



WHALEFUND

WHITE PAPER

CONTENTS

1. About the Fund	3
1.1. Introduction	3
1.2. Differences and competitive advantage	4
1.3. Preliminary risk analysis and structure of basic investment portfolio	4
2. The Fund business model	6
2.1. Basic concepts	6
2.2. The Fund profit distribution	7
3. WHALE tokens	8
3.1. More about WHALE tokens	8
3.2. How to participate in the crowdsale	9
3.3. Tokens distribution	10
3.4. Bonuses for ICO participants	10
3.5. The Fund partnership program	11
4. Disclaimer	12

1. About the Fund

1.1. Introduction

The ICO market (Initial Coin Offering, the IPO analogue in a more traditional business) is rapidly gaining popularity, including in Russia. A significant percentage of the emerging industry is occupied by the ICO of cryptocurrency investment funds (interesting examples are the foreign TaaS and the domestic The Token Fund) which are designed to popularize the cryptocurrency market, along with making profit.

The purpose of WhaleFUND, in addition to mentioned above ones, is to provide investors (including investors who are far from cryptocurrency investments) with the opportunity to enter the cryptocurrency market as simple as possible on the basis of high profit and full transparency of all investment processes.

Why Whale?

The slang phrase "whale" is widely used on the cryptocurrency market to mean a major investor. WhaleFUND is positioning itself that way - as a major investor able to influence the market indicators in the sphere of both passing ICO (in which the Fund intends to actively participate - up to 15% of the portfolio will be the share of high investment potential ICO) and actively traded coins and tokens that have proved themselves in the market. But that is not all.

Having chosen this name, the founders of the Fund tightly linked its fate to giant mammals - cetaceans. There was a release of only 800,000 WHALE Tokens which corresponds to an approximate number of all cetaceans in the world's oceans for 2017. A beautiful story and no less beautiful gesture: part of the Fund's profit will be sent quarterly to environmental projects and activities designed to protect the cetacean population, to maintain its numerosity and to solve emerging environmental problems threatening the survival of cetaceans. Information on the Fund's participation in such projects and events will be regularly published in the quarterly reports on the activities of the Fund.

1.2. Differences and competitive advantage

The main difference of WhaleFUND from classic investment funds is commitment to investor and full activity transparency. In the classical investment fund the investor is "deigned" to provide the fund administration services, accompanying this process with various commissions and restrictions. *Do you want to invest in a fund? Bring from 5-10 thousand USD, pay a commission for administration, the percentage of entry and exit, and even share a percentage of the profit with a manager ...*

WhaleFUND has casted aside these vestiges of the past and offers its investors to move from "client-firm" relationships to the next level - "partner-partner" ones. What does it mean? WhaleFUND is a Closed-end fund forming within the ICO stages (limited subscription, pre-ICO, ICO), during which interested investors can purchase WHALE tokens at a fixed price with due bonuses for the first investors and for the purchased volume (in more detail - in section Bonuses). After the completion of the ICO the WHALE tokens are floated to recognized cryptocurrency exchanges, and here WhaleFUND's commitment to a partner is fully revealed: the investor doesn't need to pay any commissions to the Fund, he doesn't have to stumble over the unacceptable entry level (within the ICO the entry level is very democratic and is only 1 WHALE or 0.01 ETH), the investor doesn't have to adapt to a personal manager who can have several clients and who doesn't always find time for a particular client in classical funds ... Rather, it is sufficient to buy WHALE tokens on the exchange, thus gaining the opportunity to participate in the distribution of dividends (dividends are accrued to any investor who has 100 or more WHALE tokens distributed on the wallet) and to receive income on growth of the exchange rate in the form of WHALE tokens with a quarterly distribution of profits from the Fund activity, and if necessary - not to wait for the opening of the withdrawal window and not to pay a fee for withdrawal, but simply sell the required number of tokens on the exchange at any time.

In addition, all activity of the Fund is absolutely transparent: the purses, where undistributed funds or formed portfolio shares are kept, are published on the Fund's website, and trading operations on exchanges are reflected in quarterly reports together with the results obtained.

1.3. Preliminary risk analysis and structure of basic investment portfolio

It's not the secret that the cryptocurrency market is subject to significant fluctuations and develops in strong correlation with the Bitcoin exchange rate, which is the top cryptocurrency: the oldest, the largest in terms of capitalization, the most recognized (having the highest level of confidence), and so

on. Any investor leading a more or less vigorous investment activity has certainly noticed how subsequent to a strong change in the BTC rate, for no reason at all, altcoins rush and even Ethereum, created as a counterbalance to BTC, hasn't avoided this dependence. Tokens created on Ethereum basis are also sensitive to the ETH course, as well as forks - to the BTC exchange rate. It is because of this obvious correlation that a significant part of WhaleFUND's investment portfolio is nominated in BTC and ETH, 30 and 20 percent, respectively. This measure allows the Fund's portfolio to remain in the market in any eventuality.

In addition to these two largest cryptocurrencies in terms of capitalization, one more "bison" takes its place in the Fund's basic investment portfolio: Litecoin. In 2017 it has shown a phenomenal result, the LTC rate increased from less than \$4 to \$81 at the peak - having such indicators Litecoin firmly registered in the top five best-performing currencies with the highest potential.

Here we should mention the similar indicators of Ethereum that has grown during the year 2017 from \$12 to almost \$400 at the peak of the cost, and the reason for this is the market of ICO actually formed by Vitalik Buterin (using, to a large extent, ERC20-tokens). And here we smoothly move on to the next category, ranking third in WhaleFUND's (15%) portfolio: ICOs.

The founders of WhaleFUND have been working with cryptocurrencies for a number of years, and have witnessed impressive Bitcoin growth (in 6 times only in 2017), Litecoin and Ethereum (we mentioned them above), but even the thirty-fold increase in Ethereum is nothing compared to the most successful ICO, for example - NXT, which has shown the result (according to the information of the analytical resource Icostats: <https://icostats.com/roi-since-ico>) to an incredible 348245% for 4 years since the time of the ICO. And this is by far not a solitary example of successful ICOs (which are many in the above link). And that's why WhaleFUND pays a lot of attention to promising placements (both ICO itself in the process and young coins at the initial stage of development after the completion of the ICO), potentially capable of showing very good results.

The following five currencies have approximately the same share in the Fund's portfolio, we will explain briefly why they are precisely in this ratio.

DASH literally is hot on the heels of Litecoin, occupying the 6th place in the global rating of CoinMarketCap.com. Having achieved such impressive results, according to our estimates, this coin will not stop there.

BTS: the most undervalued currency of the portfolio, in our opinion, occupies only 39 place in the rating of CoinMarketCap, but in meaning it is a kind of competitor of Ethereum. And we know what results can be achieved in this case, even by the simplest scaling of the infrastructure - this coin must be in the portfolio of any self-respecting investor who can look beyond the horizon.

ETC, XMR, NEM - each of these coins has its own strengths, ETC and NEM show excellent dynamics and are currently in the correction, which means it's time to strengthen the positions in these coins with the prospect of significant growth in the medium term. Monero right now is experiencing explosive growth, literally bursting into the top 10 CoinMarketCap).

However, the fact that at the moment the WhaleFUND portfolio is formed in the given ratio of currencies doesn't mean that it will solidify in this position for a long time. The market of cryptocurrency is very dynamic, it is necessary to keep a hand on the pulse of news and events and to correct the investment strategy in real time to achieve good results. It will be possible to get acquainted with the results of the Fund's current work for the past period in quarterly reports published on the Fund's website.

2. The fund business model

2.1. Basic concepts

The WhaleFUND is positioned as an institutional investor operating with cryptocurrency assets with a long investment horizon. This doesn't mean that the Fund can't make speculative deals under the appropriate market conditions, but the foundation of the Fund's activities is still long-term investment in potentially successful assets which have a serious fundamental training and a high potential for infrastructure development.

The structure of the WhaleFUND investment portfolio is formed by consensus of the Fund founders taking into account the authoritative opinion of practicing traders.

The basic investment portfolio is formed within the ICO stages in the ratio shown on the website, after the completion of the ICO the funds received are transferred to the respective shares of the

mentioned cryptocurrencies. Up to 15% of the portfolio is allotted to active ICO and young coins at an early stage of development (up to 6 months after the completion of the ICO).

The Fund reserves the right to adjust the portfolio structure in accordance with the market conditions, reflecting the changes that occurred during the reporting period on the site and in quarterly reports.

2.2. The Fund profit distribution

The distribution of the Fund's profit occurs quarterly (4 times a year), after the publication of the quarterly report, and within the profit distribution any investor who has more than 100 WHALE tokens takes his part.

The distribution of profits is made on the basis of shares:

50% of the profit received is distributed among the investors (the profit share is calculated per whole token from holders holding 100 or more WHALE tokens)

10% of the profit is the administration fee and remains with the Fund's co-founders (to cover operating expenses)

5% of the profit goes to environmental projects and activities designed to protect the cetacean population, to maintain its numerosity and to solve emerging environmental problems threatening the survival of cetaceans

35% of profit goes to the capitalization of the Fund and expansion of the investment portfolio

In what form is the profit distributed?

The Fund's profit is defined in US dollars and represents a positive difference between the value of the Fund's investment portfolio in the last quarterly report and in the new one. After determining the quarterly earnings expressed in USD the profit is converted into WHALE tokens at the average exchange rate and distributed proportionately among all the holding companies having 100 or more WHALE tokens by transferring the corresponding share of tokens to investors' purses.

If there is a balance of unsold tokens after the completion of the ICO, dividends are accrued from this amount. After getting rid of them (or within the absence of unsold tokens based on ICO results) WHALE tokens needed to pay dividends are purchased on the open market at the current exchange rate providing additional support for market capitalization.

3. WHALE tokens

3.1. More about WHALE tokens

WHALE Tokens are a form of receipt that gives the right to receive a proportional part of the Fund's profit from the investment activity, expressed in the growth of the investment portfolio value.

The profit is distributed on a quarterly basis, if there is a positive difference between the value of the Fund's investment portfolio in the last quarterly report and in the new one.

After the completion of the ICO WHALE tokens can only be purchased at stock exchanges at the current market rate. Only 800,000 tokens which must be sold within the ICO stages are issued and will not be issued anymore.

In case when there are unsold WHALE tokens after the completion of the ICO, a dividend account is formed from them (in a separate purse, the address of which is published on the Fund's website) and dividends on the Fund's activity are paid first of all from it (until the account is exhausted). Then WHALE tokens, necessary for the payment of dividends, are purchased on the open market at the current exchange rate.

The fund reserves the right to replenish the dividend account by buying WHALE tokens in the open market at times of significant drawdown.

3.2. How to participate in the crowdsale

ICO stages:

11/12/17 – the beginning of the Bounty campaign, the formation of a limited subscription lists for the purchase of tokens

11/20/17 – the completion of the limited subscription formation, the beginning of the tokens sale per the generated lists (pre-ICO)

11/26/17 – the completion of the tokens sale via the limited subscription

11/27/17 - the beginning of the ICO open stage

12/17/17 – the completion of ICO and Bounty campaign

up to 12/20/17 (included) — calculations for the Bounty campaign and the partner program

In order to purchase WHALE tokens within the ICO stages it is necessary to send ETH to the purse of the smart contract published on the Fund's website (<https://whalefund.io>) after the official beginning of the ICO (or to the ETH purse provided to investor as part of pre-ICO).

Important to know:

— Citizens of the following states and territories can't participate in the stages of the WhaleFUND ICO: USA (and all legal dependent territories), Singapore, Hong Kong. This is due to the peculiarities of local legislation. For residents of any other states and territories there are no restrictions on participation

— The WHALE token exchange rate within the ICO is 1 WHALE per 0.01 ETH

— The minimum purchase amount within open stage of ICO is 1 WHALE (0.01 ETH), the received amounts less than the specified amount are not processed by the smart contract and will be transferred to charitable needs and are reflected in the first quarterly report

— ETH can only be sent from the personal purse to which you have a private key! DO NOT USE stock purses for buying tokens! We will not be able to refund your funds in the event of sending ETH to the purse of the smart contract from the stock exchange address!

3.3. Tokens distribution

Within the ICO 800,000 WHALE tokens have been released. They are distributed in the following correlation:

60% of tokens go on sale

15% of tokens are the share of developers and founders of the Fund

3% allocated to the partnership program

3% of tokens allocated to Bounty program

19% remain for operating expenses

3.4. Bonuses for ICO participants

Within the pre-ICO (a week from 00.00 UTC November, 20 to 23.59 UTC on November 26, when only investors from a limited subscription list are available to purchase tokens), the bonus amount is 15% of the purchase amount.

For participants of ICO open stage (from 00.00 UTC, November 27, 2017) there are also motivating bonuses:

— If your investment fits in the first 100,000 WHALE tokens sold at an open stage of ICO - you will get +10% of WHALE tokens

— If your investment fits in the range of 100001 to 200000 sold WHALE tokens - you will receive +5% of WHALE tokens

- If your investment fits in the range of 200001 to 300000 sold WHALE tokens - you will receive +3% of WHALE tokens
- If the amount of your investment is from 10 to 100 ETH - you will get +2% of WHALE tokens
- If the amount of your investment is from 100.01 to 300 ETH - you will get +3% of WHALE tokens
- If the amount of your investment is from 300.01 ETH or more - you will get +5% of WHALE tokens.

Crossing bonuses are summed up (within the open stage of the ICO), for example: if you make a purchase on 350 ETH one of the first on the ICO, you will receive 35000 WHALE + additional bonus (+10%, that is 3500 WHALE) and a volume bonus (+5%, 1750 WHALE). This way you will get a total of 40250 WHALE.

3.5. The Fund Affiliate program

The Affiliate program is allotted 3% of WHALE tokens. This means that any interested person can get (within open stage of ICO) a partnership link on the Fund's website and invite investors to participate in the ICO. If the invited investor (having registered his ETH-address on the Fund's website to establish a binding to the partner) acquires WHALE tokens, the inviting partner receives 2% of the amount as a reward with WHALE tokens (and 1% is received by the investor as motivation for registering in Affiliate program on the Fund's website). The moment of the ETH-address registration (before or after the purchase of WHALE tokens) doesn't matter - if the partnership link was followed, the partner and motivational reward will be credited. It is not allowed to act as a partner for oneself. At the same time registration of ETH-address is not required to participate in the ICO - you can purchase WHALE tokens within the ICO by simple transferring the ETH to the purse of the smart contract posted on the Fund's website after the start of the crowdsale (the tokens arrive to the purse from which the ETH was received, after 1 network confirmation). Registration of the ETH-address will be required only if you have a desire to participate in the Affiliate program or to receive a motivational reward for the following the partner link.

4. Disclaimer

This document is provided for information purposes and isn't an offer or recommendation to sell shares or securities to WhaleFUND or any related organization. Any such proposal or recommendation can be made only through confidential correspondence.