CRYPTSTART® Fund Decentralization.

CRYPTSTART® Whitepaper v1.0

by Samuel Hung, Founder

Abstract

In this paper, we present an overview of the CRYPTSTART® unified cryptocurrency crowdfunding platform for creators and backers of legitimate innovation without redundant geographic restrictions. Major markets have begun embracing new, pro-innovation policies with the appointment of Dalia Blass as the new director of SEC's Division of Investment Management in the US and the formation of Ethereum Russia in Russia; institutional investors are moving in swiftly, no longer able to ignore the escalating $200 billion market capitalization[1]. Now is the time for the passionate community of innovators to fully leverage the market's insatiable hunger for new projects to drive change and progress. CRYPTSTART® offers a comprehensive set of tools and services a creator needs to succeed in funding, such as project templates, and a proprietary token to access them, the CRYPTSTART® CST, while retaining intuitive basics of traditional fiat platforms. Cryptocurrency investors will find promising new projects easy to understand and fund. The platform will connect people around the creative process to engage in the greater goal of disruptive, sustainable, and decentralized technologies within a self-regulating ecosystem of integrity.

This paper will illustrate the vision of the CRYPTSTART® team, explain the problems that we are solving, and how we are going to achieve our goals.

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[1] CoinMarketCap

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Table of Contents

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Introduction – the Problem

The growth of the cryptocurrency market and community has been steady and strong for a few years now, but while the conversion from fiat continues to be bullish, expansion of the crypto-space beyond speculation has not been nearly as robust or rapid. Innovators of disruptive solutions still find themselves bootstrapping with minimal resources and exposure, at the same time financiers are standing on the sidelines inundated with confusion. There are two main underlying problems:

1. inaccessibility of new projects;
2. inefficacy in communication of value.

In the past decade, fiat crowdfunding platforms like Kickstarter have created much value for entrepreneurs and investors in some parts of the world, but due to redundant geographic and regulatory restrictions they are inaccessible to most of the world. The other major platform, venture capitals, is traditionally limited to the privileged minority with wealth, influence, and information. Initial coin offerings, or ICOs, though capable of overcoming the aforementioned barriers through the use of cryptocurrencies and decentralized blockchain networks, are currently flooded with 'flashlight apps' and pump-and-dump schemes while offering little significant end-consumer utility, rendering them difficult to navigate and similarly inaccessible to the average person. China's recent decision to ban all ICOs in the absence of a self-regulating community is a telling example.

Communication is the other major obstacle. Aside from the few extremely excited risk-takers and passionate and technical angel investors, even without regulatory concerns, the majority of venture investors though keen are holding onto their cryptocurrencies simply because they cannot adequately understand the alleged value or legitimacy of these ICOs and blockchain projects in general. The language of these propositions are as new and unfamiliar as the technologies and ideas behind them.

The avalanche of fiat awaiting conversion into cryptocurrencies, along with the existing $200 billion market capitalization and the ever-growing curiosity and enthusiasm, is crying out to back new innovation and technology, if only it could identify worthy projects.

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Our Vision – the Solution

CRYPTSTART® is the solution to matching worthy projects from all corners of the globe to decentralized funding. Our mission is to enable creators to realize their innovative ideas. The CRYPTSTART® website will be the most effective way for project creators to reach a broad audience, and the most efficient way for potential backers to find, understand, and fund projects.

Learning from the likes of Kickstarter and Indiegogo, we see the key to success is a platform's ability to clearly communicate value, which translates into trust and community. On the CRYPTSTART® website, creators will feel familiar with the language of funding, fulfillment, and message with backers. Backers will feel familiar with the language of campaign description, video, reward, update, and comment. Behind the familiar work-flow and presentation, we are implementing a rigorous creator account set-up verification process that requires a national ID and a bank account of the same name in order to combat fraud for the time being, while we move towards blockchain identity verification.

CRYPTSTART® will introduce improvements to the crowdfunding experience by offering a comprehensive range of creator tools and services based on the best practices of current-generation crowdfunding to assist creators in reaching their funding goals, including project templates, videography, promotions, and legal consultation.

Project pledges will be made in either Bitcoin or Ethereum, and creators can reward backers with discounts, gifts, and project tokens if they choose. While some projects may seek funding via an ICO, it is by no means the only crowdfunding method, as rewards like discounted pre-orders or gifts are just as applicable. The exclusive use of cryptocurrencies, combined with the concise account verification process, removes redundant geographic constraint and promotes a tangible utility of cryptocurrencies beyond mere speculation.

CRYPTSTART® will be sustainable. We will charge projects a 6% BTC/ETH commission on their total pledges, as well as a small amount of the access token CRYPTSTART® CST for starting projects, and for the full range of creator tools and services.

With community support and ICO funding, the CRYPTSTART® team plans to convert 5% of the estimated 2.9 million – 5.8 million unique active users of cryptocurrency wallets[2] and 0.02% of the estimated total cryptocurrency market capitalization of $200 billion into 220,000 project backers and 5,500 BTC or 136,000 ETH ($40 million) in project pledges in our first 18 months, a conservative estimate by ICO or fiat crowdfunding standards[34]. The success of the CRYPTSTART® platform will bring cryptocurrency crowdfunding to the crowd, build a vibrant, self-regulating community of creative individuals, and accelerate the development of blockchain technologies and decentralization.

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[2] University of Cambridge study

[3] ICOs in 2017

[4] Kickstarter's first 18 months

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Website Features

The first version of the CRYPTSTART® website will focus on platform familiarity and user experience. Additional features will be implemented after launch according to our development milestones and community feedback.

CRYPTSTART® will enable creators to realize their innovative ideas with these core features:

- Create and verify account
- Create project page with video, description, and deadline
- Create project with project templates
- Promote project with promotion program
- Reward backers with gift and project token
- Update and share project progress
- Create backer report
- Interact through comments and messages
- Explore and search projects by category
- Back projects by pledging Bitcoin or Ethereum
- View all backed projects

Planned features include

- Live stream of project progress
- Message backers directly
- Multi-lingual support
- Videography application
- Legal consultation
- Buy supported cryptocurrencies with fiat
- Inclusion of additional cryptocurrencies
- Token exchange platforms integration
- Decentralized data storage integration
- Push notifications
- Android and iOS mobile applications

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Backers – Initial Coin Offering Overview

We have created 100,000,000 non-reissuable CRYPTSTART® CST Waves-based utility tokens on the DEX Decentralized Exchange as the proprietary access key to the platform. Since project creators will be required to use CST tokens to create projects and to access platform tools and services, demand for the platform will naturally increase the demand for CST.

Minimum Threshold. We are looking to raise a minimum of 250 BTC or 6,500 ETH. This will enable us to deliver v1.0 of the website and cover all the costs related to the development, marketing and server expenses until September 2018. In case the minimum funding target is not reached, we will continue to develop v1.0 of the website and store the unsold CST in a separate wallet for a second ICO in a year.
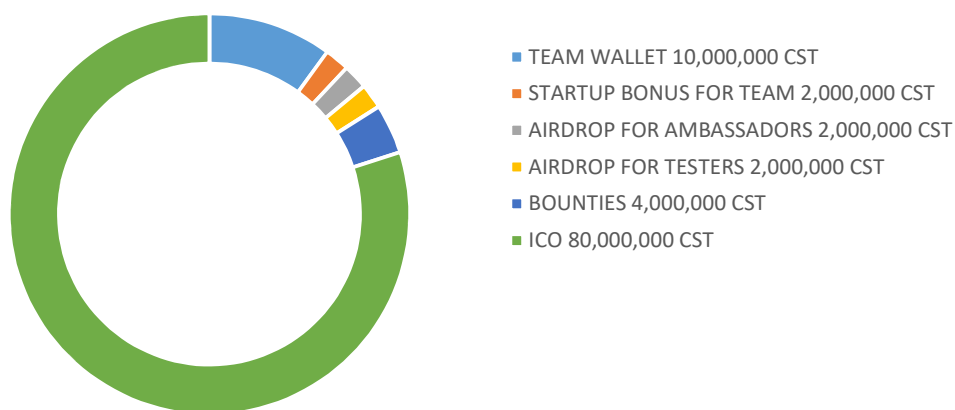
Target. Our target is 800 BTC or 22,000 ETH. This will enable us to build and release a fully functional version of the CRYPTSTART® website with the complete set of features, plus Android and iOS applications.

Duration. The ICO will run for 40 days to ensure our backers receive a certain amount of CST after the end of the ICO. CST tokens will be distributed to the participants after the end of the ICO.

Price per CST. The price of one CST token is set at 0.00006 BTC or 0.003 ETH.

The ICO – CST Distribution. To fund our project development through the first year, we will sell a maximum of 80,000,000 CST (80%) throughout the early backer program and ICO, with early backers receiving 10% bonus in CST.

CRYPTSTART® CST Distribution

- TEAM WALLET 10,000,000 CST
- STARTUP BONUS FOR TEAM 2,000,000 CST
- AIRDROP FOR AMBASSADORS 2,000,000 CST
- AIRDROP FOR TESTERS 2,000,000 CST
- BOUNTIES 4,000,000 CST
- ICO 80,000,000 CST

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Early Backers. Early backers receive the following bonuses:

- Pledge any amount during early backer program to receive a 10% bonus
- Pledge 3 BTC / 77 ETH or more to receive a 10% bonus
- Pledge 9 BTC / 230 ETH or more to receive a 15% bonus
- Pledge 18 BTC / 455 or more to receive a 20% bonus
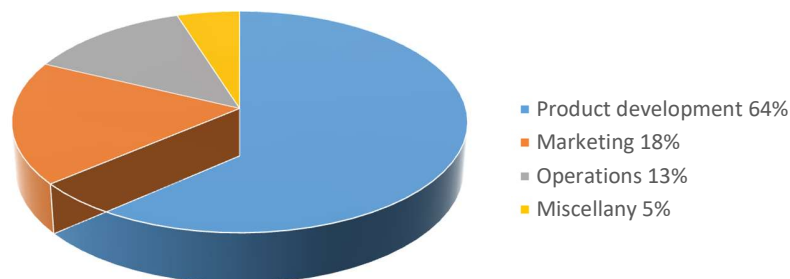
Example Calculation

Example – Nick buys 5 BTC worth of CST during the early backer program, and 2 BTC more during the ICO:

(5 BTC * (10% early backer bonus + 10% 3-BTC-pledge bonus) + 2 BTC) / 0.00006 = 133,333.33333333 CST.

Note that if Nick had sent all 7 BTC during the ICO without the early backer program bonuses, he would have only received 116,666.66666666 CST.

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Roadmap

BUDGET ALLOCATION (after ICO goal reached)

- Product development 64%
- Marketing 18%
- Operations 13%
- Miscellany 5%

Our team will complete the following by end of March 2018:

CRYPTSTART® website

- Project creation
- Project update and sharing
- Infographics
- Data Structure
- Documentation
- Testing and troubleshooting

Early backer program

- Website design
- Data model
- User interface

and by end of 2018 we will implement these additional features:

- Project live streaming capability
- Additional community building tools
- Multi-lingual support
- Additional cryptocurrencies integration
- Token exchange platforms integration
- Decentralized data storage integration
- Push notifications
- Android and iOS mobile application design

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End

The CRYPTSTART® team would like to thank you for reading our whitepaper. We hope you are as excited as we are about this project, and are ready to bring the thousands of innovative projects to life. Let's back this project so we can back your projects, and together we can accelerate the many disruptive, sustainable and decentralized technologies to usher in a new era of blockchain adoption.

Join us today!

Website https://cryptstart.com/

ICO Platform https://wavesplatform.com/

Telegram https://t.me/cryptstart

BitcoinTalk https://bitcointalk.org/index.php?topic=2375643.msg24235334#msg24235334

Reddit https://www.reddit.com/r/icocrypto/comments/7bjzxa/cryptstart_decentralized_funding_platform_on_waves/

LinkedIn https://www.linkedin.com/company/13472416

Facebook https://facebook.com/cryptstart

Twitter https://twitter.com/cryptstart