



# EZYcount TaaL white paper

## AI-Automated Blockchain Accounting

V0.9.2

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by

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## EXECUTIVE SUMMARY

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This white paper outlines the rationale for a token sale by EZYcount, a Swiss-based software company. The hard cap for the ICO is set at 2 Million CHF, in which each token represents a lifelong software license and by purchasing enough tokens, holders gain access to the EZYcount software. The aim of the sale is to raise funds to develop EZYcount AI to fully automate bookkeeping for the self-employed and small business owners for which the founders have filed a patent in 2015.

### Problem

The EZYcount AI solution addresses two fundamental challenges that target customers face in today's bookkeeping software market;

#### **i) Accounting for small businesses is still very manual**

Accounting is a major administrative concern for the self-employed. It is estimated that at least 30% of self-employed in Switzerland, some 160'000 individuals, still use inefficient and time-consuming manual input accounting systems such as Excel.

On average, these individuals dedicate some 4 hours a week to managing their accounts. Should they decide to outsource these tasks to a fiduciary, the average cost per year is CHF 5'000.-<sup>1</sup>.

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<sup>1</sup> <https://www.bcge.ch/pdf/entreprise-guide-createur-fr.pdf>

After talking to hundreds of self-employed in Switzerland, we realized that self-employed don't want to just simplify their accounting tasks, they don't want to do them at all!

EZYcount AI addresses this demand with a fully automated accounting solution, which enables self-employed to focus on what truly matters--their business!

## ii) Software licensing is broken

Software companies face difficulties in enforcing software rights and building distribution channels because software licensing laws vary greatly in different countries across the world. Moreover, there is a constant race between software producers and hackers, and software companies invest considerably energy and resources into creating friendly and secure software licenses.

EZYcount addresses this dilemma by offering software licenses that are as secure and flexible as possible, and easy for license owners to manage.

## Solution

### AI automated accounting

Building on top of its current solution, the EZYcount team is increasing the automation of accounting one step at a time, starting with rule-based automation and ending with AI automation. EZYcount AI automates every manual task performed by the user. It starts by connecting to all sources of accounting data such as bank accounts, credit card, webshop or document management systems (Dropbox or Storj). Based on these data, EZYcount AI creates bookings and generates financial reports. Finally, EZYcount AI features a chat-like interface that allows users to communicate seamlessly with it, viewing it as a trusted advisor over time for all their accounting queries.

### Blockchain software license or Token-as-a-License (TaaL)

It is possible to create tokens on a blockchain that represent software licenses, also known as Token-as-a-Licence (TaaL).

EZYcount creates TaaL by using the Ardor official wallet which interacts with the Ardor blockchain and child chains. After purchasing the TaaL, the token holder is free to transfer or sell the TaaL using a secondary market that is built directly over the blockchain, in our case, the Ardor marketplace. EZYcount checks the validity of a token against the blockchain ensuring that token holders have access to the software.

TaaL makes distribution and securisation of software licenses easier for software developers. It also makes the management and resale of software license easier for software owners. All in all, TaaL has a higher value as a normal software license.

## Token sale

To realize this innovative vision, EZYcount is launching a token sale on the Ignis blockchain, a child chain of the Ardor blockchain. 20,000,000 tokens are available to purchase for the price of CHF 0.10 each during a 30-day period public sale from the 15th of September 2018 until the 14th of October midnight. Private sales with bonus are happening prior to the public sale. To participate: <https://www.ezycount.ch/en/ico>

Tokens represent lifelong (99 years) software licenses and by purchasing enough tokens, holders gain access to EZYcount software. 15,000 tokens grant access to EZYcount accounting or invoicing. 20,000 tokens grant access to both EZYcount accounting and invoicing. Future customers will still have the opportunity to buy directly yearly or monthly subscriptions to have access to EZYcount.

## Future plans

A future ICO is planned between 18 and 24 months after the token sale. This offering will support the development of EZYcount into a fully decentralized, privacy-focused ecosystem of applications on the blockchain. The new model will reward each participant so that a new world with zero administrative tasks becomes reality.

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## VISION

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**EZYcount's mission is to help and support the self-employed and small business owners with their administrative tasks so they can focus on what matters -- their business.**

Administrative tasks are cumbersome, time-consuming and often prevent small owners from focusing their time and energy on their business and their customers. They can also be extremely stressful and nerve-wracking for those attempting these tasks for the first time.

*“At EZYcount, we envisage accounting for the self-employed and small business owners as being **automated** and **decentralized**”*

Accounting can and should be done automatically. By connecting to all sources of accounting data such as bank accounts, payment systems, e-commerce websites, and invoicing systems, EZYcount AI automatically completes these tasks, which would take hours to do manually. Bookings are created automatically and fully completed. Financial statements are available within a couple of clicks, and after analysing your data, EZYcount AI will offer you tips to improve your financial stability.

What may seem like a pipedream to the millions of self-employed who struggle with their admin tasks, is already a reality. Now is the time to join EZYcount on its mission to transform the world of bookkeeping through the power of AI.

## **The EZYcount model**

EZYcount is based on an innovative licensing model that uses Token-as-a-License (TaaL). The token represents a lifelong (99 years) software license for EZYcount solutions. The token sale enables EZYcount to complete its development of EZYcount AI to deliver fully automatic bookkeeping.

The token sale also paves the way for a future EZYcount ICO. EZYcount will launch accounting on the blockchain and ensure your accounting data is comprehensive and private, but available everywhere within your preferred apps (or dapps). It will empower you to manage your data as you see it in a fully decentralized way.

Furthermore, a new range of business apps will connect to EZYcount to provide you with leading edge business data access to ensure you have the best available data at your fingertips.

EZYcount supports strong data ownership laws that truly protect individuals and ensure they have complete ownership of their data. Through decentralisation EZYcount helps to ensure you always have full ownership of your data to decide how it should be used.

To find out more about the EZYcount AI project, and the EZYcount TaaL or if you are interested in purchasing EZYcount TaaL, please register with your email at <https://www.ezycount.ch/en/ico>

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# EZYCOUNT - AI-AUTOMATED BLOCKCHAIN ACCOUNTING

## In short

EZYcount develops EZYcount AI to fully automate accounting for the self-employed and small businesses.

Building on top of its current solution, the EZYcount team is increasing the automation of accounting one step at a time, starting with rule-based automation and ending with AI automation.

At the same time, EZYcount connects with accounting data sources to feed the EZYcount AI. As accounting follows the flow of money, EZYcount first integrates the largest flows in terms of importance and the number of transactions:

- Banks
- Credit cards issuers
- E-commerce website solutions
- Cryptocurrencies
- Document Management Systems
- POS - cash register solution
- Others business solutions such as invoicing, salary, stock management, ...

To finance this development, EZYcount sell 20'000'000 TaaL during a limited period. 20'000 tokens represent a lifelong (99 years) software licensing and give full access to EZYcount software.

For more details about EZYcount and the current solution, please visit our website:

<https://www.ezycount.ch>

## Problem

In 2017, EZYcount made a key discovery about its customers' preference:

*“They are very happy that EZYcount is **simplifying** their accounting, but ultimately, they don't want to do **accounting** at all!”*

This left EZYcount with two possible ways to fulfil its mission:

- a) become a fiduciary service
- b) fully automate accounting

We decided to focus on our strength and expertise, the patent application of our founders, and work towards fully automating accounting for our customers.

Our path is clear and the time for automatic accounting by EZYcount  
AI is drawing near.

## Solution

Accounting follows the flow of money.

If we look at the most manual way of doing bookkeeping, in an Excel-based accounting, the following data need to be inputted by hand for every single transaction:

- Date
- Amount
- Currency
- Debit account
- Credit account
- Description

For example, if today Mr. Dumond uses his debit card to buy administrative supplies at his local shop for CHF 15.-, the manual booking will be as follows:

- Date: today
- Amount: 15.-
- Currency: CHF
- Debit account: 6500 Administrative costs
- Credit account: 1020 Bank account
- Description: Administrative supply

It is not surprising that Excel bookkeeping is slow, with a few as 30 bookings completed in an hour<sup>2</sup>. Furthermore, manual bookkeeping is extremely prone to mistakes in the following fields:

- Date: Bank reports usually have multiple dates for a single transaction, which makes it hard for non-professionals to know which one is correct.
- Amount: It is easy to mistype a number.
- Direction of booking: Debit, Credit, are easy mistakes to make.

One major limitation of automation is that it only works on data flow. It is impossible to automate a transaction made in cash over the counter such as purchasing a coffee with a CHF 10.- note. However, it is now possible to pay by card at 99% of businesses in developed countries. Indeed, a growing number of people now pay using with debit cards, credit cards, bank transfers and even cryptocurrencies.

Cashless trends are emerging worldwide. For example, Sweden is widely recognized as the world's most cashless society. Most Swedish banks do not have cash on hand. Metro stations and churches no longer accept cash, and 99% of adults have made or received non-cash payments. By the end of 2017 barely 1% of the value of all its payments had been made using coins or notes. On the other hand, there are still some conservative countries when it comes to non-cash payment. In Switzerland, for example, the use of cash still accounts for half of all transactions.<sup>3</sup>

Seeing 'cash free' signs in hotels and bars around Stockholm is a common thing, for example, a famous hotel and bar 'Pop House' has represented that in a unique way.

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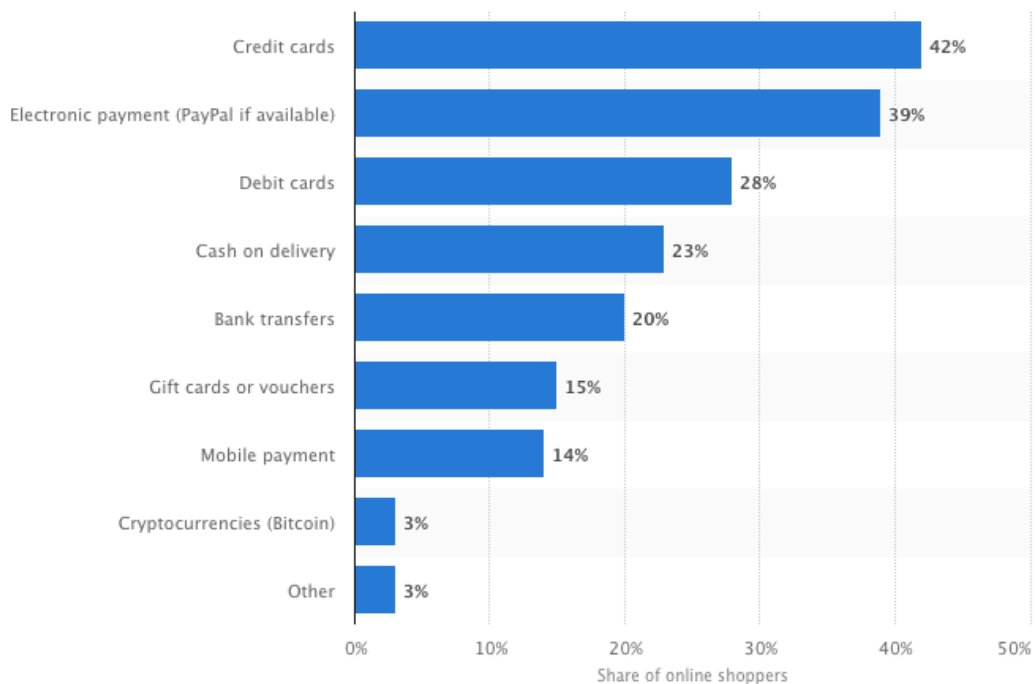
<sup>2</sup> Tests made in 2017 at EZYcount office with 20 nonprofessional accountants.

<sup>3</sup> <https://ecommercenews.eu/online-payment-methods-europe/>



*Photo of the Pop House in Stockholm*

According to research performed in 2017, just 23% of global online shoppers preferred to pay cash on delivery for their transactions.



*Figure of the preferred method of payment online*

Based on the bank, card or cryptocurrency transaction, EZYcount AI will create automatically booking entries. EZYcount's bank import function, which regroups

bank transfers and debit card transactions, already fill 80% of bank transactions automatically.

The screenshot displays the manual import interface in EZYcount. On the left, a summary table lists transactions:

Date	Number	Amount
07.07.2017	1	350.00 CHF
09.07.2017	2	896.25 CHF
10.07.2017		22.15 CHF

Below the table, it indicates '2 / 3 Bookings booked' and a 'BACK TO IMPORT PAGE' button. The main form area contains fields for 'Number' (1), 'Date' (07.07.2017), and a 'Convert to cash booking' checkbox. It also features 'Debit' and 'Credit' dropdown menus, an 'Amount' field (350.00), a 'Currency' dropdown (CHF), and a 'Rate' field (1.0000). The 'Description' field is populated with 'GIRO AUS KONTO 80-2-2 UBS SWITZERLAND AG BAHNHOFSTR.'. A 'Difference - 350.00CHF' is shown at the bottom right. 'CANCEL' and 'BOOK' buttons are at the bottom.

Figure: Actual print screen of the manual import screen in EZYcount

The following information is automatically inputted for the user:

- Date: provided by the bank
- Amount: provided by the bank
- Currency: provided by the bank
- Debit account: the debit account or the credit account is provided depending if it is an inflow or an outflow.
- Description: provided by the bank

The only information to be input manually is the offset account. This is done by answering the following question: 'what it is for?'. At large companies, solutions such as SAP gather information from all across the organization. The data to help categorize the offset account is already present in the organization in the form of invoices received or sent. The attribution of the offset account based on the supporting document is named reconciliation.

However, these types of system have the following flaws:

1. They require heavy manual customization and minutious maintenance to work efficiently.
2. They are built to work with extremely complex accounting rules and consolidations for large organizations.
3. Invoices received or sent are already inputted in the system, which is not always automatic.

For the self-employed and small businesses, supporting documents are not always available and most of the time not digitally available. As the accounting principles that apply to them are much simpler than they are for large organizations, this is not needed either. In the example, EZYcount shows that the customer received CHF 350.- on the 7.7.2017 in his bank account and in the middle of the description, there is “paiement reçu sur facture 335” which means “payment received on invoice 335”. It is clear that it is a sale. The user then selects the account “3000 sales” and create the booking.

EZYcount AI selects the offset account for the user, thereby creating the fully automated bank and debit card transaction.

One of the key applications of the money to be raised will be to allow users to pull data from all sources of money transactions; banks, online banks (Revolut,...), credit card issuers, webshop (woocommerce, ...), Point-of-Sale solutions (myPOS,...), Professional solution (OneDoc,...), Document management system (Dropbox, Storj,...), etc.

Once the data is received by EZYcount, EZYcount AI automates the bookkeeping for up to 100% of all entries following this development plan:

1. Rule-based accounting
2. AI-based accounting
3. AI-based accounting with feedback loop

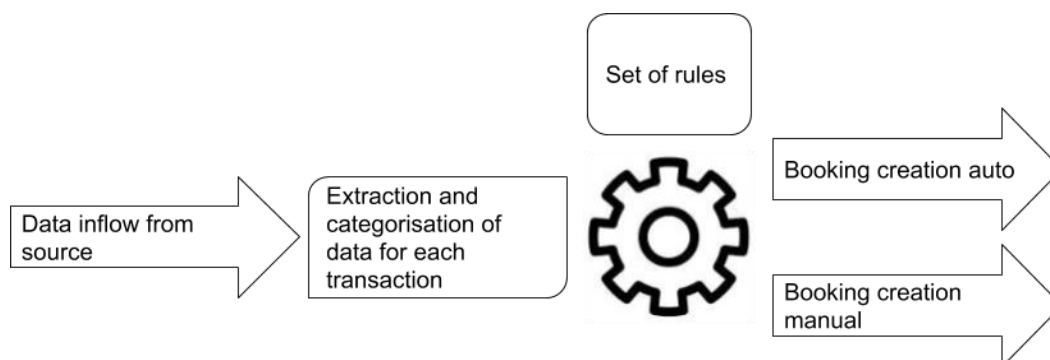
The EZYcount lean startup model allows major improvements in automation to take place at each step. It provides feedback from users to EZYcount to better train the intelligent components during the development process.

## Rule-based accounting

EZYcount allow users to create rules that are applied when transactions are imported. These rules automate up to 50% of all bookings.<sup>4</sup>

Technically, rules are created following a basic “if.... then....” model. For example, “if money inflow and in description word invoice” then “account 3000 Sales” or “if money outflow and in description word rent” then “account 6000 rent”.

The flow can be represented as such:



<sup>4</sup> Case tested on a self-employed in the service business.



The interface will look as follows:

The screenshot displays the 'Import bookings' interface of the EZYcount application. The top navigation bar includes links for DASHBOARD, BOOKING, REPORTS, VAT, PARAMETERS, ACCOUNT, SUPPORT, and EN. The main heading is 'Import bookings', with a sub-header 'AUTOMATED BANK IMPORT' and 'BANK IMPORT' tabs. A 'RULES' tab is active, showing a form to create a new rule. The form has three sections: 'Rule Name' (with a placeholder 'Insert Name Here'), 'Rule' (with a dropdown 'Choose Rule'), and 'Action' (with a dropdown 'Choose Rule'). Below these is an 'Add This Rule' button. A 'Tips' box on the right states: 'Currently, only CHF bank accounts can be imported.' Below the form is a table listing existing rules. The table has columns for 'Name', 'Description', and 'Action'. It shows five rules, each with a description of the rule and action, and a status indicator (yellow and red squares). The table is paginated, showing 1 to 25 of 34 entries. The footer contains the EZYcount logo, contact information (support@ezycount.ch, 027 327 21 11), and a note about acceptable payments.

Figure showing the new “rule based” interface of EZYcount

These rules need to be created by every customer. The support team will offer specific assistance to customers who want to create rules. This is fine for the support team, as the rule-based system will quickly be replaced by the AI-based accounting.

At the same time as users create rules, EZYcount anonymizes the rules and saves them to feed and bootstrap EZYcount AI.

Based on the simple accounting needs of the self-employed and small companies, EZYcount estimates that up to 50% of all bookings can be automated through rule-

based automation. This type of rule-based system is very efficient for recurring revenues or expenses such as utility bills, salary or rent.

This is already a major advantage for potential customers to move from Excel and other competitors to EZYcount solutions. However, EZYcount goes further.

## AI-based accounting

Once rules are in place to take care of the planned bookings such as rent, salary payment, electricity bills and recurring revenues. The next step is to build EZYcount AI to run all accounting tasks for customers. The name of the AI has not been chosen yet, and token holders are welcome to send their proposals to [support@ezycount.ch](mailto:support@ezycount.ch) with the title “AI name”.

After careful analysis of how much time the self-employed and small business owners invest in accounting, the tasks will be automated following this step list:

1. Categorization and booking creation for booking entries based on connection input
2. Self-employed assistant v1.0 - conversational assistant to support the self-employed on his/her entrepreneur journey.
3. Automatic booking analysis to find and correct errors
4. VAT automation integration
5. Self-employed assistant v2.0 - advanced conversational assistant

## Categorization and booking creation for booking entries based on connection input

This first level of EZYcount AI takes over the rule-based automation offered to the user.

Every connection input delivers daily entries to the accounting system. Data from these connections are treated and divided automatically into potential bookings. For each potential booking, a categorization of that booking takes place. When direct reconciliation is possible, this will be performed. When this is not possible, EZYcount AI will find the intent of the transaction similar to the process performed by speech recognition software. Based on this intent, the potential accounts imputation of the customer chart of accounts are evaluated. EZYcount AI offers the user a list of potential accounts to input the booking. The proposal showcases a successful score per account showing how accurate EZYcount AI is.

EZYcount AI uses customer past data but also data from other customers with similar professional activities, as well as all other customers, to increase the proposal score.

To make it clear, let's see potential examples:

- a) The customer is a gardener. He works locally and purchases most of his tools and supplies from his local shop called "Migros Do it Garden". The customer uses his debit card or credit card to pay. Transactions are downloaded and the specific market name is found within the transactions. After several transactions, where the customer gives the answer 4200 Supplies, EZYcount AI offers the proposition "account 4200 Supplies" if the transaction is an outflow and contains the words "Migros Do it Garden".

- b) If another gardener starts using EZYcount and his first transaction is an outflow and contains the words “Migros Do it Garden”, the AI will propose the account “4200 Supplies”, showing a lower success rate than by example (a). This allows customers without data to benefit from EZYcount AI.
- c) Another example is the electricity bill. All customers in the region of Sion, Valais, Switzerland have the electricity provided by the company ESR. ESR sends invoices in bulk. Therefore, at a specific point in time during the year, all invoices from ESR in that geographic region have a higher chance to be electricity invoices.

## **Self-employed assistant v1.0 - conversational assistant to support the entrepreneur journey**

EZYcount AI is further improved via a self-employed assistant. The assistant centralizes the automatic booking system and the reminder system in a conversational assistant. The assistant goes one step further by taking away the burden to remember what to do in accounting by guiding the user in his tasks. The assistant assists and motivates the user to always have up-to-date accounts and to send reports on time. The assistant also performs routine tasks such as preparing and sending monthly reports or quarterly sales reports.

The assistant is present from the start of the customer journey and replaces current onboarding. The assistant interacts directly with the EZYcount backend so the overall customer experience is more enjoyable, lighter and faster.

## **Automatic booking analysis to find and correct errors**

The next level of automation gives EZYcount AI the capacity to analyze past bookings for potential errors. If EZYcount AI thinks it has found an error, it prepares a correction and asks the user to confirm the proposed change. This would be similar to the experience of Grammarly, but for accounting.

## **VAT automation integration**

The next level of automation integrates more complexity with VAT. EZYcount AI is upgraded to understand, manage and control VAT data. All the tasks it can already perform are then performed including VAT from booking generation, analysis to report creation and data validation.

## **Self-employed assistant v2.0 - advanced conversational assistant**

The second version of the assistant goes beyond accounting and integrates the whole entrepreneur journey. The assistant will support the self-employed and business owner for tax authority registration, social security registration, insurance or phone contract management and more.

With this upgrade, it can perform many admin tasks that free substantial amounts of time and energy for the self-employed and small business owners.

At this level, EZYcount is perceived by the end user as a close advisor - a conversational application and not as an accounting system anymore.

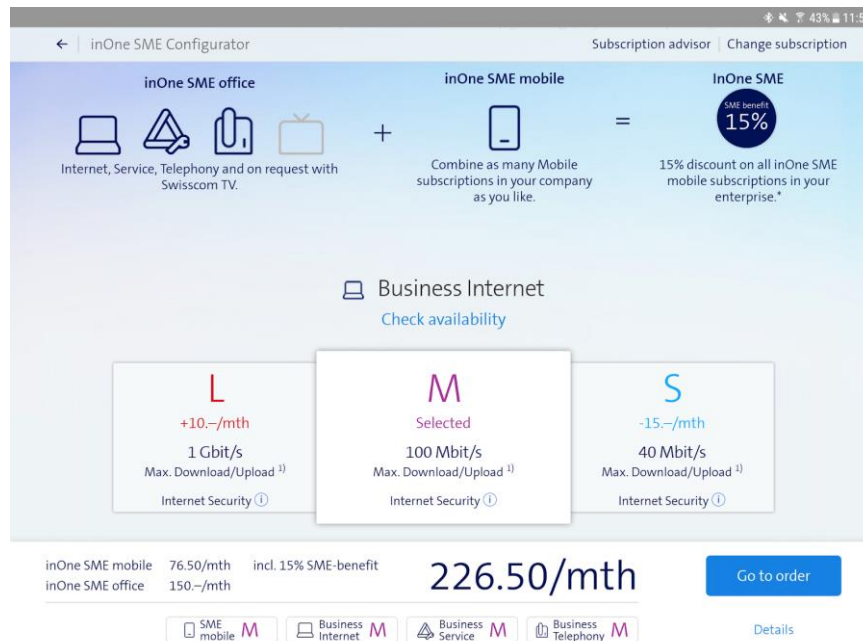
## AI-based accounting with - feedback loop and internet crawlers

To improve EZYcount AI, the next development introduces two key features of the process for which the founders have filed a patent application in Switzerland in 2015: internet crawlers and feedback loop.

### Internet crawlers

When EZYcount AI picks up new data and starts processing it, it has a large range of data available to spawn from, such as booking entries and customer account data. EZYcount AI enriches the data set on which it works, and all data derives from known sources (EZYcount or connected systems). If the success score does not reach a defined quality level, then user confirmation is needed. To increase the success score EZYcount AI launches crawlers on websites related to the dataset (supplier, customer, producer, authorities,...) to find further data to enrich it. This enrichment process increases the quality and success score of EZYcount AI.

For example, if a customer pays CHF 226.50 for Swisscom, the crawler will go to the Swisscom webpage and find the following information “Business SME package” giving additional information as the package is internet and telephony.<sup>5</sup> (see picture below)



Crawlers are launched on any open system available to EZYcount such as the internet, but also blockchains, if they are relevant to the dataset.

## Feedback loop

Even with powerful AI, some specific cases are too complicated or sensitive to be managed automatically with an AI or maybe the needed data is not yet available.

Let us not forget that bookkeeping mistakes can be costly and legally problematic. Therefore, when EZYcount AI success score is not high enough, the feedback loop starts and ask for manual confirmation.

<sup>5</sup> <https://www.swisscom.ch/en/business/sme.html>

This improvement helps to ensure the continuous improvement of EZYcount AI. There are two types of feedback loops:

1. User feedback loop
2. Expert feedback loop

## User feedback loop

When the quality score is not high enough, EZYcount AI asks the user to confirm the action. EZYcount AI might offer different choices to the user if necessary.

For example, in a company where two types of revenues exist and where “3000 sales” account is generally used, if an inflow of money is booked with the text, Henri Ford, EZYcount AI might propose the account “3000 Sales” with a 80% success rate and the account “3100 Sales services” with a 70% success rate. The user selects the right answer. After confirmation, EZYcount AI asks for more information about how the customer took the decision. Was it due to the date? Maybe services are all invoiced at the beginning of the month. Was it due to the amount? Perhaps services invoices have larger amounts than sales invoices. Whatever the case may be, EZYcount AI learns quickly from user feedback.

The user feedback loop is generally a dangerous input in a AI system because the AI could be manipulated by malicious users to introduce mistakes. In the past there have been few examples of manipulated AI due to user feedback loop. However, to further decrease this risk, the user feedback loop will only be available for customers who genuinely use EZYcount. Furthermore, and this is specific to EZYcount, users are positively inclined to help EZYcount AI. By helping EZYcount AI, they are also optimizing the assistance it can provide to them. This means EZYcount AI can do more work, and the user has to do less -- a win-win situation.



## Expert feedback loop

EZYcount AI uses data saved in the EZYcount system to develop its decisional behavior. However, this means that the past is analyzed to decide the future. In specific cases, this needs to be managed closely by experts. For example, if regulations change abruptly, such as a change in VAT rates, EZYcount AI will not be able to adjust by itself immediately without guidance. This guidance is provided by a group of accounting experts. These experts come from EZYcount but also from partner organizations. The expert group creates specific high-level rules to guide EZYcount AI to take new decisions.

For example, VAT rates in Switzerland changed at the beginning of 2018. The previous 8% decreased to 7.7%. In such a case, if EZYcount AI is left alone it would continue to offer the old rate of 8% VAT for new bookings before receiving feedback from users to do differently.

Thanks to the expert feedback loop, the expert group feeds the EZYcount AI with the following information: 8% VAT is not correct anymore. 7.7% is the new rate. Based on this high-level input, EZYcount AI evolves quicker and generates more accurate results.

The expert feedback loop drastically reduces the time needed for EZYcount AI to adapt to change.

## Timeline

Expected timeline after the end of the token sale:

- 3 months after token sale: Rule-based accounting (12.2018)
- 9 months after token sale: AI-based accounting (06.2019)
- 13 months after token sale: AI-based accounting with a feedback loop (10.2019)
- 18 months after token sale: ICO launch for added decentralization and funding (03.2020)

## Use of funds

Hiring the right professionals to realize EZYcount vision is a challenging task. Fortunately, EZYcount already has an exceptional existing team. Resources will be allocated to hire new team members in the following departments:

- **Customer acquisition**- increase traffic and EZYcount users. This is a key activity to increase the quantity of data in EZYcount for EZYcount AI to analyze.
- **IT - Building connectors**: Links to professional solutions and banks with EZYcount to create automatic data flows. By including many solutions and partners EZYcount makes sure to include the users favourite tools to automate.
- **AI** - AI creation: Strengthen actual development team with AI experts to develop EZYcount AI assistant.

- **Marketing and Community:** Marketing and community management activities to stay close with our community, making sure EZYcount moves towards an open and inclusive organization.
- **Administration** and other costs: Unforeseen expenses and administrative expenses generated due to the increase in team size.

EZYcount offers EZYcount TaaL, limited amount of lifelong (99 years) software licenses.

To see a detailed table about the use of funds see the table Use of Funds.

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# Token Sale - EZYcount TaaL

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## In short

To realize the AI-powered automated accounting of EZYcount's vision, a limited amount of lifelong (99 years) EZYcount software license will be sold for a 30-day period between the 15th of September and the 14th of October midnight. The license will be created as Token-as-a-Licence or TaaL on the Ardor platform. The TaaL is limited so that its value rises when the demand for EZYcount software increase.

## Problem

EZYcount want to offer lifetime software licenses with the following attributes:

- Licenses available to purchase worldwide
- License owners can easily resell the licenses
- License owners can easily store the licenses
- License very difficult to fake
- License to the bearer (contrary to nominal licenses)

To have all these attributes of freedom and security for the license holders and EZYcount is a real challenge. However, the added value will benefit EZYcount licenses enormously.

## Solution

EZYcount has decided to create a token and to build the software license on top of it. This is then a Token-as-a-License or TaaL.

To make the TaaL in a safe and secure way, EZYcount has decided to use the token creation functionality of the official Ardor wallet and create the tokens on the Ignis child chain of the Ardor blockchain.

TaaL are very easy to buy. Using the ICO website, potential buyers and customers can register and send their cryptocurrencies or even fiat-currency if they prefer to pay by credit card.) Once the transaction is processed, the token is reserved until distribution, one day after the end of the token sale.

TaaL holders can use the Ardor marketplace which is directly built within the Ardor wallet to buy or sell EZYcount TaaL. EZYcount has no activity in these trades, leaving buyers and sellers to do so freely.

Using the official Ardor wallet, TaaL holders store their TaaL easily and safely.

For EZYcount to control if a TaaL bears the EZYcount license is simple and secure. EZYcount check the validity of the TaaL against the Ignis child chain.

EZYcount TaaL is to the bearer, no private information is needed about buyers from EZYcount side. The only information needed due to VAT regulation is to know if the buyer of the license is in Switzerland or not.

With all these points taken into account, creating the EZYcount TaaL on the blockchain solves all the challenges, and ensures a secure lifetime license for EZYcount software that is easily storable and tradable.

## Ardor blockchain

Ardor is an innovative blockchain platform where multiple chains, known as child chains, can be hosted with full interoperability, all while being secured by the main Ardor chain. Each child chain is pre-fitted with multiple blockchain-powered features, such as decentralized voting, a decentralized exchange, and the ability to issue tokens, known as assets. Ardor utilizes the Proof-of-Stake (PoS) consensus algorithm to secure the network, which is environmentally-friendly and energy-efficient as the deciding factor in determining who decides to forge the next block is based on the amount of ARDR one has, and not by the computing power.

EZYcount chose Ardor when considering which platform to issue the TaaL due to cost-effectiveness. The token issuance and the features that are readily available do not require customized smart contract creation and instead use the template smart contract features on Ardor, such as the ability to cost effectively and easily distribute time stamped messages on the blockchain to all token holders, or to set certain transactions to execute when certain conditions are met, which can be useful in cases of escrow. The Account Properties feature also allows EZYcount to tag accounts with relevant properties, such as if they purchased the TaaL directly from EZYcount or if they are a long-time customer. This can be useful when the software checks the account for tags for additional benefits. Furthermore, TaaL holders will have the choice of acquiring or using any of the existing or future child chains on Ardor, which includes IGNIS, BITSWIFT, and AEUR, a Euro-backed pegged child chain on the platform, unlike other platforms where the transactional coin is only a single one.

## Buying opportunity

Customers, potential customers, and buyers will have a 30-day period to purchase EZYcount TaaL. This is a unique opportunity to participate in the creation of the EZYcount AI-powered automated accounting system and create a world in which administrative tasks are no longer a pain for the self-employed.

### Benefits of token holders

- Token holders have access to EZYcount solutions if they own enough tokens (15'000 for EZYcount accounting **or** invoicing and 20'000 for EZYcount accounting **and** invoicing). Current price for non-token holders is CHF 300.- per year (CHF 200.- per year for accounting / CHF 100.- per year for invoicing) and will increase after the token sale to CHF 400.- per year. (CHF 250.- for accounting and CHF 150.- for invoicing).
- Token holders enter the EZYcount ambassador group. Ambassadors have priority access to EZYcount team and future released versions of EZYcount software.
- Token holders can resell TaaL.

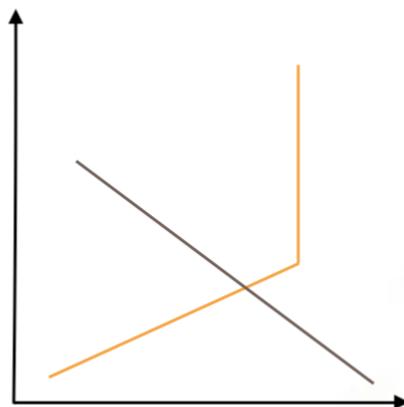
Future customers joining EZYcount after the token sales will have two possibilities:

1. Buy tokens on the secondary markets from token holders
2. Buy a monthly or yearly subscription for EZYcount.

## Economics forces due to TaaL scarcity

EZYcount creates a limited amount of EZYcount TaaL. Modern economics describes this limitation by the principle of “scarcity”. Below are five major price trends due to scarcity.

1. After the token sale, EZYcount will burn all remaining TaaL. Moreover, future issuance is blocked. This prevents any increase of EZYcount TaaL on the market. This is an aggressive stance, capping supply to ensure there is no risk of future supply increase.



*Figure: Limited supply figure*

2. After the token sale ends, EZYcount will advertise heavily to attract new customers and as the EZYcount solution improves, customer flows should increase. New customers will have the choice between two subscription types:  
a) purchase a yearly subscription - CHF 250.- for accounting; CHF 150.- for invoicing; b) purchase TaaL. New customers will have to buy TaaL directly



from token holders on the secondary market because EZYcount will not hold any TaaL after the end of the token sale (remaining TaaL are burned).

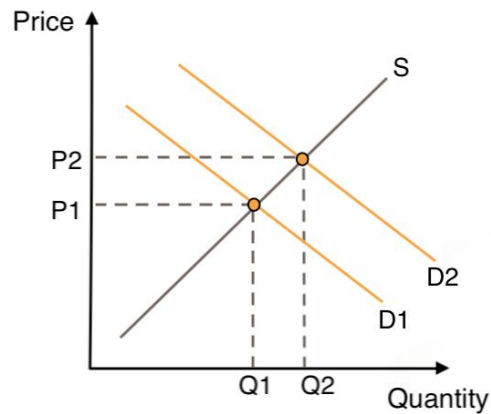


Figure: Increase in marketing spending increase demand then increase price.

3. TaaL holders who use EZYcount will have to keep TaaL in their wallet and will not be able to sell them. Therefore, these tokens which are used as a license in EZYcount will not be available for trading anymore decreasing the supply.

**Accounting**

Blocking date <sup>?</sup>

End of the accounting year \*

Start of the first accounting year

Base currency

Starting date of reports \* ☒ Start of current accounting year ☐ Set up your own

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**Invoice matching**

Payments of customer without invoices are booked in the following account

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**Licences**

Wallet address

Figure: New company settings page in EZYcount

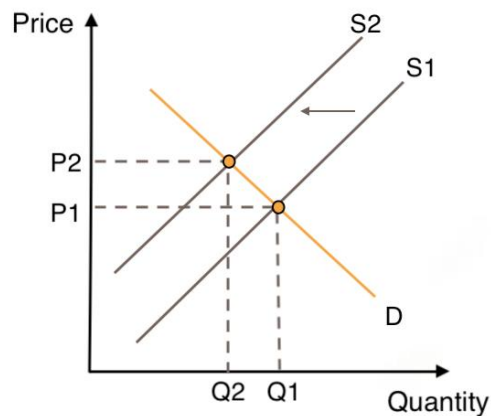


Figure: Decrease in available supply will increase the price of the token.

4. Not everyone is familiar with blockchain. To decrease the technical hurdle, EZYcount offers to manage TaaL for users who do not want to be bothered with creating a wallet, securing it and making transactions. This decrease the entry barrier for potential buyers.

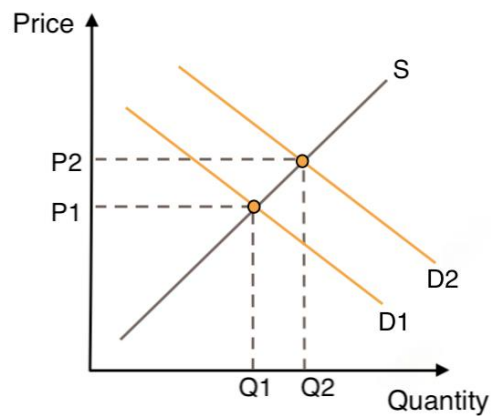
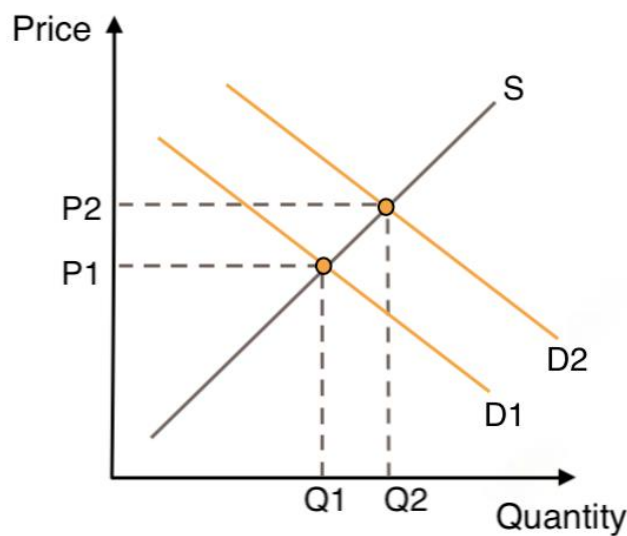


Figure: Increase in demand will increase the price of the token.

5. When the ICO for decentralization and privatization draws near, EZYcount will offer a dedicated priority period for TaaL holders to purchase new tokens. Furthermore, EZYcount will offer a bonus for TaaL holders to purchase new tokens. This mechanism ensures that more potential buyers are attracted to buy TaaL to benefit from the bonus.



*Figure: Increase in demand will increase the price of the token.*

## EZYcount TaaL Value Proposition

EZYcount users receive daily value from owning TaaL by using EZYcount products. Contrary to physical assets, such as a car or computer, TaaL does not depreciate after use. Therefore, a user using EZYcount solutions for one year who wants to resell TaaL afterwards, still has full TaaL to sell.

The decision for a new user is to either purchase an EZYcount subscription of a total of CHF 400.- for accounting and invoicing or purchase EZYcount TaaL for CHF 2'000.- The difference being that an EZYcount subscription is fully consumed after a year, whereas EZYcount TaaL is not and is still fully functional.

At first, we might think that it makes sense only for people who think to use EZYcount for 5 years by doing the simple calculation  $400 * 5 = 2'000$ . However, after the period of one year, as long as the price of EZYcount TaaL stays at the same level on the secondary market, if the user resells EZYcount TaaL, the first user who purchased an EZYcount subscription is at CHF - 400.- where the user who purchased EZYcount TaaL is at CHF 0.- (purchased for CHF 2'000.- and sold for CHF 2'000). For the EZYcount TaaL owner to drop to a sum of CHF - 400.- this means that he/she sold EZYcount TaaL for CHF 1'600.- or 20% decrease in one year.

The negative point of EZYcount TaaL is that user need to have CHF 2'000.- at hand to purchase EZYcount TaaL.

With current three-month CHF LIBOR value at -0.74% (at 8.3.2018 with Swiss National Bank<sup>6</sup>) The trade-off between buying keeping the cash on a bank account or purchasing a lifetime license is straightforward.

Furthermore, EZYcount will have CHF 2 Mio money to develop EZYcount AI and automate accounting. EZYcount is dedicated to increasing the value of EZYcount TaaL.

Furthermore, early stage investors should be aware of the following trend:

EZYcount sees customers being ready to embrace automatization. EZYcount's product development is looking to answer that need.

Let us jump into the details of EZYcount TaaL.

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<sup>6</sup> [https://www.snb.ch/en/iabout/stat/statpub/zidea/id/current\\_interest\\_exchange\\_rates](https://www.snb.ch/en/iabout/stat/statpub/zidea/id/current_interest_exchange_rates)

## EZYcount TaaL technical details

### Issuance details

Single issuance of 20'000'000 EZYcount TaaL tokens named EZYTaaL ID: 14004020396567362190. No re-issuance allowed.

### Value of a token

CHF 0.10 (~USD 0.11)

### Cap

Soft cap at 10'000'000 EZYcount TaaL or CHF 1'000'000.-

Hard cap at 20'000'000 EZYcount TaaL or CHF 2'000'000.-

If the Soft cap is not reached, all amounts are sent back fully within 30 days and the tokens are not distributed.

### Token allocation

All tokens are available during the token sale on a first come, first served basis.

Private pre-sales for large investors. Contact [vivien@ezycount.ch](mailto:vivien@ezycount.ch) if you intend to buy more than CHF 20'000.- of EZYcount TaaL.

Tokens will be distributed to purchasers the day after the token sale ends following their delivery choice.

5% of tokens are reserved for a bounty program ending on the 15<sup>th</sup> of October 2018.

Remaining tokens are burned (destroyed).

## How to purchase token

During the token sale, purchases are made directly on the following website:

<https://www.ezycount.ch/ico>

Please verify the website identity by checking the SSL certificate.

For a detailed description on how to create an Ardor wallet and purchase EZYcount TaaL, follow the instructions in this document (Document will be made during a later stage and will be updated here)

## Tax

EZYcount TaaL are software licenses and the transactions shall be taxed as such:.

If you are in Switzerland, a 7.7% VAT rate will be added to the TaaL price.

If you are not in Switzerland, a 0% export VAT rate will be added to the TaaL price.

## Token rights and conditions

15'000 tokens in your wallet gives you access to EZYcount accounting OR invoicing.

20'000 tokens in your wallet gives you access to EZYcount accounting AND invoicing.

## Public sale timeline

The token sale period will last 4 weeks from the 15th of September until the 14th of October midnight.

Private pre-sales for large investors. Contact [vivien@ezycount.ch](mailto:vivien@ezycount.ch) if you intend to buy more than CHF 20'000.- of EZYcount TaaL

## KYC/AML

The token is a software license and thus a utility token. The sale is not subject to KYC/AML rules.

## Regulatory control

The utility token, EZYcount TaaL, is not subject to review and approval by FINMA<sup>7</sup>.

## Payment method accepted

The following payment methods are accepted:

**Cryptocurrencies:** Bitcoin (BTC), Ethereum (ETH), Litecoin (LTC), Ardor (ARDR) and all Ardor child chains

**Fiat:** USD, EUR and CHF per Visa, Mastercard, Postfinance card, bank transfer

## Minimum amounts

Bitcoin (BTC): Minimum of 0.01

Ethereum (ETH): Minimum of 0.15

Litecoin (LTC): Minimum of 0.70

Ardor (ARDR): Minimum of 250 ARDR

Fiat currency: Minimum of CHF 100.-

Exchange rates will be announced on a later stage.

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<sup>7</sup> FINMA is the Swiss Financial Market Supervisory Authority.

## Exchange Listing

EZYcount TaaL is available to buy or sell in the Ardor marketplace under the IGNIS childchain with the ticker EZYTaaL or ID:14004020396567362190

## Reselling your token

Owners of tokens are free to resell tokens to any third party.

## Delivery method

### **Delivery on an Ardor wallet**

The purchased tokens will be delivered to your Ardor wallet as registered during your purchase the day after the token sale ends.

### **Delivery on paper certificate**

A paper certificate will be printed by the EZYcount team and sent to you 5 to 10 days after the token sale ends. The address provided during the purchase will be used. Corresponding amount of tokens are burned.

Paper certificate are not tradable.

### **Token management services**

Some buyers might not feel comfortable with creating their own wallet, securing it, or buying or selling orders. EZYcount therefore offers token management services.

The purchase process for the buyers is the same but the buyer selects the option “Token management services”. Buyers do not need an Ardor wallet.



EZYcount needs further information about the buyer for token management services, which allows the support team to securely manage the buyer's tokens.

EZYcount transfers the amount of token purchased on the Token management service wallet. EZYcount offers users three possible modifications:

- Use tokens in an EZYcount application
- Put in an order to sell tokens on the secondary market at the end of the token sale (Market price or Limit)
- Put in an order to buy tokens on the secondary market after the end of the token sale (Market price or Limit)

The EZYcount support team is there to assist you in easily making the changes you need.

A CHF 30.- handling fee is perceived on the "token management service" per transaction.

## Use of funds

The amount required to fulfill EZYcount vision is CHF 1 million for the minimal solution and CHF 2 million for full automation:

	CHF 1 million plan	CHF 2 million plan
<b>Customer acquisition</b>	225'000 22.5%	450'000 22.5%
<b>IT building connectors</b>	125'000 12.5%	300'000 15%
<b>AI creation</b>	450'000 45%	800'000 40%
<b>Marketing and communication</b>	100'000 10%	250'000 12.5%
<b>Admin and other costs</b>	100'000 10%	200'000 10%
<b>Total</b>	<b>1'000'000</b>	<b>2'000'000</b>

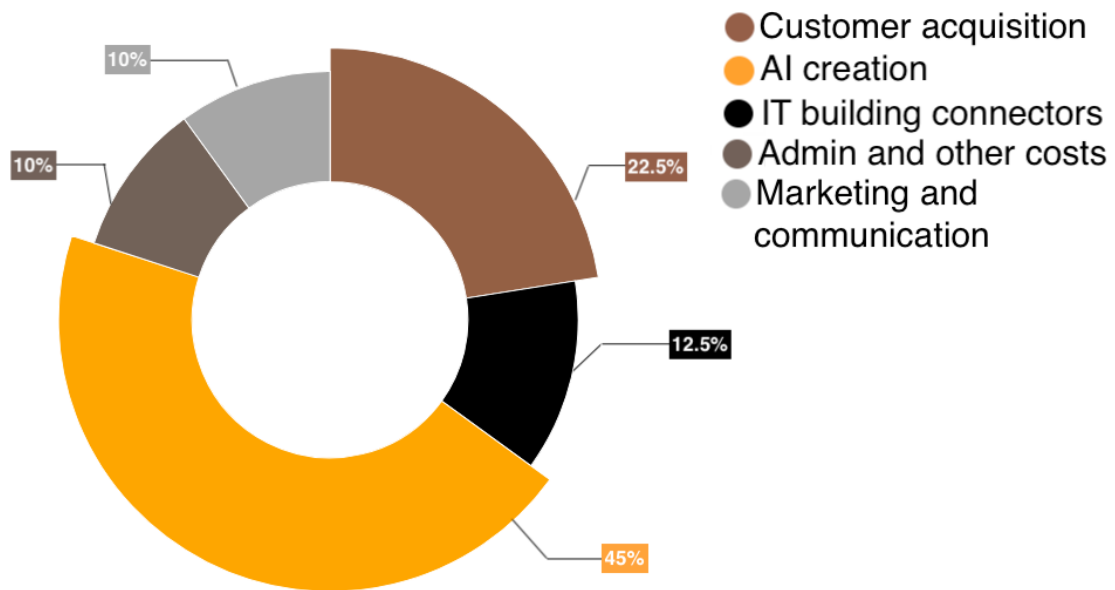


Figure: Fund allocation plan CHF 1 Mio.

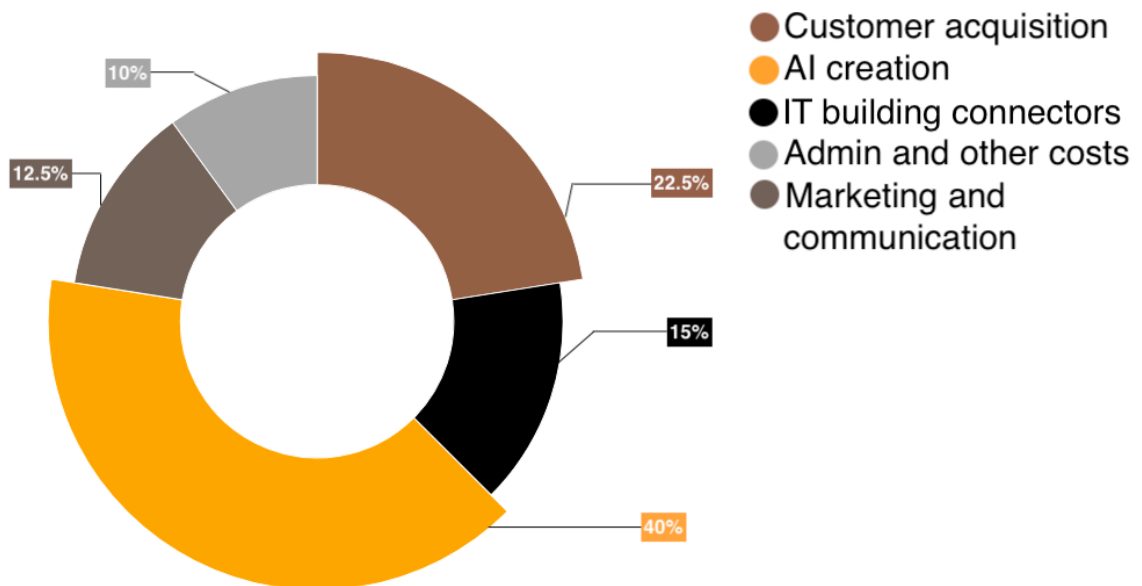


Figure: Fund allocation plan CHF 2 Mio

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## Future plans

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Once the token sale is over, EZYcount will hire more members and increase the team size to achieve the agreed goals of fully automating accounting using AI technology. However, this is only the start of EZYcount vision to help the self-employed and small business owners automate all the administration tasks that bother them.

### **Future developments: decentralization and privatization with blockchain**

This section is a short introduction to the long-term disruptive technology EZYcount is planning to implement. A future ICO will be planned to support these changes. The future ICO will produce EZYcount tokens but not EZYcount TaaL. This means that EZYcount will have two different tokens.

After successfully automating accounting for self-employed and small businesses, EZYcount team will build on the knowledge, experiences, and resources gathered to completely disrupt how administration tasks are done by applying decentralization and privatization to them.

EZYcount will launch a fully decentralized and private ecosystem. Accounting data that is currently on ledgers at our servers will be migrated onto a decentralized solution. Therefore, the data will be separated from the application.

Advantages:

- **Privacy.** Each user has full ownership and full rights management over his data.
- **Security.** The mining process ensures that past bookings cannot be changed.

- **Connection** made easy for all applications. Any business application can connect to the blockchain and have access to their customers data to generate value for their customers. In today's world, where self-employed or small business owners migrate from one system to another, it is close to impossible for these individuals to keep their data. This is not the case with blockchain accounting. Moreover, AI or ML works only when feed with a lot of data, which EZYcount blockchain will allow business applications to do with their customers' data.
- **Usable mining.** Each application (invoicing, salary, document management, agenda, etc.) that pushes data to the blockchain is rewarded by a small part of the mining fee. The mining process integrate EZYcount AI to create bookings on the blockchain.
- **Tax and reporting.** Tax authorities and reporting bodies could motivate users to use EZYcount blockchain to simplify tax and anti-money laundry activities. This gives the opportunity for tax authorities and reporting bodies to use machine learning to find entities or persons who do not contribute their fair share to society. We believe that in the mid-term (5 to 10 years) authorities will require full access to any accounting system to decrease corruption and black-market practices.

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## Conclusion

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Accounting is still a manual task for a large part of the global economy, namely for the self-employed and small business owners. The self-employed invest a lot of time, energy and money to make sure their accounting is done correctly. They do not want their accounting to be simplified, they simply do not want to do it at all! Therefore, EZYcount's plan is to fully automate accounting. EZYcount's vision to develop an AI-powered blockchain accounting on top of its existing software will free self-employed and small business owners from accounting tasks so they can invest their energy, time and money on growing their business. Our lean startup methodology ensures that the development process is done step by step, and gives the opportunity to users to participate and give feedback on the development. By doing so, EZYcount will reach the best possible solution for its customers. Development will start by building a rule engine before adding an AI to automate routine work. The AI will not only automate booking entries but also reporting and controls. By the end of the development, users will perceive EZYcount AI more as a trusted advisor than a software product.

To raise the needed CHF 2 million, EZYcount offers lifetime software licenses in form of EZYcount Token-as-a-License or TaaL, an innovative software license model based on the Ardor blockchain. EZYcount TaaL is not only interesting for customers and potential customers of EZYcount but also investors because EZYcount TaaL is a scarce resource available during a limited period of time. The use of the blockchain technology makes sure that token holders can freely enjoy all the rights attached to the software licenses such as worldwide purchase, easy and secure storage and quick trades directly on the Ardor marketplace that is built into the official Ardor wallet. It is also easy to check the validity of TaaL for EZYcount software.

EZYcount TaaL opens a new page in software licensing giving at the same time a unique automated AI-powered solution for the self-employed and a worldwide secure distribution of licenses.

EZYcount is set to have a deep impact on accounting industry, not only in Switzerland but all over the world. It is time to free resources of the self-employed and small businesses. It is time to automate accounting.

**Join us on this journey.**

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## Disclaimer

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