

# WISO

W H I T E P A P E R



## CONTENTS

Terms and Definitions	3
Introduction	4
About VISO	5
VISO Team	6
VISO Company History	7
Token Sale structure	8
Token Sale Roadmap	9
VISO Payment System Launch Procedure	10
VISO Wallet	11
VISO Cards	12
VISO SMART Terminals	13
Merchant's User Account	14
VISO Shop for Every Point of Sale	15
VISO Cryptocurrency Exchange	16
VITO Turnover	17
VITO Support by VISO	18
Technology Readiness	19
Business in Georgia	20
Business Plan	21
Terms and Conditions	22
Laws	23
Appendix 1. Legal Structure and Legal Nuances	24
Appendix 2. Project Resume	25

## TERMS AND DEFINITIONS

**FIAT CURRENCY:** a government-issued currency that is not backed by gold. Fiat currency examples: U.S. dollars, euros, the Georgian lari, and others.

**CRYPTOCURRENCY:** digital accounting units that are subject to decentralized accounting. These systems operate through a distributed computer network.



**TOKEN SALE:** a form of attracting investments in new technological projects that consists in the issuance of tokens that allow access to a token seller's services.

**PAYMENT SYSTEM:** a set of rules, procedures, and technical infrastructure that ensure the transfer of value between economic agents.



*VISA, MasterCard, UnionPay, Apple Pay, Samsung Pay: international payment systems.*

**ACQUIRING:** acceptance of payment cards as a means of payment for goods, works, and services.

**PAYMENT CARD:** a plastic card that is normally tied to one or several checking accounts in a bank and is used to pay for goods and services, including via the Internet, and to withdraw cash.

**VISO:** a payment system project being launched in Georgia that allows for buying goods and services for cash, with payment cards, and for cryptocurrency.

**SMART TERMINAL:** a combined device that comprises a cash register, a bank terminal, and a payment terminal for making payments to third parties and that accepts cash, payment cards, and cryptocurrency as payment.

**VISO WALLET:** an electronic wallet in the VISO payment system that allows for keeping money in Georgian laris, U.S. dollars, euros, and cryptocurrencies.

**VISO EXCHANGE:** a cryptocurrency exchange platform that facilitates the exchange between cryptocurrencies or between cryptocurrency and fiat currency.

**VISO CARD:** a payment card product line that includes the prepaid cards Lite, virtual cards Virtual, contactless cards HCE, and standard payment cards Pro, which are issued using VISA or MasterCard technology.

**CASH REGISTER:** a device that registers purchases, issues paper receipts required by the law of some countries, and sends information about the purchases to a tax authority.

**POINT OF SALE:** an entity that carries out the sales of goods and services or accepts money on other lawful grounds.

## INTRODUCTION

Cryptocurrencies are changing the world by erasing payment barriers that divide countries. VISO is creating an open environment of payments that is transparent and that connects to traditional means of payment, such as plastic cards. With VISO, for the first time ever, cryptocurrency services are to become an everyday payment method for an entire nation.

The speed with which cryptocurrency penetrates into everyday payments remains low due to a fundamental inability to make instant transactions at points of sale. Cryptocurrency transaction times vary between 5 and 10 minutes. VISO deals with this problem by using a special wallet technology and by taking advantage of the physical presence of payment terminals at points of sale.

The goal of our project as we create VISO Company is to launch a new payment service in Georgia that would rely on the use of cutting-edge service terminals and blockchain technology for making cryptocurrency an everyday means of payment for the entire country. We aim to remove payment speed restrictions and take the ease of everyday shopping to a new level.

The reason we have picked Georgia as a launch country is its tremendous investment opportunities – including minimum taxes, an open economy, and a small size – which make this nation an excellent choice for an inspiring breakthrough in the world of cryptocurrency.

### MODERN-DAY GEORGIA FACTS:

#### **3.7mn population;**

- + EU association agreement;
- + A transparent legal system;
- + Georgia's constitution stipulates that major taxes can only be increased in a referendum;
- + Freedom from corruption;
- + Security;
- + An advanced payment infrastructure;
- + No central bank restrictions on cryptocurrency payments;
- + 160,000 registered cash registers;
- + Online registration of receipts at tax authorities;
- + A developed payment system.

Following the Token sale, SMART terminals will be purchased and installed in the country's every point of sale to replace conventional cashier equipment and bank terminals. SMART terminals take plastic cards, cash, and cryptocurrency. Furthermore, software has been developed to issue payment cards with a capability to pay in both fiat currency and cryptocurrency. VISO cards will be available around the globe.

During the Token sale, a cryptocurrency will be issued for use in VISO card payments and in VISO infrastructure to pay for goods and services. VISO Company offers all Token sale participants to buy out the amount of VISO cryptocurrency tokens (VISO Tokens) that will be used in payments and circulated in the payment system.

## ABOUT VISO

VISO is a solution to a number of problems. VISO resolves buyers' problems by enabling buyers to make quick and convenient cryptocurrency payments at any point of sale accepting regular payment cards. VISO resolves the problems of points of sale by letting points of sale take cryptocurrency as payment without breaking the laws banning direct sales of goods and services for cryptocurrency. Every step of the conversion occurs on our side, and the actual payment is made in regular currency. On top of everything else, VISO cuts equipment maintenance costs by combining a cash register, a payment terminal, and a bank terminal into a single device.

VISO comes as a full-cycle payment system powered by the combined technologies of point-of-sale payments acceptance, regular currency payments and purchases, and cryptocurrency payment cards.

### THE VISO ENVIRONMENT WILL COMPRISE THE FOLLOWING KEY ELEMENTS:

1. A large network of SMART bank terminals combined with cash registers, which enables cash, credit card, or cryptocurrency purchases. The SMART-terminal network is to be installed all over Georgia.
2. VISO payment cards, which enable VISO Wallet payments in the Georgian lari, U.S. dollar, euro, and other fiat currencies or cryptocurrencies.
3. VISO Wallet, which combines conventional payment methods and VITO cryptocurrency into a single system.
4. VISO Exchange, which will serve as a cryptocurrency platform for the exchange of VITO for other cryptocurrencies, Georgian laris, U.S. dollars, and euros.

The VISO system includes conventional credit and debit card payment technologies and cutting-edge payment technologies built around the use of cryptocurrency. Combining traditional payment methods with cryptocurrency allows for substantial cuts in transactions costs for everyone involved and makes payments transparent. The system facilitates payments both at retail outlets and online.

Furthermore, to all points of sales connected to the payment system, we provide a capability to launch online stores to sell goods and services with an option to use the VISO online payment system which allows for making sales using both conventional payment cards and cryptocurrency. In addition, every SMART terminal serves as a point of accepting payments in favor of service suppliers, such as mobile phone operators, utilities, and others.

### **BASED ON VISO TECHNOLOGIES, THE FOLLOWING 4-BUSINESS-SEGMENT SYSTEM IS TO BE LAUNCHED:**

1. Acquiring business (a network of payment-accepting SMART terminals and VISO Shop);
2. Payment card business;
3. Third-party payments acceptance business;
4. Exchange-based cryptocurrency trading business.

VITO cryptocurrency's distinguishing feature is a limited token issue. The issue takes place on the Waves platform. No VITO mining is possible. The full amount of VITO blocks is issued at the time of the Token sale. This feature makes VITO cryptocurrency a scarce resource. There are no limits on trading cryptocurrency on external exchanges. Purchases in the VISO system can be made in other cryptocurrencies by exchanging them online through VITO cryptocurrency. This drives VITO cryptocurrency demand and sales.

## VISO TEAM

We have put together a team of professionals with extensive expertise in banking and a track record of a dozen successfully implemented projects. Key players.



### VASIL KHANISHVILI

VISO Company President. PhD in Economics. Businessman. 20 years' experience as a tax authority officer. 11 years' experience implementing cashier machines projects in Georgia.



### GRIGORIY GURBANOV

Cofounder Economics PhD candidate. Management of projects to launch acquiring networks. Management of cellular communications projects. Turkmen-Transit company cofounder.



### YEGOR PETUKHOVSKY

Cofounder Management of SMART-terminals production, management of processing and VISO Shop, management of WEB-projects development. CCT and Art of Web companies cofounder.



### SERGEY POPOV

Cofounder Terminals software development manager, banker, project management specialist. CCT company cofounder.



### KETEVAN GUGUSHVILI

Administration executive. Head of VISO Georgia office.



### RODION POPKOV

COO Banker, financial products manager, project management specialist. CREDITCLUB company managing partner.

## VISO COMPANY HISTORY

**Mrcheveli company** (<http://auditmrcheveli.ge/ge>): launched in 1996; one of the five law firms licensed to conduct audit in Georgia.

*Founder: Vasil Khanishvili.*

**L.B. Invest company** (<http://lbinvestgroup.com>): founded in 2002; used to be one of the leading cashier equipment vendors in Georgia with a 70% market share.

*Founder: Vasil Khanishvili.*

**Microfinancial Organization NovaCredit** (<http://novacredit.ge>):

launched in 2010.

*Founder, Supervisory Board Chairman: Vasil Khanishvili.*

**CCT company** (<http://m4bank.ru/about/>): launched in 2011; a technology leader in banking services. The CCT team has accomplished all of the development work behind the preprocessing, VISO Shop, and merchant's user account. CCT company founders contribute software to VISO Company. CCT solutions have been successfully implemented in 8 countries. CCT's top achievement is the implementation of a project in collaboration with Sberbank of Russia.

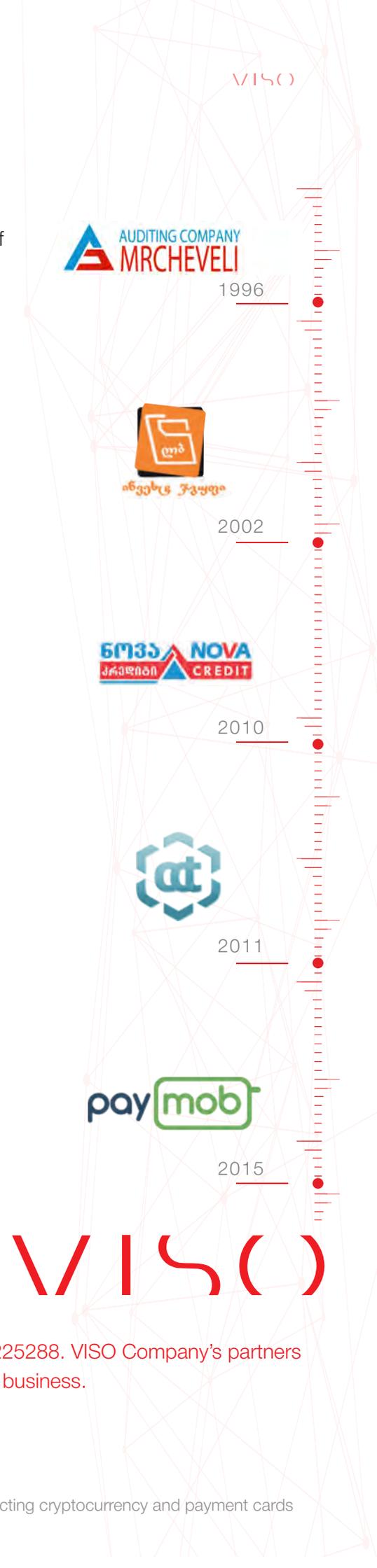
*Company founders: Sergey Popov, Yegor Petukhovsky, and other partners.*

**PayMob company** (<https://paymob.ru/>): founded in 2015; part of CCT Group. Specializes in business development in CIS countries.

*Founder: Grigoriy Gurbanov, CCT.*

**VISO combines the five companies' major strengths: technologies, markets, and a long-standing network of contacts and clients.**

VISO Company is incorporated in Georgia under identification code ID 405225288. VISO Company's partners are the existing companies that have a reputation for success in their line of business.



## TOKEN SALE STRUCTURE

VISO Company collects funds to launch the VISO payment system, issue payment cards, purchase SMART terminals, open VISO Wallet, acquire PSP/PSO licenses from Georgia’s National Bank, etc. To raise the funds, VISO Company has issued VISO Tokens, also known as VITO, which are Waves platform-based SMART contracts. VITO are sold during the Token sale.

### THE TOKEN SALE OCCURS IN TWO STAGES:

**Pre-sale.** During the pre-sale, the temporary cryptocurrency Pre-VITO is sold. Pre-VITO will be converted into VITO after the launch of the main sale and will be destroyed afterwards.

**Main sale.** During the main sale, the bulk of the VITO Tokens will be sold off.

**WHAT’S A TOKEN?** Pre-VITO tokens are a means of the preliminary collection of funds for the VISO project. Escrow does not apply to Pre-VITO tokens. Funds from the sale of Pre-VITO tokens go straight into VISO Company’s wallet. Therefore, Pre-VITO tokens come with greater risk but yield a bigger bonus.

- Pre-VITO tokens quantity limit: 10,000,000 (ten million Pre-VITO tokens);
- Exchange rate: USD 0.1 per 1 Pre-VITO token;
- If the main sale generates less than USD 3,000,000 (three million U.S. dollars), the money collected during the Pre-sale will not be refunded.

VITO tokens are the internal cryptocurrency of the VISO payment system. VITO turnover is maintained through the operation of the VISO payment system. VITO tokens do not entitle their holders to participate in Company profits; VITO holders are only entitled to proceeds from the subsequent sale of the tokens or their exchange for other cryptocurrencies. VITO can increase in value when the demand for VISO cards rises.

- VITO tokens quantity limit: 1,000,000,000 (one billion VITO tokens);
- Initial exchange rate: USD 0.1 per 1 VITO token;
- Minimum amount to be collected: USD 3,000,000 (three million U.S. dollars).

*If a smaller amount is collected, then all collected funds will be refunded.*



- **80%** of tokens goes to VITO buyers
- **18%** to founders and advisers
- **2%** to the bounty campaign

### VITO TOKENS EARLY-PURCHASE BONUSES



### BOUNTY CAMPAIGN



## TOKEN SALE ROADMAP

VITO Pre-sale starts at 12-00 UTH on Sep 25, 2017. VITO Pre-sale ends at 12-00 UTH on Oct 25, 2017. The amount of funds to be collected in the course of VITO Pre-sale is limited to USD 1mn. Token sale launch time: 12-00 UTH, Nov 1, 2017. Token sale closure time: 12-00 UTH, Dec 15, 2017. We establish 5 levels of goals, depending on how much money VISO Company can collect from the Token sale. Based on the amount collected during the Token sale, various technologies can be launched.

Token sale level	1	2	3	4	5
	3M USD	5M USD	10M USD	15M USD	25M USD
Funds collected from Token sale					
SMART Terminal	✓	✓	✓	✓	✓
VISO Shop (online stores)	✓	✓	✓	✓	✓
VISO Wallet	✓	✓	✓	✓	✓
VISO Exchange	✓	✓	✓	✓	✓
VISO Light prepaid cards	✓	✓	✓	✓	✓
PSO license	✓	✓	✓	✓	✓
Payments acceptance via terminals	✓	✓	✓	✓	✓
SMART-Balance technology	✓	✓	✓	✓	✓
VISA & MASTERCARD (TPP & MSP) license	✗	✗	✓	✓	✓
Own full-featured processing	✗	✗	✓	✓	✓
Increased commissions for cards and terminals	✗	✗	✓	✓	✓
Independence from partner banks	✗	✗	✓	✓	✓
Full-featured VISO Pro cards with large limits	✗	✗	✓	✓	✓
Contactless (HCE) cards	✗	✗	✓	✓	✓
Virtual cards (VC)	✗	✗	✓	✓	✓
QR-code payments	✗	✗	✗	✓	✓
Card issuance to third-party banks	✗	✗	✗	✗	✓
Market share in Georgia's cashier equipment market	5,7%	10,7%	14,3%	27,2%	54,2%
Market share in Georgia's bank terminals market	13,4%	25,3%	33,8%	64,3%	128,2%

The maximum amount to be collected by VISO Company is USD 79 million. This amount is sufficient to install terminals at all of Georgia's points of sale free of charge. A larger amount will not be necessary.

*Should the amount collected from the Token sale fall short of USD 3 million, all of it will be refunded as insufficient for making an impact on the Georgian market.*

**Pre-VITO tokens are not subject to return in case of Token sale failure, but their buyers are entitled to a large bonus if the Token sale succeeds.**

## VISO PAYMENT SYSTEM LAUNCH PROCEDURE

The VISO payment system is to be launched immediately upon completion of the Token sale. The legal entities necessary for the operation of the payment system are registered first.

**The registration and licensing procedure will take approximately 2.5 months.**

This period will be sufficient for making and delivering SMART terminals to Georgia, as the factory operates a production capacity of 100,000 devices a month.

From the very beginning, certification by the international payment systems VISA and MasterCard will be set in motion.

**Certification times average 6 months.** Before certification, all work will be done through the partner bank's processing: the acquiring and issuance of prepaid cards and the activation and issuance of the first cards will be carried out during the initial three months.

**VISO Wallet will take 3 months to develop.**

The drafting of all business agreements will take about two months following the launch of the project.

**Overall, it will take 3 months to deploy the VISO business.**

In 6 months, after certification by international payment systems, own processing will commence, based on which the issuance of cards will be launched, allowing for increasing the profitability of the business.

### PROJECT DEVELOPMENT ROADMAP AND KEY MILESTONES.



#### Round 1.

Three months after the launch, the following technologies will be launched:

1. SMART terminals;
2. VISO Wallet;
3. VISO Card Lite with worldwide shipping option;
4. Payment for services via payment terminals.

#### Round 2.

Six months after the launch, VISA/MasterCard certification, and the start of own processing<sup>1</sup>, we will launch the following technologies:

1. VISO Card Pro/HCE/Virtual
2. SMART Balance (payment for goods with cryptocurrency cards connected to VISO Wallet).

<sup>1</sup> The launch of round-2 technologies is only conducted upon reaching Token sale level 3.

## VISO WALLET

VISO Wallet serves as an intermediate payment method that allows for fixing the rate of cryptocurrency-to-fiat-currency exchange at the time of purchase/sale at the point of sale or as requested by the customer. Furthermore, VISO Wallet enables payments between payment system participants. VISO Wallet provides access to cryptocurrency exchange.

Anyone with Internet access can open a VISO Wallet. BitCoin, Ethereum, Waves, and other cryptocurrencies can be converted into VISA wallet balance after opening a wallet. Wallet balance can be denominated in VITO, U.S. dollars, or Georgian laris and in other cryptocurrencies.

To open a Wallet, you have to go through a registration process by specifying your identification information, which will allow you to retrieve your access if you forget your login or password.

**VISO WALLE** is a secure platform with access procedures that comply with all bank security standards. The Wallet comes in the form of a website and a mobile app that enable you to:



1. View Wallet, cryptocurrency, and bank account balances;
2. View transaction logs;
3. Transfer VITO between users;
4. Sell/purchase VITO using accounts with any banks;
5. Buy VITO by exchanging external cryptocurrencies for them;
6. Buy VITO with any payment cards;
7. Pay for services (mobile communications, utility bills and such);
8. Order bank products (VISO Card Light, VISO Card Virtual, VISO Card HCE, VISO Card Pro, and others).

## VISO CARDS

All VISO cards are connected to VISO Wallet. Wallet balance is denominated in Georgian laris, U.S. dollars, euros, VITO, and other cryptocurrencies. The users of VISO cards can choose their preferred payment currency.

**VISO CARD LIGHT:** a VISA/MasterCard card with a balance and a transaction volume within the limits prescribed by Anti-Money-Laundering laws. The current limit is USD 250 per month. VISO Card Light cards can be shipped anywhere in the world without having to open an account with a Georgian bank and go through an authentication<sup>2</sup> process. VISO Card Light supports contactless payments.

**VISO CARD VIRTUAL:** a virtual payment card that comes with a customizable limit option enabling customers to set limits of their choice. This card is suitable for secure payments online in case your mistrust the point of sale<sup>3</sup>.

**VISO CARD HCE:** a Visa/MasterCard payment card that is powered by Host Card Emulation technology, enabling contactless payments from any NFC technology-supporting smartphone.

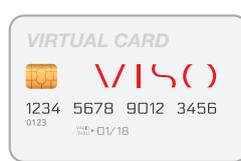
**VISO CARD PRO:** a regular MasterCard payment card that is tied to an identifiable account with a Georgian bank with no limits on transactions. With this card, you can reach almost any desirable transaction volume. This card will be your favorite means of payment. VISO Card Pro supports contactless payments.

VISO cards support the SMART Balance technology, which enables the automatic conversion of funds from a payment card or a bank account into cryptocurrency and back, thanks to the connection with VISO Wallet. After enabling this option, you will no longer have to make cryptocurrency sale/purchase transactions manually. Conversion rules are customizable by the user.

**SMART Balance technology is an innovative feature of the VISO payment system. This technology enables you to always maintain your preferred balance in regular currencies and in cryptocurrency.**

*Example: let's say that you have set yourself a limit of USD 1,000 and that you have a BTC balance. After you make a USD 300 purchase, the system automatically sells the required quantity of bitcoins to bring your balance back to USD 1,000. Or the other way around, suppose you have refilled your card and now have a USD 1,600 balance. The system will automatically sell USD 600 to refill your BTC balance*

VISO cards are shipped around the globe. Anyone can have a VISO card delivered to him/her by mail. VISO cards issuance is subject to VISA and MasterCard regulations. VISO cards are accepted worldwide.



<sup>2</sup> These cards are issued at all levels of Token sale

<sup>3</sup> These cards are issued for the Token sale levels 3 and above

## VISO SMART TERMINALS



### Through VISO SMART terminals, customers can:

1. Make purchases at a point of sale using regular payment cards with magnetic stripes, EMV chips, and NFC contactless payment capability;
2. Pay for purchases at a point of sale with a VISO card or straight out of a VISO Wallet<sup>[4]</sup>;
3. Deposit cash to refill a VISO Wallet;
4. Withdraw cash from a VISO Wallet;
5. Compile receipts for tax purposes; register such receipts at tax authorities;
6. Scan bar codes and QR codes;
7. Make third-party payments, such as mobile refills, utility bills, or fines;
8. Transfer money;
9. Pay taxes;
10. File tax returns;
11. Send invoices;
12. Conduct the accounting of goods and services.

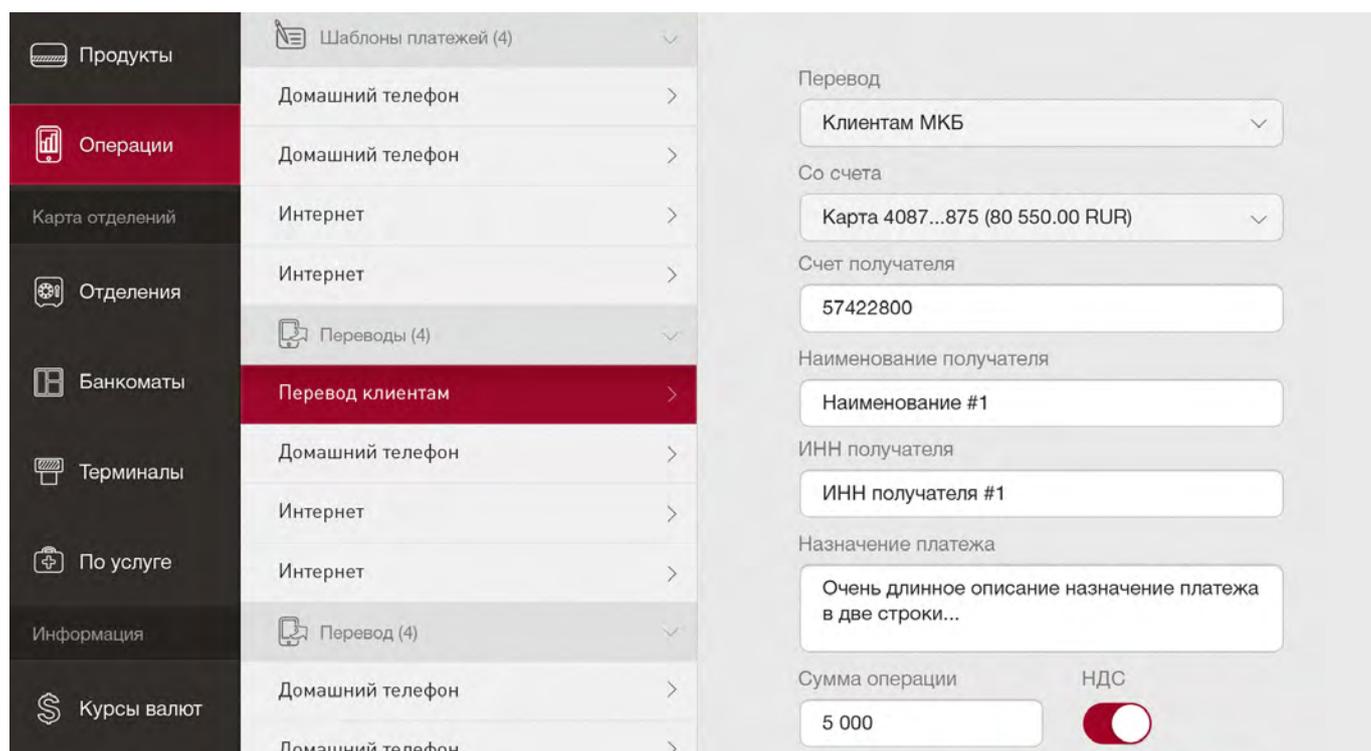
VISO SMART terminals are a new generation of bank terminals that combines the features of regular bank terminals and cash registers and that allows for launching any mobile apps powered by Android. Every VISO SMART terminal can be integrated with the accounting system of a commercial enterprise, effectively turning it into a full-featured cash register that displays an entire product line. Combining all cashier machines into a single device allows the point of sale to minimize costs, which is especially important for small merchants.

The operating life of a VISO SMART terminal is comparable to that of a regular bank terminal. VISO SMART terminals have the VISA and MasterCard certification, enabling these terminals to quickly replace any bank terminals at any point of sale.

The VISA and MasterCard certification means that VISO SMART terminals meet the PCI DSS 3 information security standard, which makes them highly secure.

<sup>4</sup> Whenever a purchase for cryptocurrency is made, conversion into Georgia's national currency – the lari – takes place on an exchange. Georgia's laws prohibit the direct sale of goods or services for cryptocurrency.

## MERCHANT'S USER ACCOUNT



Every business that receives a VISO SMART terminal or connects an internet terminal gains access to a user account, which is a special webpage in the wallet.

### Point of sale's user account capabilities:

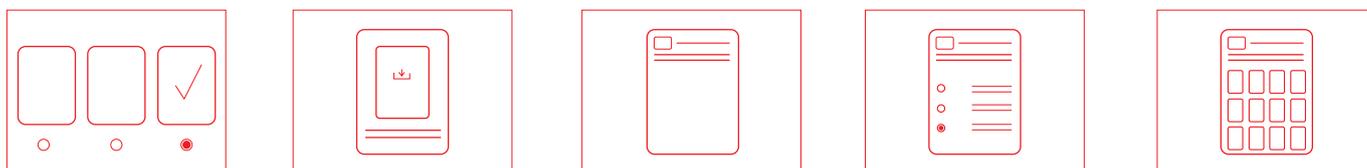
1. Capability to view purchases made with payment cards and cash via cash registers and online, including an option to fully or partially cancel transactions.
2. Imports of electronic receipts for transactions.
3. Support of a wide variety of data sources on the side of the point of sale ("1C" and others).
4. GPS analysis of transaction process.
5. User account capabilities for the point for sale (transaction stats, showcase of goods/works/services, internal documents, directives, and feedback).
6. Capability to set limits for every device.
7. Access rights customization for every SMART-terminal user.
8. Nine types of basic reports with an option to add new ones:
  - a. by time of day;
  - b. by day of week;
  - c. by operator;
  - d. by payment method;
  - e. consolidated;
  - f. by currency earnings;
  - g. by period;
  - h. by transaction type;
  - i. by location.

## VISO SHOP FOR EVERY POINT OF SALE

We provide every point of sale with a bonus technology: the capability to one-click set up an online shop right from a SMART terminal. This is accomplished through an online store setup master.

ALL THE CUSTOMER NEEDS TO DO IS:

1. Pick a template;
2. Upload a logo;
3. Choose a name for the store;
4. Provide contact information and choose between mail and courier delivery options;
5. Upload a list of goods and accompanying pictures from an accounting system.



A typical online store can be set up in under 1 hour. In the process, the client is granted a free domain on the [viso.ge](https://www.viso.ge) website, such as [shop.viso.ge](https://shop.viso.ge). In addition, the customer can connect his/her own domain.

The website builder is very simple and requires no specific knowledge. The store's administration page allows for manual or automatic uploads of goods balances.

### **A website created within VISO Shop is automatically integrated into the VISO payments environment.**

Any good or service can be purchased online. Thanks to the environment's closed setup, every good purchased at a point of sale is displayed online in the customer's favorite purchases. Going forward, the customer can one-click purchase the goods from the favorites list.

All VISO stores share a unified authentication system. Customers do not need to log in to every website, so long as they are authenticated in VISO Wallet. This simplifies online purchases for every buyer.

The administrative panel shows a set of statistics for every sale, including data on when, where, and by whom the purchase was made, and the quantity purchased. The analysis capability is integrated with Google Analytics services.

As a bonus service for customers, the website comes with a search engine optimization option and an advertising capability for website promotion purposes.

## VISO CRYPTOCURRENCY EXCHANGE

The cryptocurrency Exchange is integrated with the VISO Wallet and allows for carrying out transactions to purchase/sell VITO cryptocurrency and exchange it for both fiat money – transferable into Georgian bank accounts – and other cryptocurrencies. The exchange rate varies automatically within a current currency position, depending on how VITO is trading in relation to all currencies.

VITO cryptocurrency can be traded on external exchanges not connected with the VISO environment. VISO holders can independently buy/sell the cryptocurrency from/to other users and set exchange rates on their own.

Sales will depend on the volume of cryptocurrency purchase/sale transactions.

Cryptocurrency purchases by individuals will also be processed via the Exchange. The Exchange maintains balances within 10%<sup>5</sup> of sales to enable transactions. Large transactions can take a long time, as making them requires the accumulation of a sufficient sales volume<sup>6</sup>.

### MAJOR CURRENCY PAIRS:

- |                               |   |
|-------------------------------|---|
| 1. BTC - VITO                 |  VITO   |
| 2. BTC - ETH                  |   |
| 3. BTC - WAVES                |   |
| 4. ETH - VITO                 |  VITO  |
| 5. ETH - WAVES                |   |
| 6. WAVES - VITO               |  VITO  |
| 7. VITO - GEL (Georgian lari) | VITO   |
| 8. VITO - USD                 | VITO \$   |
| 9. VITO - EUR                 | VITO €  |



Conversion of other cryptocurrencies into the VISO Wallet balance and associated VISO cards is only possible through conversion into VITO. This ensures VITO turnover in the secondary cryptocurrency market. VITO is thus a link between other cryptocurrencies and VISO services.

Upon receiving VITO, a user can immediately convert them into his/her VISO Wallet balance denominated in Georgian laris, U.S. dollars, or euros.

<sup>5</sup> The reserves are formed out of Token sale proceeds

<sup>6</sup> VITO sales limits are published on the website. The limits do not restrict VITO sales on other exchanges

## VITO TURNOVER

**To ensure a sustainably high token turnover, we use VITO as an exchange currency for all VISO Wallets. Every conversion triggers a VITO sale/purchase, thus ensuring turnover growth.**

In a user's wallet, funds are stored in the form of VITO or fiat currencies: U.S. dollars, euros, or Georgian laris. When opening a VISO wallet, wallets denominated in BTC, Waves, and Ethereum are also opened for customers to store their balances. However, before these cryptocurrencies are used for purchasing, they must be converted into VITO.

VITO are spent on paying for VISO system services. When acquiring VITO, the customer gains access to VISO services. S/he also gains a capability to open VISO, HCE, and VISO Virtual cards or to order the shipping of the VISO Light and VISO Pro cards. In this way, the customer gains access to the VISO payment infrastructure by only purchasing and selling VITO.

Active VISO wallet users will be buying new VITO tokens on a regular basis to maintain the card-based purchasing capability.

VISO Company ensures the operation of the VISO infrastructure but does not make payments to VITO holders. The VITO infrastructure works automatically on the basis of the Waves platform.



## VITO SUPPORT BY VISO

VISO company allocates 20% of collected commissions to a VITO support fund.

### COMMISSIONS EARNED BY VISO:

1. Card-based purchases commission
2. Card issuance commission
3. Monthly card maintenance commission
4. SMART terminals-based purchases commission
5. SMART terminals maintenance commission
6. VISO Shop purchases commission
7. VISO Shop maintenance commission
8. Payments to third parties commission
9. Exchange-based cryptocurrency conversion commission

**The VISO fund is planning to regularly buy back VITO and support the VITO exchange rate with every lawful means.**



## TECHNOLOGY READINESS

**SMART TERMINALS** are certified by the international payment systems VISA and MasterCard. There is an agreement with factories to produce up to 100,000 terminals a month. A registration procedure with Georgia's tax authorities is underway.

**VISO PREPROCESSING** is ready for operation, certified by VISA, MasterCard, AliPay, Samsung pay, Apple pay, AmericanExpress, and others. There are copies of the processing already launched but used in other tasks.

**VISO SHOP:** ready for use; there are running copies in other countries.

**PROCESSING FOR CARDS:** there is a prototype of the technologies that will be used in the work; negotiations with vendors on the delivery of the processing are in progress.

**VISO CARDS:** there is a conceptual design, a product line, and tariffs.

**VISO WALLET:** there is a conceptual design and a description of an operation technology.

**VISO CRYPTOCURRENCY (VITO):** a deal has been made with Waves Platform to issue the cryptocurrency; and an internal test has been conducted.

**EXCHANGE:** ready for business.

Stage of readiness	Conceptual design	Prototype	Test version	Ready for operation
SMART terminals				✓
VISO preprocessing				✓
VISO Shop				✓
Card processing			✓	
VISO cards		✓		
VISO Wallet	✓			
VISO cryptocurrency (VITO)				✓
Exchange				✓

VISO founders have been making a great contribution to the project's launch by supplying ready-made technologies.

## BUSINESS IN GEORGIA

The VISO payment system is made up of four interconnected business models. For every business, VISO Company has researched the market and identified the limiting volume, key competitors, and companies to be included in our environment. The VISO team has 20 years' experience working in Georgia and knows the ins and outs of Georgia's business legislation.

### SUMMARY:

#### Acquiring business

- 0.2% or 0.3% of every purchase with VISO payment cards via SMART terminals and e-commerce. Commission size depends on whether the VISO processing receives VISA/MasterCard certification.

Bank terminals-based transactions in Georgia total close to 12bn laris (about USD 5bn) and 180mn purchase transactions (2016 data).

#### Card business

- 0.2% or 0.25% of every card-based purchase or card-based withdrawal, plus a card maintenance fee.

We are counting on high demand for VISA cards by customers outside Georgia. Transaction volume depends on card demand.

There are a total of 9.3mn <sup>7</sup> plastic cards in Georgia, 74% of which are VISA and MasterCard (2016 data)

#### Payment business

- 1% of every monetary remittance from payer to payee. Half of this amount goes to the point of sale as a fee for accepting the payment.

Georgia's payment terminals-based transactions total about 6bn laris (some USD 2.5bn) a year (2016 data)

#### Conversion business (the Exchange)

- 0.1% of every conversion between cryptocurrencies and 1% of every conversion into the Georgian lari, U.S. dollar, and euro. Conversion volume depends on the number of terminals installed and cards issued. Transaction volume depends on how many VISO cards are issued.

No public data are available on the volume of cryptocurrency transactions in Georgia.

**Georgia is a tourist country.** With a 3.7mn population, the nation takes in 6mn tourists annually. Most tourists come from Ukraine, Iran, China, and Russia. VISO will be providing them with card services on a regular basis.

At this time, Georgia operates close to 160,000 registered cashier machines, including some 82,000<sup>8</sup> active machines and about 35,000 bank terminals (estimated data adjusted for 2016 dynamics). VISO SMART terminals have the potential to displace all of past-generation machinery, making VISO the mainstream payment system of Georgia.

<sup>7</sup> [https://www.nbg.gov.ge/uploads/sagadaxdo/statistics/2016/IV\\_kvartali\\_English.pdf](https://www.nbg.gov.ge/uploads/sagadaxdo/statistics/2016/IV_kvartali_English.pdf)

<sup>8</sup> [http://www.rs.ge/common/get\\_doc.aspx?id=10208](http://www.rs.ge/common/get_doc.aspx?id=10208)

## BUSINESS PLAN

<b>Funds collected from Token sale</b>	<b>3M USD</b>	<b>5M USD</b>	<b>10M USD</b>	<b>15M USD</b>	<b>25M USD</b>
Number of SMART terminals installed	4 680	8 871	11 829	22 500	44 871
Number of VISO cards issued	36 400	69 000	92 000	175 000	349 000
Year 1 revenues from business	\$979 644	\$2 302 373	\$3 069 816	\$5 839 351	\$11 645 313
Year 2 revenues from business	\$2 318 798	\$5 867 446	\$7 823 707	\$14 881 688	\$29 678 142
Year 3 revenues from business	\$2 264 870	\$5 777 588	\$7 703 908	\$14 653 800	\$29 223 668

100% of the revenues collected during the first three years will be directed at business development<sup>9</sup>, and will not go towards dividend payouts. This revenue will be sufficient to cover office expenses and business development expenses.

WE PRIORITIZE THE FOLLOWING BUSINESS DEVELOPMENT OBJECTIVES:

1. Growth of VITO turnover
2. Growth of card-based transactions
3. Growth of terminals-based transactions

KEY SOURCES OF REVENUE:

1. The cost of one card to a customer is USD 15 with shipping.
2. Interchange fees<sup>10</sup> for card-based payments
3. Interchange fees<sup>11</sup> for SMART-terminals-based payments
4. Commissions for payments to third parties
5. Subscription fee for terminals maintenance
6. Revenues from online stores

***SMART terminals are provided to points of sale in Georgia free of charge[12]. This placement strategy will enable the business to quickly capture the Georgian market, crowd out competition, and start earning from terminals maintenance and interchange fees.***

<sup>9</sup> If VITO sales are not sufficient and the VITO exchange rate falls and the Company has revenues from other lines of business, funds can be spent to buy VITO back in several phases.

<sup>10</sup> A fee on the volume of card-based transactions that is withheld for every purchase in favor of the issuer, i.e. VISO.

<sup>11</sup> A fee on the volume of terminals-based transactions that is withheld from the merchant for every purchase.

<sup>12</sup> SMART terminals are installed free of charge during the promotion period only.

## TERMS AND CONDITIONS

This document is intended for information purposes only and does not constitute a call to purchase the securities of VISO Company or related companies.

The ownership of VITO tokens does not entitle their holder to the ownership of VISO Company or to the ownership of VISO Company's property or to any other ownership rights. VITO tokens do not entitle their holders to directly or indirectly influence VISO Company's decision-making process or business development.

VISO does not guarantee that all of the targets indicated in the Business Plan will be achieved or that the technologies presented will be launched in full.

As VITO tokens issuance is powered by the Waves Platform, any malfunction or failure of the Waves Platform can have a significant negative effect on the operation of VISO technologies. VISO Company does not guarantee that the Waves Platform is secure, that it does not have vulnerabilities, or that it will not have vulnerabilities in the future.

VISO takes no responsibility for the loss of access codes necessary for the use of VITO. If you lose the codes, we cannot help you retrieve them.

VISO operates within the existing legal framework and fully complies with all applicable laws. Should we receive a request from a relevant authority to identify a VITO holder, you must provide all personal information on demand and reasonably fast.

VITO tokens do not constitute an investment instrument or product. VISO neither pledges nor guarantees to make any payouts to VITO holders. The value of VITO can only be backed by the demand for them on the part of legal entities or individuals unrelated to VISO, i.e. card users and VISO wallets.

VITO holders take sole responsibility for any tax payments related to purchasing, owning, and selling VITO. VISO Company does not take responsibility for your tax avoidance.

If the laws of your country expressly or indirectly forbid you to own VITO, you must not acquire them. VISO Company does not verify whether you are legally able to buy VITO.

By acquiring VITO, you guarantee that you have reached the age of legal adulthood, that you are over 18 years old, that you are only acquiring VITO for lawfully obtained money and cryptocurrency, and that you stand ready to confirm the lawful origin of the money at the request of a relevant authority.

## LAWS

Georgian laws have not been officially translated into English; unofficial translations are often unreliable and are provided for information purposes only. The list of major laws is provided below to allow for verifying that VISO Company's operations are legitimate within the Company's structure, given that the necessary licenses are procured.

### 1. The Civil Code of Georgia (en)

This code stipulates a verbal agreement procedure governing the procedure for the sales/purchases of cryptocurrency by an online request.

### 2. The Law on the National Bank of Georgia (en)

This law stipulates a set of transactions subject to licensing and control by Georgia's National Bank. Cryptocurrency does not fall within the scope of the regulation by the National Bank of Georgia.

### 3. The Law on the Protection of Personal Information (en)

This law regulates the procedure for the processing of personal information within the territory of Georgia.

### 4. The Law on Electronic Signature (en)

This law stipulates a procedure for affixing an electronic signature to a document.

### 5. The Law on Payment Systems and Payment Providers (en)

This law regulates the operations of payment systems and payment providers, stipulates a licensing procedure, and restricts the activities of such companies.

### 6. The Procedure for Registration as a Payment System Operator (en)

This document outlines a procedure for procuring a payment system operator's license.

### 7. The Rules for the Conduct of a Payment Transaction (ka)

This document outlines the requirements for the conduct of payment transactions.

### 8. The Rules for Combating Money Laundering and Terrorist Financing (ka)

This law restricts the conduct of financial transactions and imposes mandatory customer identification requirements.

## APPENDIX 1. LEGAL STRUCTURE AND LEGAL NUANCES

For the purposes of conducting business, VISO Company is incorporated in Georgia under identification code ID 405225288.

### **VISO Company plans to conduct the following operations:**

1. Launch an affiliate program with a bank to conduct card-based transactions via a virtual terminal and sales of gift cards;
2. Maintain VISO wallets;
3. Accept payments to providers of services within the territory of Georgia;
4. Buy cryptocurrency;
5. Sell cryptocurrency;
6. Issue cryptocurrency;
7. Sell SMART terminals and VISO Shop services;
8. Carry out SMART terminals maintenance, planned replacements, and repairs and provide advice on their installment and alignment.
9. Provide VISO Shop maintenance and paid services for online store alignment and maintenance.

**The entity plans to procure a PSO license of the National Bank of Georgia. The required capital under the PSO license is 250,000 laris (close to USD 100,000 at the current exchange rate).**

### **The project requires the drafting of the following agreements:**

1. FOR INDIVIDUALS:
  - a. Procedure for the processing of any personal information to be posted on the websites VISO.GE and VISOEXCHANGE.GE;
  - b. An offer agreement for the users of the VISO.GE and VISOEXCHANGE.GE websites;
  - c. Sales and purchase agreement to buy/sell cryptocurrency on the VISOEXCHANGE.GE website;
  - d. VISO personalized card agreement.
2. FOR LEGAL ENTITIES::
  - a. Agreement on SMART terminals procurement and maintenance at points of sale;
  - b. VISO Shop operation agreement.
3. FOR NOT-FOR-PROFIT FUNDS AND OTHER LEGAL ENTITIES:
  - a. SMART terminals procurement and maintenance agreement;
  - b. VISO Shop use agreement.

### **IMPORTANT!**

U.S. citizens and U.S.-based legal entities – as well as their affiliated parties and parties acting in the interest thereof – have no right to participate in the Token sale.<sup>13</sup>

VITO tokens obtained as a result of the Token sale or subsequently purchased do not entitle you to participate in the operations of VISO Group, to influence the decisions of the Company's management, or to expect to receive dividends or other payments from VISO Company or subsidiaries thereof.

The only thing that ensures VITO turnover is their regular exchange for other currencies on various exchanges. The volume of exchange transactions can only be high if the project succeeds and if the VISO cards transaction volume is large enough.

In case the Token sale falls short of generating the minimum amount of funds required to launch the project, all of the funds and cryptocurrency collected will be returned to Token sale participants.

<sup>13</sup> More details are available from the Terms and Conditions document.

## APPENDIX 2. PROJECT RESUME

**VISO company is offering you to participate in the Token sale of a project whereby VISO cryptocurrency – in the form of VITO tokens – will be created and sold out. VITO are created based on the Waves platform. The value of the tokens is backed by their turnover in the payment system.**

VISO Company has been created by a team of professionals with extensive experience implementing payment system projects and developing software for banks. VISO operations are conducted within the legal framework and compliant with all applicable laws of Georgia. VISO company has picked Georgia as the best country in which to implement the project. The choice of country is determined by Georgia's small size, transparent rules of doing business, a massive inflow of tourists that exceeds the local population, and a convenient taxation system. Furthermore, VISO Company founders are experienced in doing business in Georgia.

VISO company is planning to:

1. Install a large network of SMART terminals designed as 3-in-1 devices that include:
  - a. A bank terminal that accepts VISA, MasterCard, and other payment cards;
  - b. A cash register that registers a purchase at tax authorities and prints out a receipt;
  - c. A payment terminal that accepts payments to third parties, such as mobile operators, utility providers, etc.
2. Launch VISO Wallet, through which to conduct conversion between cryptocurrencies and VITO cryptocurrency, thus ensuring the integration of conventional payment methods – such as plastic cards – with cryptocurrencies and thereby driving VITO sales.
3. Organize the issuance and worldwide shipping of VISO payment cards. The cards enable their users to make payments everywhere VISA and MasterCard payment cards are accepted by automatically converting cryptocurrency into USD card balances.

All lines of the business generate commission revenue to be invested in the VISO payment system's development. All of the earnings collected during the first 3 years will go towards the payment system's development only, including the launch of business beyond Georgia.

To maximize the profitability of the commission business, the team plans to develop the Company's own full-featured processing and have the Company registered as a direct participant in VISA and MasterCard payments.

VITO holders are not paid any dividends and are not guaranteed any income.