markets

After the launch of the mobile application and the Elitium coin sale, Elitium's main focus will be business development. Elitium's professional business development team will be dedicated and focused on expanding the partner base in and on every continent of the globe by selecting those manufacturers, producers and service providers that are active in the field of luxury goods and services, that are seeking to expand their connection to the luxury lifestyle network.

The list of companies active in the field of luxury goods and services that are willing to "partner up" with Elitium is already extensive due to the luxury network of Boatsters. However, the expansion of the network will be structured in a selective and professional way, resulting in a high quality and exclusive luxury network. The business development team will be active in the following core-segments of the luxury market:

- Yacht charters
- Private jets and helicopters
- Luxury hotels and resorts
- Premium, sports and luxury automotive
- Fine dining restaurants
- Exclusive (world famous) festivals and events
- Limousine and private chauffeur service
- Private security and protection
- Butler service, personal staff and chefs
- Watches, gold and jewelleries
- Fashion and haute couture, designer clothing
- Luxury travels and holidays
- Luxury real estate, residences & villa

7. Legal considerations, risks and disclaimer

IMPORTANT NOTICE: PROSPECTIVE SUBSCRIBERS SHOULD CAREFULLY READ THE WHOLE OF THIS WHITE PAPER, TOGETHER WITH THE "LEGAL CONSIDERATIONS, RISKS AND DISCLAIMERS" AVAILABLE ON www.elitium.io. WE RECOMMEND YOU CONSULT A LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISOR(S) OR EXPERTS FOR FURTHER GUIDANCE PRIOR TO PARTICIPATING IN THE ELITIUM LIMITED COIN SALE. YOU ARE STRONGLY ADVISED TO TAKE INDEPENDENT LEGAL ADVICE IN RESPECT OF THE LEGALITY IN YOUR JURISDICTION OF YOUR PARTICIPATION IN THE COIN PURCHASES. YOU SHOULD NOTE THAT YOUR ACKNOWLEDGMENT AND ACCEPTANCE OF THE COIN PURCHASES'S TERMS AND CONDITIONS REPRESENTS THAT YOU HAVE SOUGHT PRIOR INDEPENDENT LEGAL ADVICE

Please note that this is a summary of the legal considerations, risks and disclaimers paper which can be found on www.elitium.io and which we advise you to read in full before: (i) making use of this White Paper and any and all information available on the website of Elitium Limited (the "**Company**") at www.elitium.io (the "**Website**"; all the information in the White Paper and all information available on the Website hereinafter referred to as the "**Available Information**") and/or (ii) participating in the Company's coin purchases outlined in the Available Information (the "**Coin purchases**"). Any undefined capitalised terms below shall have the meaning set out in the "Legal Considerations, Risks and Disclaimers" paper. This summary should not be relied on in place of reading the "Legal Considerations, Risks and Disclaimers" paper in full.

The "Legal Considerations, Risks and Disclaimers" paper, the full version of which was mentioned above, applies to the Available Information. The contents of the "Legal Considerations, Risks and Disclaimer" paper outlines the terms and conditions applicable to you in connection with (i) your use of any and all Available Information; and/or (ii) your participation in the Coin purchases, in each case in addition to any other terms and conditions that we may publish from time to time relating to the Coin purchases and the Available Information (such terms hereinafter referred to as the "**Terms**").

The information set forth in the "Legal Considerations, Risks and Disclaimers" paper may not be exhaustive and does not imply any elements of a contractual relationship. While we make every reasonable effort to ensure that all Available Information is accurate and up to date, such material in no way constitutes professional advice. Individuals intending to participate in the Coin purchases should seek independent professional advice prior to acting on any of the Available Information.

The Company does not recommend purchasing Coins for speculative investment purposes. Coins do not entitle you to any equity, governance, dividend, voting or similar right or entitlement in the Company or in any of its affiliated companies. Coins are sold as digital assets, similar to downloadable software, digital music and the like. The Company does not recommend that you purchase Coins unless you have prior experience with cryptographic Coins, blockchain-based software and distributed ledger technology and unless you have taken independent professional advice.

Citizens, nationals, residents (tax or otherwise), green card holders and/or Restricted Persons of any Restricted Jurisdiction shall not process the Available Information and are prohibited from participating in the Coin purchases or the purchase of Coins or any such similar activity.

In no event shall the Company or any current or former Company Representatives be liable for the Excluded Liability Matters.

The Company does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any

representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in the Available Information.
You should carefully consider and evaluate each of the risk factors and all other information contained in the Terms before deciding to participate in the Coin purchases.

Please refer to the full version of the “Legal considerations, risks and disclaimers” published on www.elitium.io/disclaimer.pdf to educate yourself regarding further legal disclaimers which govern this document.

8. Responsibility statement

The directors of Elitium Limited have issued this white paper and have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether or facts or of opinion. The directors accept responsibility accordingly.

9. GDPR

The information below will only be applied for data that’s being collected through the mobile app

Personal data refers to any information that tells us something about you or that we can link to you. This includes your name, address, date of birth, e-mail address, IP address. You share personal information with us, for example when you: visit our website, complete a(n) (online) (application) form or contact us through one of our channels.

All personal data which is received by us through our websites, portals and any other means shall be treated by Elitium with due care. At all times Elitium shall adhere to the strict obligations of the General Data Protection Regulation, the Data Protection Act and the Telecommunications Act.

In accordance with applicable law Elitium shall take appropriate technical and organisational measures to ensure confidentiality and integrity of your personal data and the way this personal data will be processed.

Elitium shall only retain your personal data for as long as it is necessary for the purpose as initially required. After this period has lapsed Elitium shall ensure your personal data will be deleted or erased.

10. Final word

Raoul Milhado, Co-Founder of Elitium:

"We are going to utilize the power of cryptocurrency and smart contracts to rebuild the slow and outdated luxury market. By leveraging blockchain technology, we will change the industry forever."

ELITIUM

TRANSFORMING THE WORLD OF LUXURY

WWW.ELITIUM.IO