



CRYPTOPRODUCTIVITY™

The High Quality 2D Sources Based Value Carrier

Whitepaper

Cryptoproductivity™: Liquefied/tokenized long-term oriented risk averse production capacities as shares on the Bitcoin blockchain to be usable as reliable backed cryptographic portable value information with two dimensional character.

Definition, and socioeconomic design:

C-pro entities are based on stable, self-renewing value generating sources.

C-pro entities are independent from their IT definition and evolve with the technological advancement of the Internet, this gradual service is made possible by the Custodian Cryptoproductivity Holding Assetmanagement & Projectdevelopment UG

Abstract. Cryptoproductivity™ is a digital token backed by risk averse long term oriented Assets, like inner City Real estate to be usable as a robust and decentralized method to exchange value, bringing masses of workforce into the Comfort of owning shares of productive capacities. We will use established and standardized evaluation Methods. The share depicting token is expected to follow the productive value of the underlying assets, using the productive yield generation of those assets to buy back tokens at Exchanges to protect the Value and reliability of the Cryptocurrency for its Owners. The Cryptocurrency token is also a share, property right on a Reserve that is backing the Cryptocurrency. The innovation of blockchains is an auditable and cryptographically secured global ledger. The short-spoken term of Cryptoproductivity is “c-pro”. The name Cryptoproductivity explains the underlying productive character of the long-term oriented, risk averse, yield generating backing assets that this currency is designed to achieve. For

owners and as well as for non-owners through indirect effects. This Portable Value System is using Bitcoin Blockchain technology, Proof of Reserves through internationally recognized and standardized evaluation and accounting Standards. To always proof that all tokens are fully backed and reserved at all times. We also hope that we can achieve through this a harmonization in an old anthropologic conflict over the ownership of productive assets, by giving millions of salary dependent and trusting employee's access to enjoy the comfort of the property rights over stable risk averse productive capacities that they also keep active with their work. We also hope that future technologic updates will help the clearly distinguish what we consider "empty IT-Systems" called Cryptocurrencies like bitcoin from backed Cryptocurrencies like ours this will also lead for new opportunities in designing multicurrency wallets and audition agencies.



Abbildung 1 The Cryptoproductivity (C-Pro or cpro) Logo

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Index of Abbreviations Glossary of Terms

C-Pro	Shortcut for the Cryptoproductivity™ Portable Value Unit or Entity
™	Trademark
i.e.	id est Latin for „that is to say“ translatable as „this means“
Digital currency	As defined by http://en.wikipedia.org/wiki/Digital_currency
Cryptocurrency or decentralized digital currency	Various types of cryptocurrencies that are open-source, cryptographically secured, and are using a distributed ledger. See: http://en.wikipedia.org/wiki/Cryptocurrency
Cryptocurrency system	A collective of software applications and processes primarily created to enable the existence of a cryptographic currency.
Communal, Real world, National, Fiat Currency	All types of currencies and value carriers that are not cryptocurrencies as defined above. That are issued by and used to support established legal communal and regional authorities.
Legacy financial system	Financial systems that are not part of the cryptocurrency system.
Utility-backed digital tokens, a.k.a Dapps	A decentralized digital token whose value is being derived from the usefulness of its application rather than just being a value transfer system.
Asset-backed/pegged cryptocurrency	Any cryptocurrency whose price is pegged to real-world assets or asset portfolios, i.e. it is not a “utility-backed” cryptocurrency.
C-pro(s):	A single unit (or multiple units) of source or productive asset pegged cryptocurrency issued by Cryptoproductivity UG
TCPRO	Collective total amount of C-pro entities in circulation outside of the company, at any point in time.
C-pro System	collectively refers to all process and technologies that enable C-pro entities to exist and be value-reinforced
Proof of Reserves	The process by which the issuer of any asset-backed decentralized digital token, cryptographically/mathematically proves that all tokens that have been issued are fully reserved and backed by the underlying asset and asset types.

1 Introduction

Today there are many types of assets in the world that can freely be chosen as value storage, as an investment or as portable medium. The Bitcoin blockchain is in our opinion a better technology for the transaction, storing and accounting of these assets. The Majority estimates that the global wealth is around 256 trillion dollars most of that being held by banks and comparable financial institutions. ¹ The relocation of these assets towards the Blockchain creates a great opportunity for startups like ours.

With Bitcoin the world faced the introduction of “an electronic payment system based on cryptographic proof instead of trust, allowing any two willing parties to transact directly with each other without the need for a trusted third party.” ²

With Bitcoin came a new type of digital currency, with a decentral character described as digital currency³ or cryptocurrency. ⁴

Value-Storage can be done nowadays through many different methods. Each method has its unique advantages, disadvantages, weaknesses and strengths. Blockchain based cryptocurrencies have earned their known advantages through : international borderless transferability, convertibility, low transaction costs, trustless ownership and exchange, pseudo-anonymity, immunity from the legacy banking system problems and real-time transparency.⁵ : The usual explanations for the current limited mainstream use of cryptocurrencies include: volatile price swings, inadequate mass-market understanding of the technology, and insufficient ease-of-use for non-technical users, additionally we think that the highly confusing diversity of basically unbacked empty IT systems that are just called currencies and just claimed to be valuable create additional mistrust, jeopardizing the lifestyle of people that work for what they now still call “money”.

¹ Vgl. Credit-Suisse

² Vgl. Bitcoin.org

³ Vgl. Wikipedia 1

⁴ Vgl. Wikipedia 2

⁵ Vgl. deloitte

The idea for asset-backed cryptocurrencies was at the beginning popularized in the Bitcoin community by a white paper authored by J.R. Willett in January 2012.⁶ Which was just logical continuing development since there were all kinds of paper certificates for the ownership of diverse value claiming asset types in the past. Now people started to use and market their usage of blockchain technology as a distinguishing “new” certification system. Asset-backed Cryptocurrencies and Cryptocurrency Projects are: Bitassets, Tether, Nxt, NuShares/Bits, Ripple, Omni, Aurumcoin, Ret, Atlant, BitGold and others.

It is to note that all Cryptocurrency exchanges and wallets (like Poloniex, Bitstamp, Bitfinex and Coinapult) which allow individuals to hold communal fiat currencies already provide a **comparable** service in that individuals can avoid the volatility (or other traits) of a particular cryptocurrency by selling them for nation state fiats, gold, or other assets. Furthermore, most types of existing financial institutions, payment providers, etc., which allow individuals to fiats value (or other assets) provide a similar service. In this white paper we focus on a applications wherein an alien (possibly fiat) value is invested into risk averse long-term oriented productive assets like Inner city real estate or others that suit the investors profile (riskaversity long-term orientation and productivity/yield generation, self-renewability). This Cryptocurrency this ways develops its own productive Asset portfolio that will be tokenized by it. Tokens are then shares and property rights of these Assets that can be divided and used as a portable value worldwide with software Wallets. The blockchain source code will be open-source, cryptographically secure, and uses a distributed ledger technology, i.e. a true Cryptocurrency.

While the goal of any successful cryptocurrency is to completely eliminate the requirement of trust, each of the aforementioned implementations either rely on a trusted third party or have other technical, market based, or process based drawbacks and limitations⁷.

Productive assets are the most valuable type of assets that can be held and obtained and owned their productive Character generates liquidity over time, their immobile character makes them impossible to steal, unlike the gold vault assets of Aurumcoin or Bitgold, furthermore the

⁶ Vgl. Github

⁷ Summarized in the Appendix, here: [Limitations of Existing Fiat-pegging System](#)

underlying corporations owned by C-Pro™ Holding communicate their business reports independent decentral and regularly which makes auditing more trustworthy and the options for misinformation much more difficult, however careful selection of underlying assets has to be done professionally, which is why C-Pro Cryptocurrency Tokens will be heavily sought after because a similar product can't just be made by everyone professional education and skill of the Corporate developers is essential. C-Pro™ Holding implements this solution in which it makes the property rights over productive assets obtainable as a dividable portable value token for everyone, it is more challenging than running a gold vault for most but for those that know what they do it is an exciting and interesting value generating corporation to build and to run, which unlike an asset vault has a value generation.

Cryptoproductivity is backed by the productive value of its underlying productive assets, which we carefully select to suit our investment and value storage profile these are for our first Token: riskaversity, long-term orientation productivity/yield generation, and self-renewability, i.e. a typical asset that fulfills all these Characteristics are inner city real estate areas. Each Cryptoproductivity unit issued into circulation is backed in a ratio considering its proportional share with the underlying investor profile audited and strategically carefully selected continuing productive value of the assets that are acquired and held running by the Cryptoproductivity Holding Asset Management and Project Development & Investment UG in Magdeburg Germany.

C-Pro™ units may be redeemable/exchangeable for appropriate parts of underlying Value of productive assets held and owned by the C-Pro™ Holding pursuant to C-Pro Limited's terms of service. Furthermore the Cryptoproductivity Holding can and will use its asset's yields to correct and uplift the C-Pro™ unit in exchanges and with this shorten the supply and steady increase its Value in considered strategically useful. Once a Cryptoproductivity™ unit has been issued, it can be transferred, stored, spent, etc. just like bitcoins or any other cryptocurrency. The productive Assets held by C-Pro™ Holding gain this way properties of a cryptocurrency and its price is permanently **connected** to the value of the underlying productive Assets, because it is in its special way a liquefied property right over it.

Our implementation has the following technical advantages over other Asset pegged or unpegged cryptocurrencies/IT value carrier

- Cryptoproductivity™ exist on the Bitcoin blockchain rather than a less developed/tested “altcoin” blockchain nor within closed source software running on centralized, private databases.
- C-Pro™ can be used just like bitcoins, i.e. in a p2p, pseudo anonymous, decentralized, cryptographically secure environment.
- C-Pro™ can be integrated with merchants, exchanges, and wallets just as easily as Bitcoin or any other cryptocurrencies can be integrated.
- C-Pro™ inherit the properties of the Omni Layer protocol which include: a decentralized exchange; Browser based, open source, wallet encryption; Bitcoin based transparency, accountability, multi-party security and reporting functions.
- Cryptoproductivity™ Holding employs a simple but effective approach for conducting Proof of Reserves which significantly reduces our counterparty risk as the custodian of the reserve assets.
- C-Pro™ issuance or redemption will not face any pricing or liquidity constraints. Users can buy or sell as many C-Pro as they want, quickly, and with very low fees.
- C-Pro’s one-to-one backing implementation is easier for non-technical users to understand as opposed to collateralization techniques or derivative strategies.

The Investment Profile of Cryptoproductivity Holding will secure, that at any given time the balance of productive Assets Value held in our Reserves will be equal to (or greater than) the number of Cryptoproductivity Token in circulation. This understandable configuration most easily supports a reliable Proof of Reserves process; A process which is fundamental to maintaining the price-value-parity between Cryptoproductivity units in circulation and the underlying managed productive Assets in Reserves.

Users can purchase Cryptoproductivity from our website web-wallet on www.cryptoproductivity.com. Alternatively Cryptoproductivity can be bought from supported exchanges that will have at the beginning exclusive exchange marketing rights, where C-Pro is supported for deposition withdrawal and trade.

We are aware that our implementation isn't perfectly decentralized⁸ since Cryptoproductivity Holding must act as a centralized custodian of reserve assets (albeit C-Pro units in circulation exist as a decentralized digital cryptographic currency). Nevertheless, we think that our implementation creates a basic platform to construct future innovations that will eliminate these weaknesses, create a reliable platform for new products and services, and support the growth and utility of the Bitcoin based blockchain over a long-term development. Some of our upcoming innovations will be:

- Immediate or almost immediate transfer of values between decentralized participants (like exchange platforms or users)
- Introducing the usage of smart contracts and multi-signature possibilities to further advance the common security process, Proof of Reserves using productive assets, and enablement new features.
- Payment procession using mobile phones between various users and other parties, including merchants

2 Technology Stack and Processes

Every C-Pro unit issued into Usage and circulation between market participants will be backed with the equivalent amount of corresponding value in long-term oriented risk averse and stable productivity supplying assets held, and supervised by Magdeburg based Cryptoproductivity Holding Assetmanagement Investment and Project Development UG. As the custodian of the backing assets we are acting as a trusted third party responsible for these assets. The risk is reduced by an easy-understandable implementation that commonly decreases the complexity of the audits considering the condition of the Reserve Assets and Cryptographic IT-Systems Data, we will therefore decrease the market risk by increasing the security, provability and transparency of the necessary crypto and asset audits.

⁸ See: [Implementation Weaknesses](#)

3 Cryptoproductivity Technology Stack

There were several possible IT Systems that could depict the c-pro ownership distribution:

- Ethereum
- Omni Layer Protocol
- Waves
- Own Blockchain Mining Community
- Neo

We currently are considering for Ethereum, we have identified the following weaknesses/Problems:

1. Ethereum has transaction costs in ether, those are currently between 3-5 US-\$ cents Wallets need to have Ether to be usable
2. Ethereum is highly speculative many people buy it and hold it in hope for price increases
3. The total number of Ether is supposed to be limited
4. Ethereum is based on a core team of 3-8 Developers

Concerning point 3 this might have been installed to have higher speculative value gains. The fact that many people need constantly Ether for transactions and to use their Wallets in combination with it is artificially installed and manifested scarcity and the fact that available Ether is being bought and held out at the exchanges for speculative gains of an unknowingly high amount of people might lead to vast mid and long-term problems, those could be:

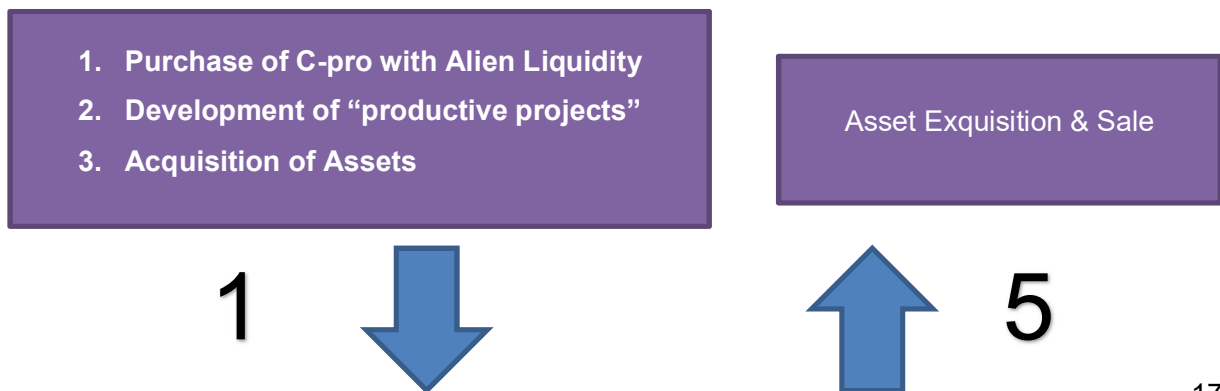
1. Explosion of transactions costs by a speculator that created a scarcity of Ether
2. Complete Liquidity Crunch by unaffordable unavailable Ether
3. Freezing of Digital-assets in those Wallets.
4. Small Ethereum core-team could get into disruptions.
5. Unsecure Future Development of Transaction Costs and usefulness of ethereum.

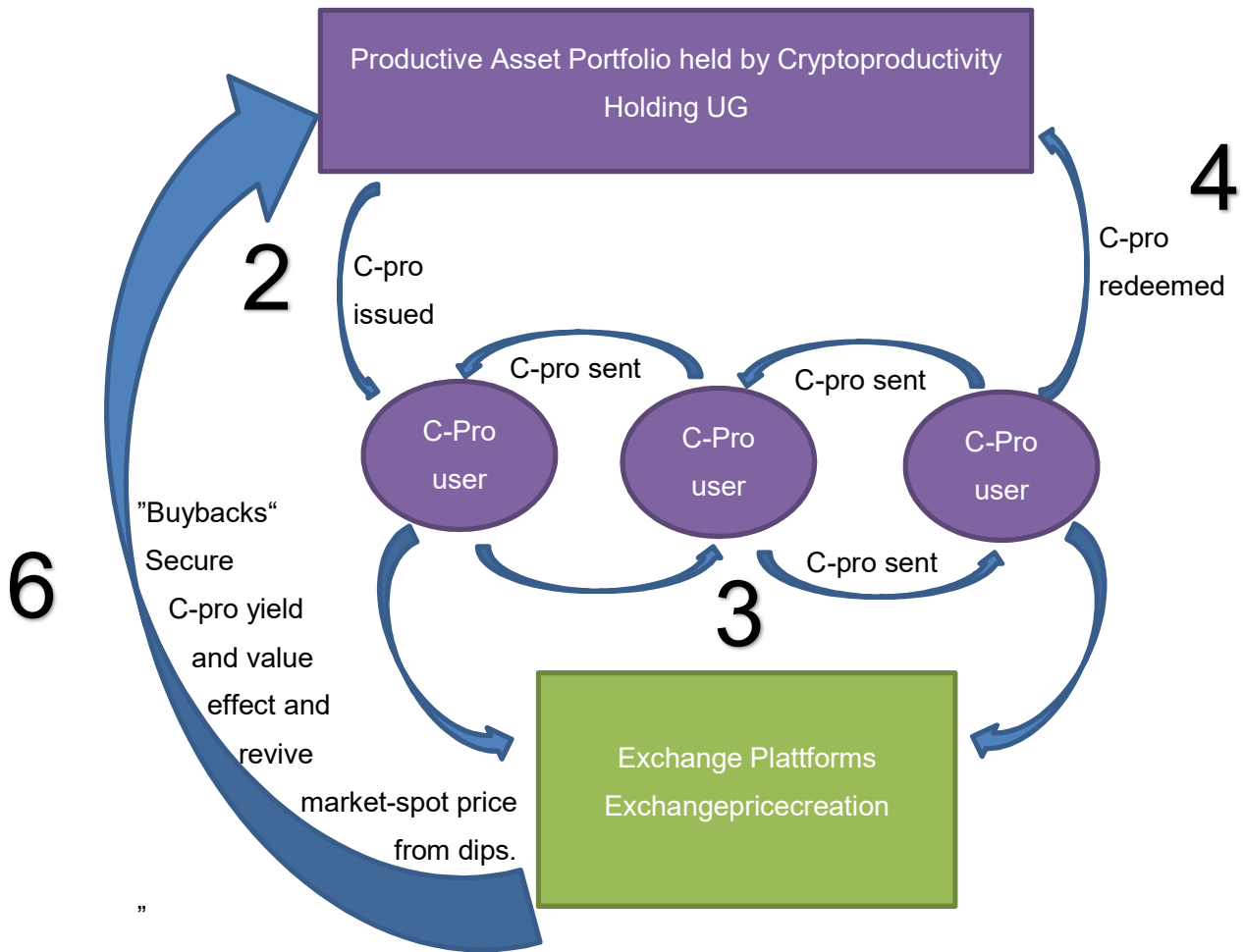
We really don't like these so we are looking for alternatives, especially a service that exchanges the IT infrastructure of our token to the regularly newest available that is most advanced and most secure from cybercrime, would be an appreciated service for our clients. Our productive

sources based foundation gives us the independence and financial ability to regularly exchange and update the token's IT infrastructure, an update would be executed using an exchange platform and trading new token for old token in a 1:1 + transaction costs ratio.

4 Flow of Funds Process

The lifecycle of a Cryptoproductivity unit has five distinguishing stations, these can be better over-seen by a visualization through a diagram like this:





1 Station - Creation of C-pro entities, Cryptoproductivity units will be Created and released into Circulation only through three possible ways

1. The Purchase of C-pro units with alien Liquidity through the Web wallet on Cryptoproductivity.com
2. The Development of “productive projects” which is a form of investments through which trusted Companies can earn C-pro units through the Development of projects.
3. Acquisition of Assets is similar with the purchase. It is the “trade in” of Assets for Cryptoproductivity units, the price will be calculated according to C-pro Market value and Portfolio yield Comparison.

2 Station Cryptoproductivity Holding Asset Management & Project Development sends value on the user's C-pro Wallet account. Cryptoproductivity units enter circulation. Value deposited input

by user is always equal to the amount of value of Cryptoproductivity issued to the user (i.e. 10k € deposited = Cryptoproductivity worth 10k € issued).

3 Station-Users exchange and transact value using Cryptoproductivity⁸. Cryptoproductivity unites enter economic circulation. Users can exchange, transfer, and store C-pro units using a p2p open source, pseudo anonymous, Bitcoin based platform.

4 Station the user deposits C-pro with Cryptoproductivity Holding for redemption of Assets property rights or direct payoff.

5 Station C-Pro Holding destroys C-Pro units, sells assets or priority pays out yields and sends liquidity to the user's bank accounts.

6 Station Additionally C-Pro Holding Asset Management & Project Development uses yields to interact with the Exchanges market securing C-pros designed growth in value & liquidity and reviving the market value from dips ensuring it is the stable system it was designed to be.

Interested C-pro customers, Investors and Users, can get Cryptoproductivity tokens outside of the above mentioned process using an exchange or interacting with other individuals. As soon as a C-pro unit has entered circulation, it can be traded freely between any businesses and individuals. Cryptoproductivity units will be available for purchase on our website (webwallet) and on exchanges.

The mayor conception that can be taken from the Flow of Funds diagram is that C-pro Holding is the only economic party that is capable of issuing C-pro units into circulation (create them) or take them out of circulation (destroy them), while at the same time ensuring that they are worth something. This is essential to ensure that the cryptocurrency system is solvent and backed at any time.

5 Proof of Reserves Process

The phrases Proof of Reserves, Proof of Solvency, Real-time Transparency among other similar ones have developed growth and resonance throughout the cryptocurrency industry.

Audits on Exchange platforms and on wallets, are in their present form, aren't very trustworthy. Bankruptcies have happened multiple times within Cryptocurrency ecosystem, either through Cybercrime, bad management, or straight scam. Clients that hold and own C-pro units have to be attentive with their selection of exchange platforms and cautious about the usage of them, nevertheless a keen client won't be able to fully exterminate all risks.

We currently think that that wallet and exchange audits in their present form aren't reliable enough. These approaches aren't a guarantee that cryptocurrency owners can be sure that an exchange or their custodian is solvent enough. The Merkle tree approach [6], has been a great contribution to improve the audit process for exchanges but major flaws still remain.⁹

C-pro's Proof of Reserves on our website is made to be simply and easy to understand on the first look, the productive assets value, regarding their yields and operating lifetime and at the same time the total amount of Cryptoproductivity units in circulation is depicted, in order to show the total number of liabilities and distributed shareholder or property ownership rights, depicted by blockchain technology, that are backed in their value by those productive assets. In our configuration, each Cryptoproductivity unit in circulation represents a share considering property right over our long-term oriented risk averse productive assets in our reserves. However the exchange market price and the according to international standard proceeded portfolio evaluation might be different. We could see a portfolio value overvaluation or undervaluation by the exchanges due to natural information inefficiency, or something described as a liquidity crunch. Since Cryptoproductivity live on the Bitcoin blockchain, the provability and accounting of C-pro units at any given moment in time is easy. Contrarily, the corresponding total value of productive reserve assets held in our reserves is proved by publishing of the sum of internationally standardized evaluation reports considering the Cryptoproductivity's productive portfolio. The productive portfolio is undergoing periodic evaluation by professional auditors.

6 Implementation Weaknesses

We are fully aware that our implementation doesn't immediately create a fully trustless and riskless cryptocurrency value storage system. Primarily because our users have to trust Cryptoproductivity Holding our Investment decisions and the corresponding local legal systems and property notary systems that ensures their currency backing through productive reserve assets. Nonetheless, nearly all exchange platforms and wallets (considering they hold USD or other fiats) are prone to the same weaknesses. The Users of these services are subject to those risks. Following, list is a summary of our approaches weaknesses:

- We could go bankrupt
- We could disappear with the reserve assets
- Our productive assets could get destroyed, confiscated or sabotaged
- Our Investment decisions could get rouge
- Re-centralized of risk to a single point of failure

We have observed that nearby all cryptocurrency exchange platforms and wallets have to face these issues as well. People that use those services are already subject to the risks mentioned above. Following we are describing how we are addressing these issues:

We could go bankrupt in this situation, the legal and business entity Cryptoproductivity™ Holding would go bankrupt but client assets would stay secured, and consequently, all C-pro units will remain redeemable. Within the Bitcoin businesses, mayor security breaches aimed for cryptocurrencies itself rather than bank accounts. Since all C-pro units exist on the Bitcoin blockchain they can be stored by users directly through securing their personal private keys.

We could disappear with the reserve assets our corporate charter is published on our

Website¹³ together with the business owner's names, locations, and reputations. Account Ownership is legally bound to the corporate charter. Any transfers in or out of our legal property reach will have the associated traces and are bound to rigid internal policies. Furthermore productive assets aren't mobile, while historically gold or other easy portable assets bounded obligations were it certificates in the past or blockchain information nowadays as offered by aurumcoin or goldmoney, were in times of crisis, political uproar, revolutions or wars often stolen or not reliable, this can't happen to Cryptoproductivity assets for two main reasons. First the invested and productive nature of our Assets, like real estate, isn't portable, and secondly the society around them has an interest to keep them running. However, the most significant reason, is our corporate goal and long term orientation of our startup that seeks a long term success, establishment and Value increase and no absurd short term criminal gain.⁹

Our productive assets could get destroyed, confiscated or sabotaged This is a risk faced by all users of any assets be it invested immobile productive assets such as ours, or portable liquidity, also those stored in bank accounts. However our corporate policy is about long-term oriented risk averse investments and are best possible planned and executed. Furthermore local communities are aware that our business model is acceptable and supports their communities. Asset destruction through wars can only be avoided by not investing in politically risky or volatile regions, asset destruction through vandalism or sabotage can be avoided using Insurances. Confiscation have legal battles following, states that confiscate pay a price through decrease in investment activity due to their lost trustworthiness.

Our Investment decisions could get rouge Our Investment decisions are being done according to common sense, and commonly available business information. All other Investment decisions are made this way to and the risk faced somewhere else aren't different. Unforeseen events like Wars, financial crisis are being faced by all other investments and project development companies as well. However since our token resembles a property right not a debt, the risk of inflation is marginal compared with investments into debt obligations, or the holding of money in the current financial situation. Furthermore since our startup has a long term goal and a long term perspective by its founders, instead of overwhelmingly selfish salary demands of employees including former employees pension demands we

⁹ See section on [Legal and Compliance](#) for more information

think that we are substantially better at doing long term decisions.

Re-centralization of risk to a single point of failure we have ideas about how we can solve this Issue and we will share those in our blogs and future product updates. Many methods and measures can help to tackle this Issue. Comparing with other Blockchain Competitors our risk centralization is lower. Our Assets aren't portable, aren't centralized on a single location. They can't be moved or stolen. We are not or almost independent of Banking services. We have reduced the centralization risk to one single responsibility: the creation and redemption of cryptographic token. Other aspects of our corporate structure are decentralized.

Our bank could freeze or confiscate the funds-

We are only working with Banks that we can rely on or that are aware and comfortable with our business model. Our Banks therefore have to be aware with the nation of Cryptocurrencies and Blockchain-technology, and be accepting of it. We systematically will do business only with banks that are independent and welcoming enough to do business with. And that assure us that we are in a full compliance.¹⁰

¹⁰ Same as footnote #10

7 Main Applications

In this partition we will sum up and discuss the mayor applications of Cryptoproductivity across the Bitcoin blockchain and Ethereum ecosystem and for other consumers worldwide. We divide the profiteers into three client groups: Merchants, Exchanges, and Individuals.

The main benefits, that all groups will profit of are:

- Bitcoin properties that are bestowed upon other asset types. (Properties of Bitcoin bestowed upon other asset classes)
- Less volatile than other Cryptocurrency tokens.
- Backed by real world value generating assets, that are professionally managed. (productive Assets)
- Worldwide asset Migration towards the blockchain technology.

7.1 Diversification of Risk, Portfolio Hedging, Inflation protection

We are designing and operating the value reinforcement of C-pro Entities to be especially useful for diversification of Risk, Portfolio Hedging and Inflation protection from one dimensional Communal Currencies, that in general are underlying this risk..

7.2 Two Dimensional Value Reward for Mobile High Professional Labour

The Two Dimensional Value Carriage character of Cryptoproductivity, opens a huge usefulness as rewarding Instrument for high professional non communal oriented mobile labour, since the two dimensional character can't be printed away by communal printing presses or by IT balance extensions on the Communal Banks ledgers, its natural distributed hedged, redeemable with stable real world value generating sources, and has its own autonomous buyback yield effect, that automatically restores market value and changes availability

7.3 Limitations of Existing Asset-pegged Systems

Asset-pegged Systems have their special limitations and some common drawbacks:

- Long-term IT security and continuity issues.
- Systems that are decentralized and rely on altcoin blockchains that have not been stress-tested, developed, or examined as closely as different blockchains, for example Bitcoin.
- Reliance on hedging assets, efficient market theory, underlying assets have to be insured, possible problems concerning security, liquidity, transferability, security, and others.
- The custodian has insufficient audits or transparency for either crypto, fiat, or concerning to their own internal ledgers (same as closed source and central databases).
- Reliance on legacy property rights systems, legacy banking systems, trusted third parties (Asset-management), (Bank Account Owners) as a transfer and settlement mechanism for reserve assets.

8 Productive Assets (Sources/Real Estate) Token Overview

8.1 Token Issuance

Financial Companies and various Investors (speculative and non-speculative) have indicated that they have an interest in buying digital token to profit from various economic and even noneconomic activities at home and abroad around the world. Among others interest was indicated in digital tokens backed by for example Real estate, Gold, fiat Currencies and others in various Places. The interest in profiting from productive assets has created an opportunity to finance projects to enhance economic supply in societies and provide economic growth. C-pro is destined to secure the currency value productively investing and storing it risk averse in productive assets and appointing digital token redeemable as the regarding ownership and property rights.

The Token will be issued with a face value of € 1.00 redeemability depends on the standardized evaluation of underlying assets that are diverse.

Gradual token issuance and sale is being accompanied with acquisition projects but also construction projects to reinforce the token's value using stable, riskaverse, selfrenewing value generating sources.

8.2 Token Trading

We plan to make our Token to be available for trade on at least one platform maybe multiple platforms, such as allcoin.com. We expect that the trading value of the C-pro Token will broadly follow with the value of the underlying productive sources, however information inefficiency including panic may occur. That could lead to an adverse market valuation compared with underlying existing productive assets. We plan to allow buyers, interested investors, and token holders to have insight to be able to track the value of the underlying productive assets. The Company will report on the Theoretical discounted spot-Value, using scientific established valuation standards. A sustainable price hike that disproportionally rewards early investors is nevertheless possible, the reason is because we would just value reinforce future token with a higher total nominal

value. A token price and value collapse will revive itself automatically through our two dimensional sources based character.

An easy possible but not the most precise token value calculation is the quotient of the summed up average market value of productive sources held divided by the total number of token that are issued and in the market.

$$TAV = \frac{\text{Cumulative average market value of productive sources}}{\text{No. of c – pro token Issued and Outstanding}} =$$

Equation 1 Token Average Value

The market value of productive sources is being calculation by summing up discounted expected cashflows (productive sources's yield) discounted with a value of time factor for those different cash flows respectively.

8.3 Token Redemption

We are planning to design this token to be redeemable for the real world asset productive sources held by us. The appropriate weight in has to be brought and traded in. Token resemble a percentual share of the total held assets, they are accordingly demanded to be traded in. We apply this solution in order to ensure our clients long-term value security. The token redemption of c-pro entities will be governed by the c-pro Token Redemption Agreement.

8.4 Token Acquisition and Divesting

The company may possess a number C-pro units to ensure liquidity is maintained on the platform for the buyer of C-pro entities. The Company will have the option to sell C-pro entities onto the platform to increase the free float or acquire Cryptoproductivity entities to decrease the free float. The acquisition and repurchasing of C-pro entities will be governed by our Cryptoproductivity Token Acquisition and Divestment Agreement

9 Types of risk factors

Productive Assets (like Real estate), development construction and management are affected by certain risks. Token Buyers should therefore carefully consider the risk described below, the risk factors described herein. If any of those or other risks realize themselves, the Company's

business, prospects, results of operations, financial condition and cash flows could vary away from past expectations. If negative risk effects occur, the value of the Tokens could decrease and investors could lose all or parts of their Investment. There is no absolute security that risk management steps taken will avoid future loss due risks described below or other occurrences.

9.1 Early Development Stage Business Risks

All our Projects and acquisitions are in a development stage operation that have no revenues at the beginning. Respectively, our Limited Partnership has no operating past, upon which an evaluation of its future performance and prospects can be made. The Limited Partnership and Project is managed by Cryptoproductivity Holding UG which started operation in 2017. Our Projects are therefore subject to all kinds of business risks that enterprises are associated with.

9.2 Dependence on Management Risk

The Limited Partnership's business is decidedly relying on the Management team as it does for other similar Startups. The loss of any of the key people in C-pro Holding could have a impactful effect on the business outcome. C-pro Holding will be market aligning in its salaries, payments and benefits in order to keep its needed staff motivated and equipped.

9.3 Market Competition Risks

The real estate business environment is can sometimes and on certain places be competitive. Many developers, managers and property owners compete with our Company in the search for buyers, solid paying tenants, motivated employees and others. This competition could have an effect on the company's capability to rent, operate or sell the productive assets it owns for the market price it worked towards or needed. However, the C-pro Holding and the LP believes that its special adapted approaches, processes and criterions will enable it to take hold on advantages over Competitors, no absolute assurance can be made that the Companies projects will attain a degree of market acceptance on a supported basis. C-pro Holding uses developed professional models, skills and applications in the Market it operates in order to reduce these risks.

9.4 Retaining Qualified Trades Workers and Obtaining Required Materials and

Supplies

Various industries that create passive productive investment assets, for example the real estate construction industry regularly have had difficulties in the supply of services and materials, including insufficient labor materials, qualified trades people. These cost driving shortages sometimes were also accompanied by environmental and engineering problems. Difficulties that occur during the execution of planned projects cause delays and cost increase to Companies that develop those Projects, also through delays in yields that come into effect delayed.

9.5 Government Regulations

Local authorities with their decisions enacted and can enact law regulations and rules that impose together with other things rigorous guidelines which can become very limiting concerning the ability of a Company to use land in its entirety to build and run a marketable real estate. Changes in regulations and local laws can affect a Company's ability to develop its projects, as planned, or even could decidedly change the Company's ability to deliver its expected or planned profits.

9.6 Macroeconomic Factors

The demand for products that productive assets passively generate relates for the case of real estate among others on the relative cost of home ownership. The cost of home ownership in turn depends upon, among significant other things like commonly needed flexibility, on interest rates offered by financial institutions on mortgages and similar home financing transactions. Presently, these rate are at a historic low level. Changing the interest rates, change the price of home Ownership and with it the demand for the Companies held assets/products. An economic depression could impact the job markets in a way that potential customers are less capable to afford offered products.

9.7 Exchange Market value interpretation risk

Considering the collateralization method, there is considered the existence of a market risk, because the market exchange price of a digital asset that is used as a collateral, can vary into a different direction, than value of the assets that are in reserve backing and backing it. That causes

the market interpretation that the total value of the collateral to be less worth than the total value of the issued asset, which would make the system unbalanced. This risk is being decreased if the custodian balances the position on the market before the system becomes insolvent. In other words the custodian starts buying his issued assets using his reserves till the nominal market value of the issued token matches the value of its according pegged reserves. As soon as the collaterals price equals the assets in reserve's value the collateral becomes liquidated (sold on the open market) and its position has been closed. During the global financial crisis, a market situation called "liquidity crunch" occurred that was caused by an acceleration of such value market misinterpretations. This leads to a situation in which the collateral can't be liquidated fast enough to ensure existing trading obligations, creating losses. Since the Cryptocurrency market is more volatile and small, the likeliness of such events to happen is considered more probable. Furthermore, the comprehensive approach underlies other liquidity and pricing rules considering that there has to be an appropriate supply of clients posting collateral issued tokens for the creation of the currency backing reserve, so it can exist at all.

9.8 Liquidity Crunch Risk

As Liquidity Crunch Risk we consider the possibility that all our token owners at once, or a lot of them want to redeem their token in exchange for sources. Another part of this risk could be a value loss because of marketing activity of other competitors and token owners sell the token so that it drops in exchange value. The risk of these are small, since we have a self-powering and independent system. A dip in exchange value will in mid-term naturally be restored by the system itself through a corporate executed buyback.

9.9 Wars, Chaos and total collapse of property rights codices

The risk of Wars, political chaos and the collapse of property rights codices is comparatively small, property rights codices have been stable in certain regions of Europe over many centuries. Even during post monarchial communist land property reforms in Eastern Europe the tendency stood that local landlords just switched their appearance from white to red and continued to operate their leveraged economic position. Nevertheless the risk exists, so to be complete we mention it here too.

10 Productive Assets Evaluation

Section to be completed and made more detailed.

We will use and are familiar with established standardized evaluation standards and reporting standards (IAS) for our economic activity.

11 Types of used productive Assets

Section to be completed and made more detailed.

Main Instrument: urban real estate (flats, retail, logistic etc.) generating communal yields, supporting communal economies. Future plans exist on Industry, arable land, Aquaculture, greene nergy etc.

12 Our Investment profile

Section to be completed and made more detailed.

- Riskaverse
- Long-term oriented
- Stability
- Self-reneweing
- Sustainable and productive yield based (2D source Character)

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Legal and Compliance

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