

FACITE WHITE PAPER



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Abstract

Most people want a stable increase of their assets, but in general, stable increases refer to low returns. There are a few different ways to accumulate assets, whether it be aggressive or conservative, depending on personal preferences, but the fact that people cannot predict even a single second of the future applies to everyone, and is not limited to specific individuals, groups, or countries.

Even amidst a global economic downturn, one can make profits from aggressively investing, but if those investments rely heavily on high-risk assets that are not well positioned for a crisis, there will be consequences. This is why people try to find ways to steadily grow assets, but it is not easy to find good alternatives. However, there are common methods that are considered safe investments, such as investments in real estate, international currencies, or long-short funds.

Those who want to invest in real estate might have difficulty understanding tricky laws and regulations, will have to think about the chance of fraud, and have to study the floating population and the environment, which makes it hard to make it worth one's while relative to the time that needs to be spent to be successful. There is also the chance of one's initial plans being ruined by government regulations. Meanwhile, investing in land is also insufficient in terms of returns, because somebody has to construct a building on the land to increase its value.

The trend of investing in international currencies or investing in long-short funds has long since begun. However, fund investment, which focuses on making steady returns, regardless of the decline in monetary value and the fluctuation of stock prices caused by global financial crises and geopolitical risks, is a structure that is very difficult to secure a safe return for investors in challenging situations.

As economies grow and incomes rise, everyone has trouble developing proper asset management methods, yet few people have clear solutions regarding how to invest well.

As a result, people with no previous investment experience have felt the need for dramatic and reliable investment destinations, and as income inequality has become more severe, people need an opportunity to quickly proliferate their assets with low entry barriers.

Meanwhile, Bitcoin garnered worldwide attention since early 2017.

Although it was created in 2009, it had not received much attention from the market, but it has grown explosively worldwide as it emerged as a blue ocean of the investment industry since 2017.

Investors who were looking for low-risk, stable growth cheered the leap of Bitcoin, and they joined the coin investment, but because of its infamous volatility, it has since significantly lost its attractiveness.

Introduction

In 2009, when the U.S. Federal Reserve (Fed) began to pump out dollars for quantitative easing in the wake of the U.S. financial crisis, Bitcoin was created as a cryptocurrency by an anonymous developer called Satoshi Nakamoto for the purpose of using a currency without the intervention of a central bank's authority.

Bitcoin's price surged 125 percent in 2016, reaching the \$990 mark, and the price surpassed \$1,000 in early January 2017. The price had jumped more than four times in the 16 months from the summer of 2015, when it fell to \$220 due to concerns about price stability, particularly about hacking issues.

After breaking the \$10,000 mark for the first time on November 29, 2017, and subsequently peaking at \$20,000, the price has been steadily falling and has now dropped 82% from its peak.



Bitcoin has been steadily mined since its creation, but the market has not seen much light compared to its steep price rise curve. However, as the value of Bitcoin rapidly changed, the majority of investors who were not able to cope with the volatility in time began to be interested in Bitcoin mining, which can be considered a safer asset class to maintain and enhance.

Bitcoin mining is difficult for individuals to prepare since it requires many components, such as mining machines and places to store them, mining costs, and manpower. As the price of Bitcoin rises, it is more efficient for individuals to operate mining in a consigned form rather than directly.

Since the requirements for mining are different in each country, the places suitable for mining operations can be selected depending on individuals' situations. The most important factors for mining are the operating fees and the profitability in each country's environment.

Since the market price of Bitcoin rose sharply last year, the profitability of mining was not really an issue. However, due to the continuous decline in market prices, many countries

cannot guarantee certain levels of profitability, and as a result, even in China, a large number of mining companies go bankrupt and closed or are moving to other countries.

Currently, mining companies are considering transferring to Central Asia, with Kazakhstan being the most ideal country in terms of regional conditions and profitability, as Kazakhstan is striving to strengthen its digital economy at the national level and has affordable electricity.

Since last August, Kazakhstan's President Nazarbayev has been seeking ways to promote investment and innovation by legislating basic concepts of digitalization as a new approach in order to increase the overall wellbeing of people without damaging their trust in the government. This approach is intended to foster value-added industries and reduce the share of raw materials in the economy.

Kazakhstan aims to enter the world's top 30 industrialized nations by 2050 by earnestly implementing the '2017-2020 Digitalization of Kazakhstan' national program for the realization of digitalization, to promote economic competitiveness through the development of an aggressive digital economic system, and to enhance the quality of life of the people. Market players in the global cloud computing market are also involved to partake in the economic development model and strategies.

This vision can be utilized by attracting promising companies via operating a super-productive network that integrates hundreds of specialized computer systems. In addition, this plan will also be used as a strong axis for Kazakh citizens to get a healthy share of the domestic market.

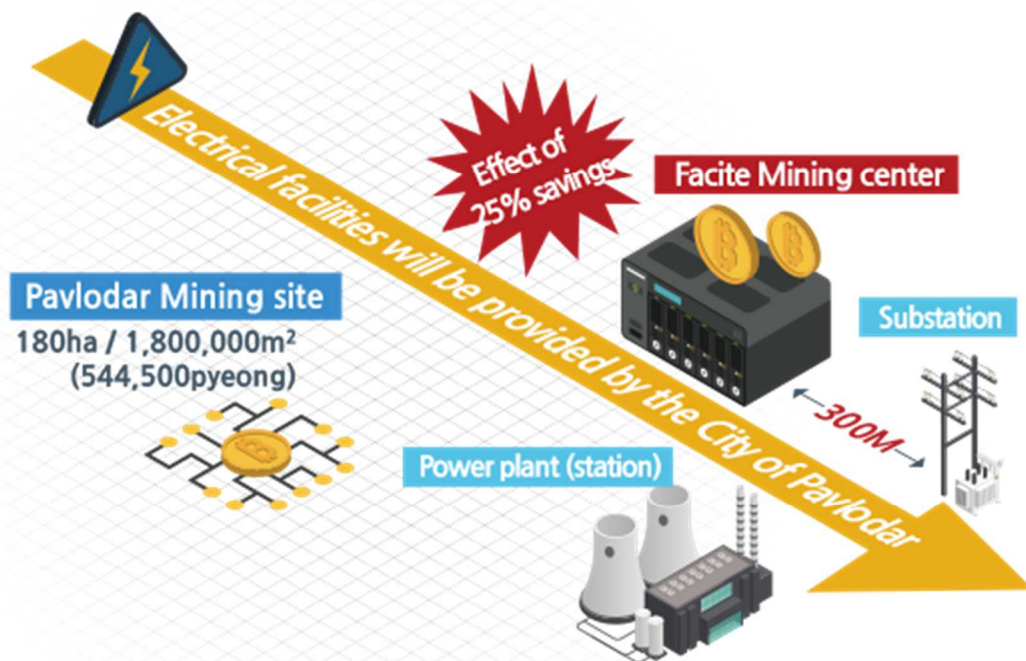
Due to such policies, a mining center was established by the Kazakh-based Facite Foundation, which is building and implementing a strategy to maximize Bitcoin mining profitability compared to other countries.

The Facite Foundation built and operates a mining center in Kazakhstan based on geographical conditions, government policies, and electricity schemes for the mining industry. The mining center can accommodate up to 2 million mining machines with a size of 180 hectares (ha) and can be expected to produce stable and consistent revenue generation based on cheap electricity.

Some of the revenues from the mining center are shared with Facite token holders and the profits from the Facite Foundation's projects in Kazakhstan are also allocated to the community. This whitepaper will discuss bus cards, photovoltaic power plant business plans, and profit sharing plans that the foundation has a stake in.

Facite Mining Cente

∴ Mining center selected by the City of Pavlodar, Kazakhstan

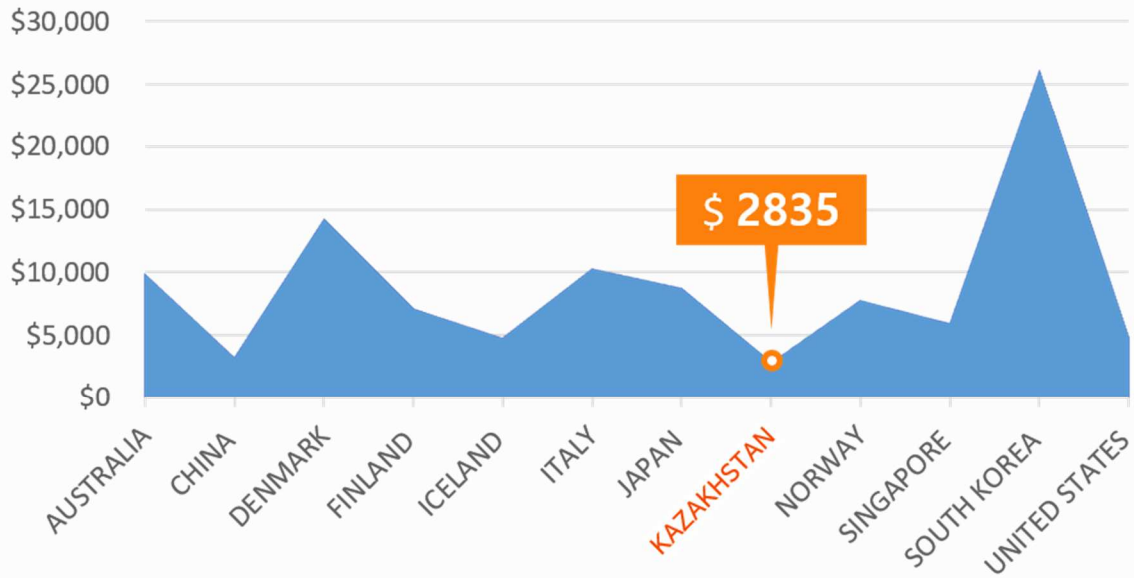


The mining center, contracted by the Facite Foundation, is located in Pavlodar in Kazakhstan's free economic zone. The size of the mining site is 180 ha and Facite Foundation's mining center takes up 3 ha. The term for the site agreement is 49 years from 2018, the amount of electricity required by approximately 2 million operating miners has been secured. Furthermore, since Facite Foundation's Mining Center is located very close to a power substation, the probability of short circuiting is very low. In other words, efficient mining is possible because no electricity is wasted in the process of securing an electrical supply.

In early 2019, the City of Pavlodar will provide electricity to the mining site. The electricity tax for mining will be reduced by about 25% with support from the city, and as a result, the mining center in Kazakhstan will be able to further upgrade its mining competitiveness.

The Pavlodar site is the world's best mining site with optimal conditions for mining, including active support from the government, affordable electricity, and an ideal mining environment thanks to Kazakhstan's efforts for digitalization.

Electricity Cost per Country



(Unit: Mining of 1 BTC)

※ Results may vary depending on the environment and calculation

1. KAZAKHSTAN \$2,835

2. CHINA \$3,172
3. ICELAND \$4,746
4. UNITED STATES \$4,758
5. SINGAPORE \$5,936
6. FINLAND \$7,122
7. NORWAY \$7,784
8. JAPAN \$8,723
9. AUSTRALIA \$9,913
10. ITALY \$10,310
11. DENMARK \$14,275
12. SOUTH KOREA \$26,170

The above table was made based on a wide range of materials, including average electricity costs from each country, local government's statistics, energy reports from each country, as well as papers from the International Energy Agency, the U.S. Energy Information Administration, and currency reports from Oada, a foreign investment brokerage.

Excluding Kazakhstan, the eleven countries mentioned above had an average mining cost of \$9,355 for 1BTC. However, Kazakhstan recorded \$2,835, the lowest among all.

∴ Mining Equipment

Below are representative machines used in the Kazakh mining center.



Benefits of Containers

Quick Installation	Mining machines can easily be inserted as described above Compared to average installation, only 1/3 of time is needed for installation and operation
Less Impact from Weather Conditions, such as Snow or Rain	The exterior wall of the container blocks any external or internal damage from snow or rain
Natural Air-conditioning (Temperature Control)	External air is circulated through the container to maintain low temperatures
Easy Mobility	Containers can be easily moved for optimal arrangement

Mining Center Management

24/7 Guarding by a Kazakh Agency	Secure Independent Program
Local workers will work under the two shift system to prevent any theft in the mine	Once any error occurs, an independent program can detect it to minimize the non-minable time period

Mining Center's BTC Mining Profit Table

$$\text{ASIC S9J} / 1\text{Kw} = 9\text{KZT} / 1\text{BTC} = 3,989.96 \$$$

Daily Electricity Consumption	Daily Electricity Bill	Monthly Electricity Consumption	Monthly Electricity Bill
32.4Kw	0,78 \$	972Kw	23,40 \$
Daily Mining	Monthly Mining	Monthly Profit	Monthly Marginal Profit
0.000726BTC	00.02178BTC	87,40 \$	63,11 \$

$$\text{ASIC S9J} / 1\text{Kw} = 9\text{KZT} / 1\text{BTC} = 6,205.67 \$$$

Daily Electricity Consumption	Daily Electricity Bill	Monthly Electricity Consumption	Monthly Electricity Bill
32.4Kw	0,78 \$	972Kw	23,40 \$
Daily Mining	Monthly Mining	Monthly Profit	Monthly Marginal Profit
0.000726BTC	00.02178BTC	87,40 \$	63,11 \$

(Monthly marginal profit shall deduce 1,000 won of labor cost per S9)

During the initial stages of planning of the Kazakh mining center, electricity fees were calculated at 12 KZT (around KRW 36) per 1 kilowatt (kw), but thanks to the smooth supply of electricity and with the support from the City of Pavlodar, 12 KZT/kw decreased to 9 KZT/kw, down 25%. As a result, an environment where larger profits could be created has been made and 20% of the mining profits are distributed to Facite holders.

Facite Foundation's Business Model and Dividends

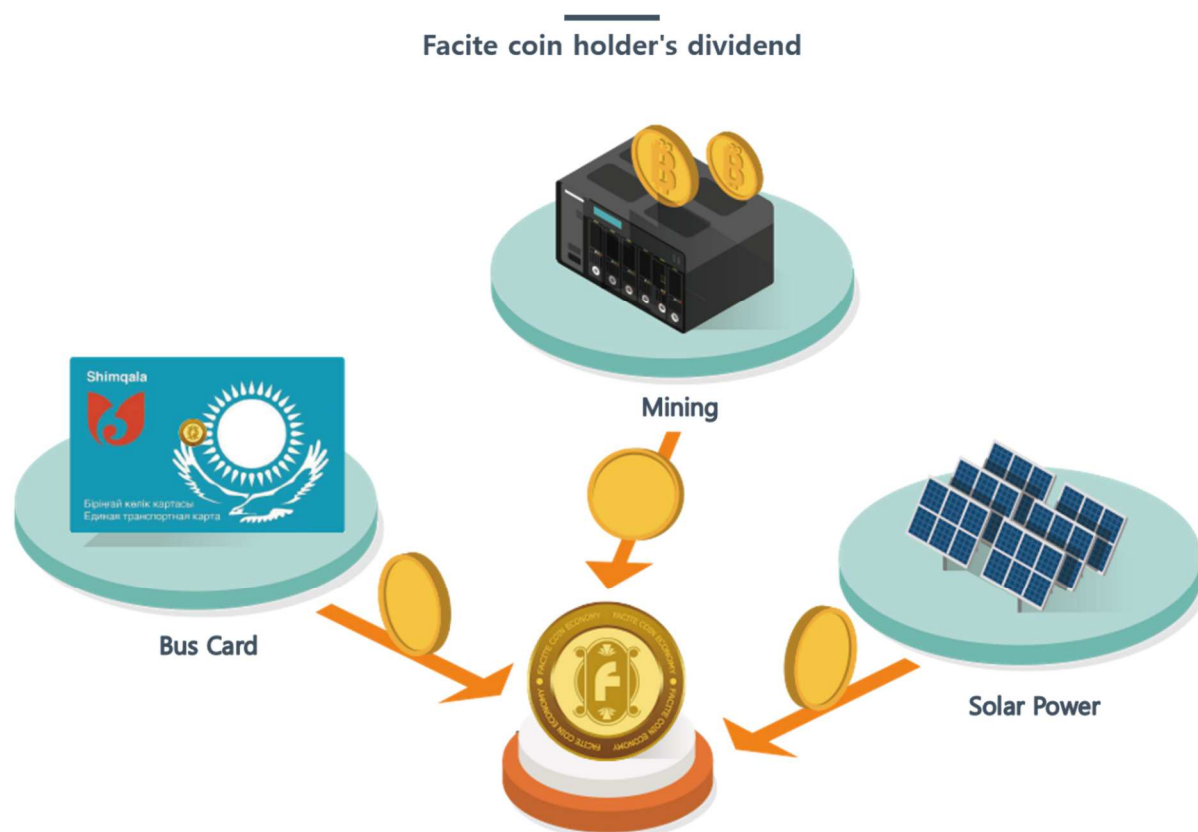
The Facite Foundation also operates Kazakh bus cards and solar power plants. The solar power plant will be built in Almaty, one of the three major cities of Kazakhstan. The Facite Foundation will receive and provide a portion of the profits generated in these two projects to Facite token holders.

∴ Bus Card - Kazakhstan, the ninth largest country in the world by size, is promoting the "Kazakhstan Business Roadmap 2020" for economic revitalization. The most important aspect of this project is the transportation sector. Kazakhstan has set up a plan to carry out national business projects for the adoption of bus cards, as business conditions have deteriorated due to inadequate traffic infrastructure. The most important part of the bus card business is to reduce the process of using public transportation. In other regions where bus cards are not used, workers have to stay on the bus and fees have to be collected manually. To solve this problem, the Facite Foundation acquired INNOB CO., Ltd., which had been carrying out a bus card project with the City of Shimkent, Kazakhstan, and now has 60% of the share of the bus card business in Kazakhstan (Shimkent has 40%).

∴ Photovoltaic Power Plant - Kazakh President Nazarbayev declared that by 2030, 30% of Kazakhstan's total electrical capacity will be converted into renewable energy, and the government revised a law to support subsidies against currency volatility and inflation applicable only for "foreign corporations investing in renewable energy" (January 1, 2018 President Nazarbayev 's Inaugural Address - executed in May 2018.) The Facite Foundation acquired KHAN 21 HOLDING, a holding company that owns a photovoltaic power plant on a 100 ha (330,000 pyeong) business site with a 60MW capacity in the area near Lake Kapchgay in Almaty.

The company also has the development rights of two rivers in Kazakhstan and is a renewable energy company with six hydroelectric power plants on the two rivers. KHAN 21 HOLDING was selected by Korea's Ministry of Trade, Industry and Energy (MTIE) as part of an overseas feasibility study support project in the renewable energy sector, (9 companies from 30 countries, September 1, 2017), and is the first company from Kazakhstan has passed the renewable energy overseas feasibility study under MTIE (April 10, 2018). KHAN 21 HOLDING also established K-Green Energy, a joint venture (SPC) for the construction of photovoltaic power plants.

∴ Facite Token Holder Dividends



Holders of Facite tokens will receive dividends of the profits earned from the Pavlodar Facite mining center, the Shimkent City bus card project, and solar power plant project. The profits allocated to holders can be checked in detail through the Facite Foundation's dividend chart.

∴ Facite Foundation Project Dividend Table

Facite Foundation project distribution chart

	Mining	Transport card	Solar power plant
Dividend %	20%	30%	30%
Dividend period	1 week	1 month	1 month
Dividend time	9am. on Mondays. (by Almaty time)	9am. on the first day of every month	9am. on the first day of every month

Kazakh Bus Card

∴ Prospect of the Kazakh Bus Card Project

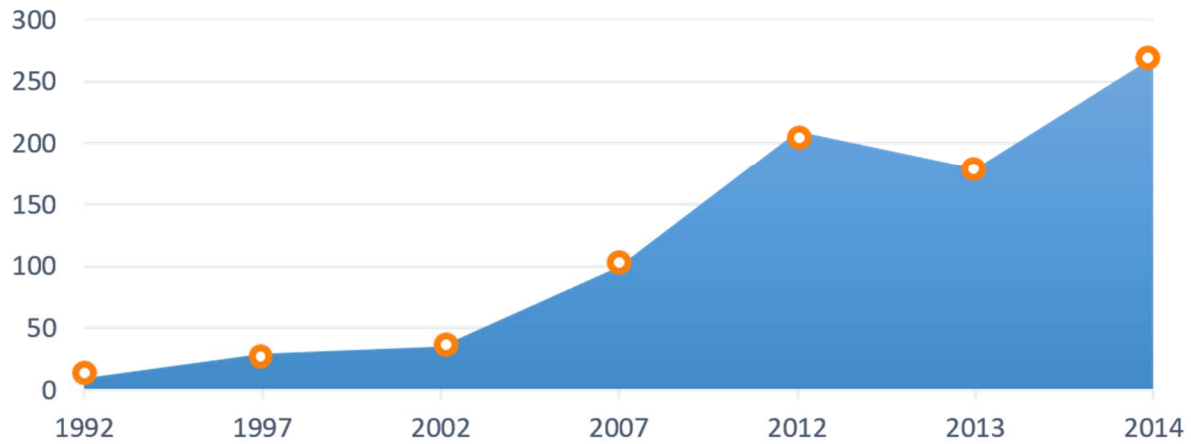
Kazakhstan, which is the 9th biggest country in the world by size, is experiencing worsening business conditions due to frequent snow and traffic congestion, and the government is implementing policies to support the development of industrial and production infrastructure under the "Kazakhstan Business Roadmap 2020."

The objective of the 2020 Strategic Plan is to achieve growth of 30% or more in GDP, growth in oil refining and petroleum processing, improvement to the same level as or exceeding in the mining sector, national fund operation, a 30% increase in domestic and foreign investment in non-commodity sectors, the proportion of SMEs reaching 40% of GDP, the total population reaching 18 million, 40% specialized workers in the economy, and a reduction of unemployment down to 5%.

To befit the purposes of this policy, Kazakhstan financially supports the expansion and modernization of infrastructure related to roads, drainage, heating, waterworks, railways, telephone networks, substations, and transmission and distribution facilities. Many projects are emerging since they are supported by the government, one of which is called the "Oni Card" project used in Almaty. Almaty currently prohibits using public transport without the "Oni Card." The public transit fees in Kazakhstan are 150 pence per ride in cash, but if you use the "Oni-card," the fee drops to 80 pence, approximately 50% savings. In this way, passengers are incentivized to use bus cards.

Shimkent, Kazakhstan chose INNOB CO., Ltd. as one of its bus card project partners, similar to Almaty's "Oni Card." On September 21, 2018, the agreement as the official partner for the city of Shimkent was signed with a total investment cost of 12.7 billion won. (System construction cost 11 billion won, initial operation cost and other expenses 1.7 billion won) Cumulative sales will exceed 85 billion won during the 10 year of operation.

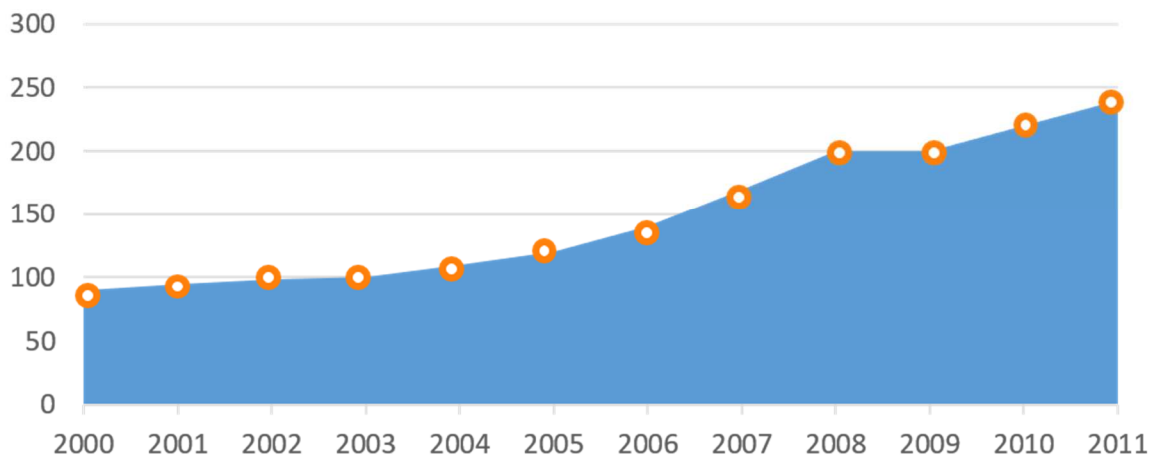
Kazakhstan's GDP increase



Date source : international Monetary Fund Unit: USD 100 million

From 2005 to 2014, Kazakhstan's GDP grew at an annual average rate of 6.4%, with a GDP of \$175 billion in 2015, or \$11,028 per capita. As GDP grows, infrastructure for transportation also improves. As a result, the utilization rate of bus cards is likely to increase in the future.

Increase of Vehicles in Kazakhstan



Source: World Bank
Unit: 1,000 people

The total length of roads in Kazakhstan increased by 17% over the past 10 years to 97,418 km (2013), and the number of vehicles per 1,000 people grew 24% over the past four years to 246 (2011). The simultaneous increase in road length and the increase in the number of vehicles is also a result of the policies of the Kazakh government to solve traffic issues. Bus card use is forecasted to be encouraged by the Kazakh government, which is expected to show a steep growth rate in the future.

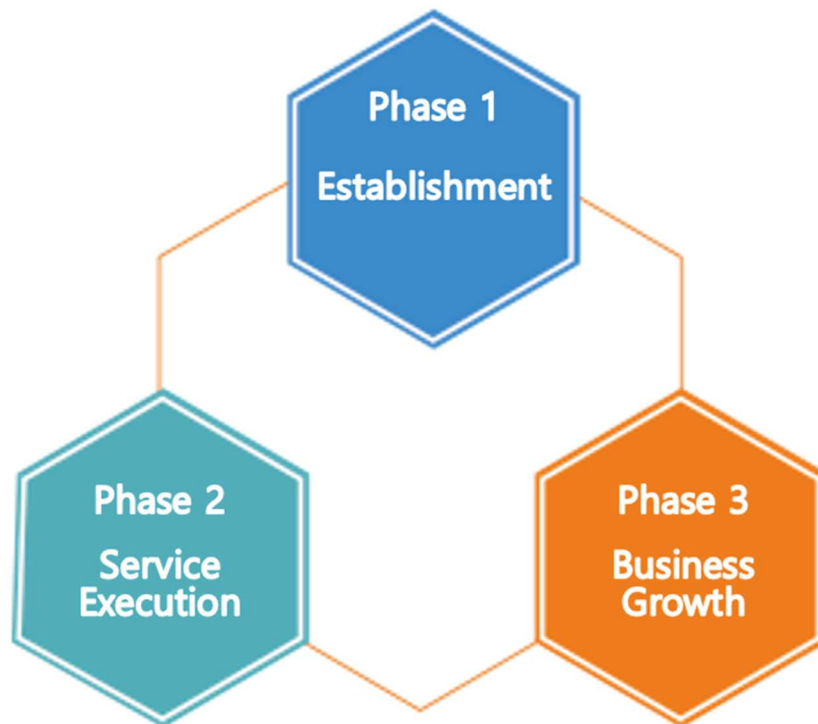
Kazakh Bus Card Business Model

In December 2018, the Facite Foundation took over the business of INNOB CO., Ltd, and thereby began its transportation business in Kazakhstan.



The Facite Foundation's business model is to expand its usage area into transportation and retail, starting with the automatic collection of bus fares using a smart cards, and ultimately to build a U-payment system. In this case, a U-payment system refers to a system that includes not only buses and transportation, but also the retail industry, such as hospitals, pharmacies, reservation/ticket offices, civil documents, electronic money management systems, and bank CD/ATM systems.

Kazakh Bus Card Business Plan



In detail, the plan for the bus card business in Kazakhstan will be divided into Phase 1 (establishment), Phase 2 (service), and Phase 3 (business growth), with the goal of achieving exclusive bus card use by August 2020.

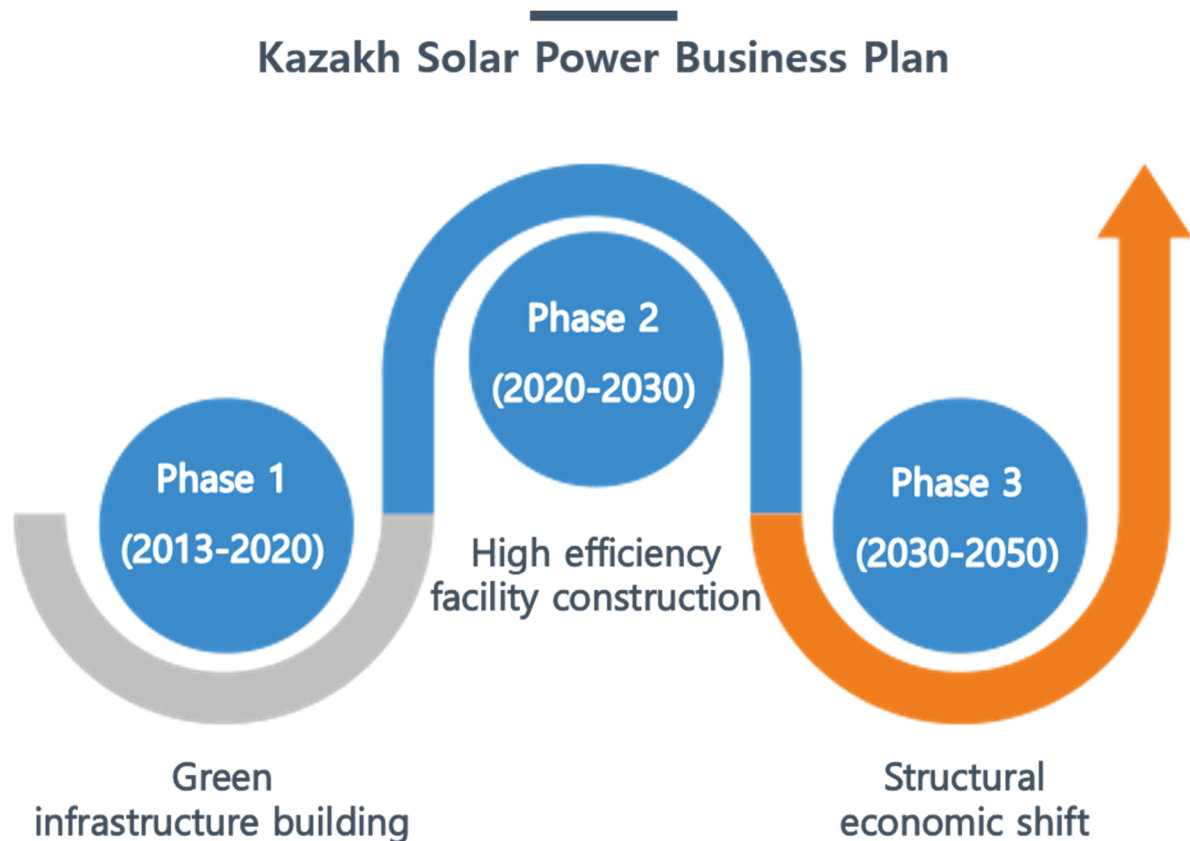
In the first and second stages, the entire citizenry will be promotion targets. In the third stage, the transportation card will be promoted to non-users. In addition, the above-mentioned bus card model is a 1BM (Business Model) multi-regional model that is not limited to one area. It will gradually expand from the city of Shymkent to surrounding cities.

Kazakh Solar Power Plant

∴ Prospects of the Kazakh Solar Power

Kazakhstan has been steadily launching new renewable energy businesses since 2007. The Kazakh government not only began a renewable energy project with a total value of USD 3 billion under the "Business Roadmap 2020" in 2018, but also defined competitive renewable energy development as a priority in the "2015 Kazakh Industrial Innovation Development Strategy," which includes wind farms, solar power plants, and hydroelectric power plants. Among those plans, solar power plants caught the eye of foreign companies. According to a study by the United Nations Development Program (UNDP), Kazakhstan's PV industry has an annual potential of 2.5 billion MW.

The three phases of the green economy initiative, one of the policies promoted by the Kazakh government, is as follows.



- Phase 1 (2013-2020): Optimize resource use, promote effective environmental protection activities, build green infrastructure
- Phase 2 (2020-2030): Based on the green infrastructure established in Phase 1, support rational water use, development and promotion of renewable energy, construction of facilities suited to high efficiency standards
- Phase 3 (2030-2050): Restructuring the economy to use natural resources steadily and stably



Kazakhstan has very good geographic conditions to produce photovoltaic energy. Sunlight is available 2200-3000 hours per year, and the average photovoltaic energy amounts to $1200\text{W}/\text{m}^2$. With these geographical conditions considered, experts predict that Kazakhstan's solar energy industry will grow by an average of 17-32% per year.

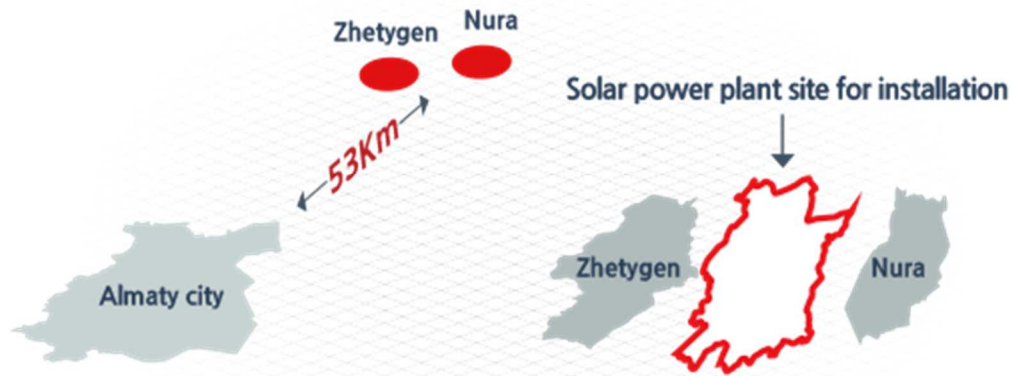
Before 2007, the outlook for Kazakhstan's solar energy business was bleak, but it has since emerged as one of the promising new projects since then. The weakest part of the global solar cell market is the limited supply of silicon, which Kazakhstan has already stored by constructing production plants several years ago. Initially, in October 2007, the country started construction of €105 million solar cell plants in Aktau, and the plant has been in operation since 2012, making it a country with an efficient environment.

President Nazarbayev declared that by 2050 he would increase the share of renewable energy to 50%, and as a result, he proposed a plan to promote the participation of foreign companies and countries, such as auctioning the site of G4 city's PV site.

As such, Kazakhstan has been actively promoting renewable energy projects at the governmental level and is positioning itself to create a high value-added industry.

Kazakh Solar Power Plant Business Model

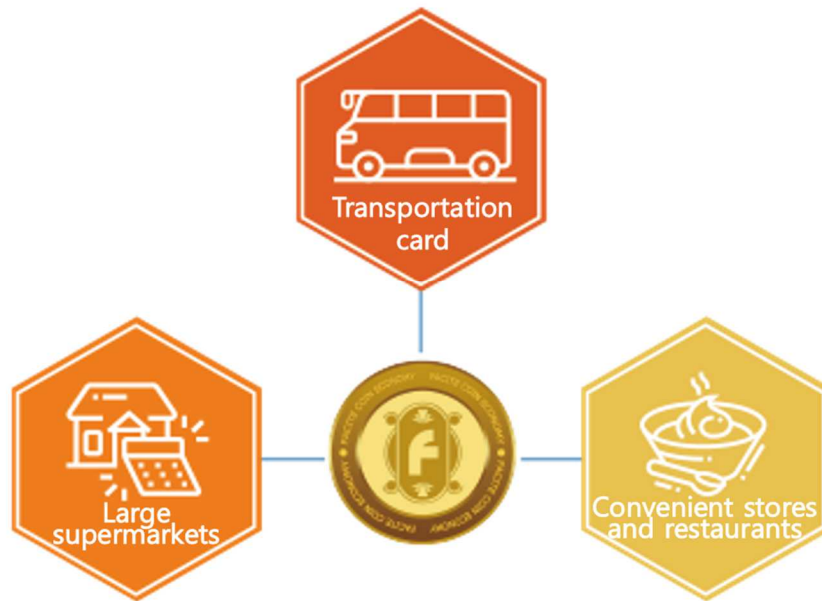
The Facite Foundation is promoting the renewable energy business after successfully acquiring KHAN 21 HOLDING in 2018.



KHAN 21 HOLDING's 60MW photovoltaic power generation business, located in Almaty, was selected as an investment project from Dalgar, where hydropower generation is already taking place. In July 2017, KHAN 21 HOLDING was the first Kazakh company to be listed in the final report of the overseas renewable energy feasibility study of Korea's Ministry of Trade, Industry, and Energy, which shows that the company is highly capable.

The total cost of the photovoltaic project in Kazakhstan is \$95,040,000 and the initial return on investment is 483%. The electricity purchase price has been guaranteed and approved by the Kazakhstan government for 15 years for renewable energy of each type, and a further extension of another 15 years will be provided by the Kazakh government's national planning system. Given the growth rate of the photovoltaic business and the active support of the Kazakh government, long-term returns are expected to be high.

Kazakh Solar Power Business Plan



:: Bus Cards

INNOB CO., Ltd. (InnoB), which is acquired by the Facite Foundation, will set up an AFC/BMS terminal system for green buses running in Shymkent and conduct a pilot operation. This system is compatible with AFC/BMS terminal cards and Facite tokens, and it will support bus ride service using Facite tokens.



The Korean T-money card is a good example of a U-payment system, where usage is not limited to transportation but also convenience stores, large supermarkets, entertainment, cosmetics, fast food establishments, cafes, restaurants, public facilities, Internet cafes, parking lots, and traditional markets.

InnoB, a transportation card used in Shymkent, will be used for discounts as well as for wide applications, like T-money. Currently, the government of Kazakhstan is promoting the "Kazakhstan Business Roadmap 2020," which makes the InnoB bus card project more appealing. In addition, InnoB will usher in the birth of a highly utilizable transportation card because the government is also promoting an intelligent transportation system called Intelligent Transport Systems (ITS).

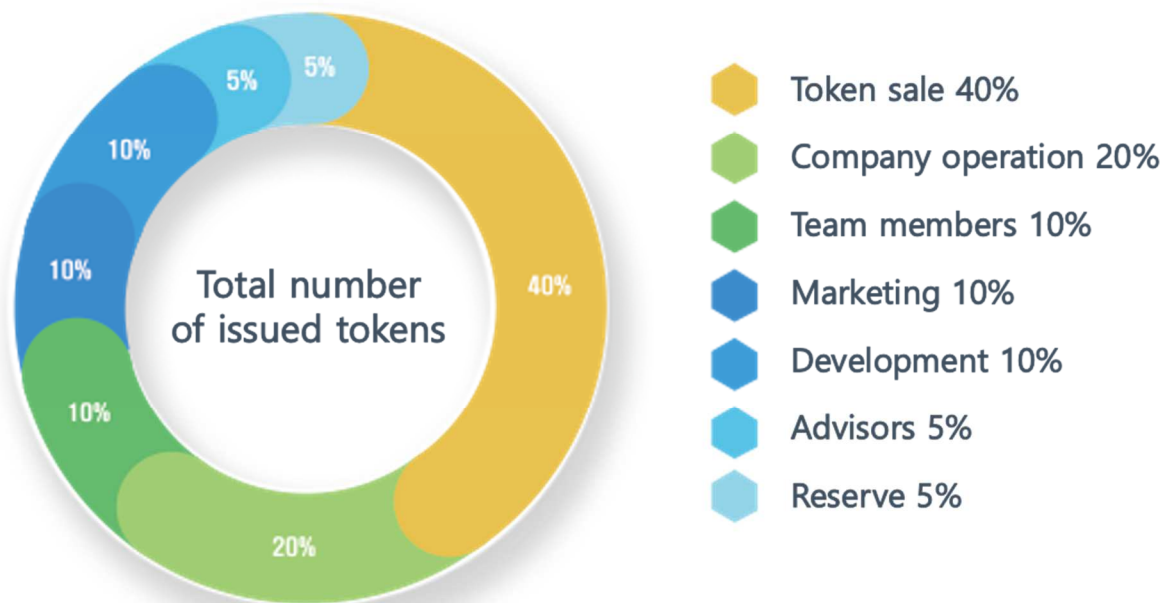
:: Shopping & Art Centers, Medical Facilities, Amusement Parks

Shopping & art centers, medical centers, and amusement parks also support Facite tokens.

:: MAGNUM

MAGNUM is a large discount store that operates about 30 stores in Almaty city alone. MAGNUM and the Facite Foundation are in favor of discussing the use of payment tokens.

Token matrix



Token Economy

The issuance of Facite tokens is intended to promote the common interest of all stakeholders in the Facite ecosystem through all of the projects carried out by Facite.

Description

The Facite token matrix is composed of 40% token sales, 20% company operations, 10% team members, 10% marketing, 10% development, 5% advisors, and 5% reserves. The percentage of team members (10%) and the ratio of advisors (5%) will be locked for six months from the first listing day.

Token Sale

Private Sale: 1 FIT = 5 won + Bonus 30%

Bonus quantity lock-up

(After reaching 10% after public listing, 10% of the lock up will gradually be lifted)

IEO: 1 FIT = 5 won

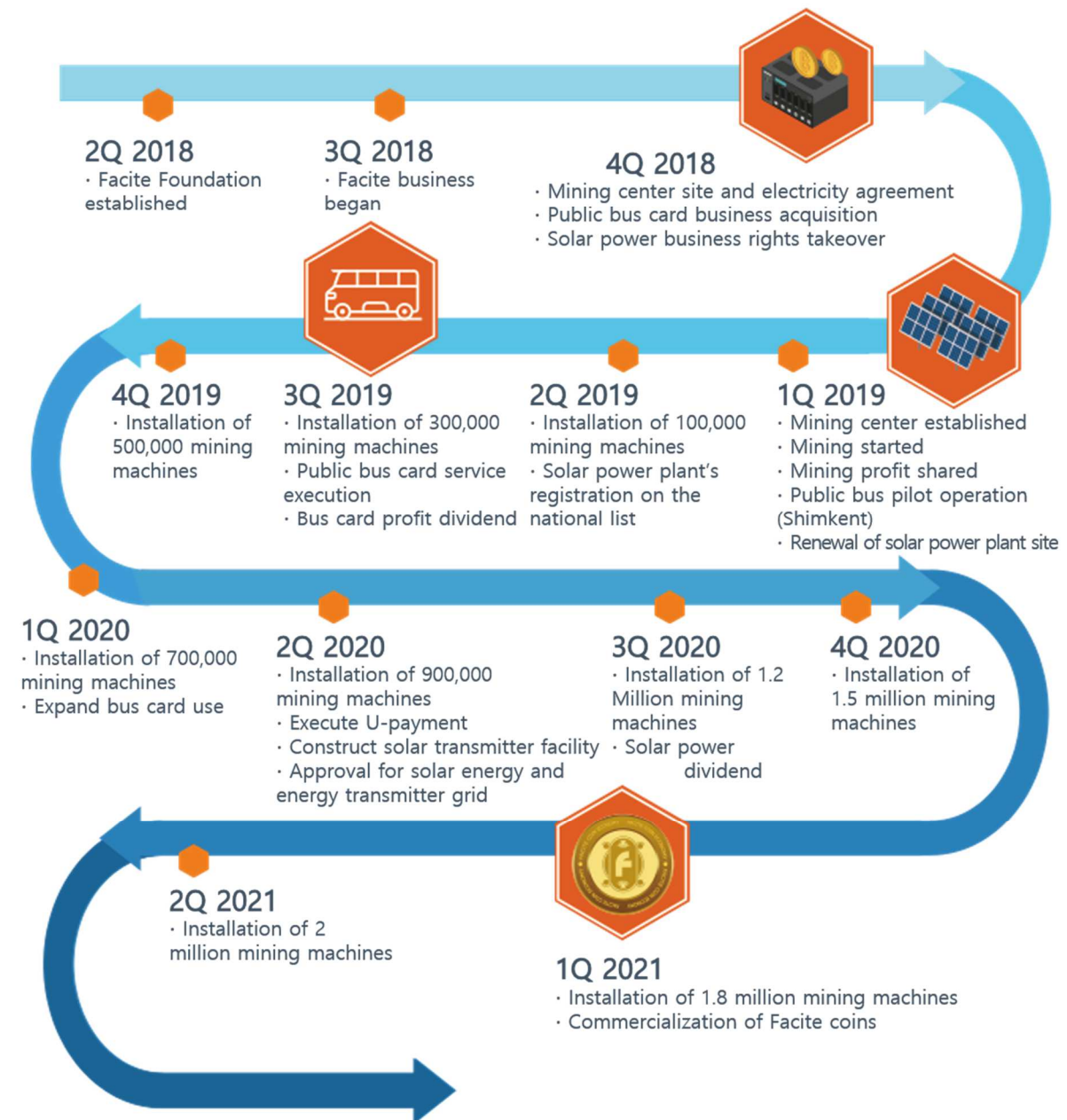
Token Name: FACITE

Symbol: FIT

Token: ERC – 20

Website: <http://www.facite.org>

Road Map



Team



Founder and CEO
Dmitriy Li



Vice President of BD
Alexander kang



Vice President of Engineering
Konstantin Park



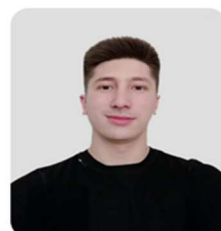
Director of Engineering
Meerbekov Aibek



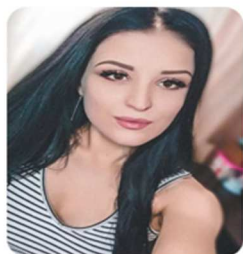
Director of Global Marketing
Chepenite Elina



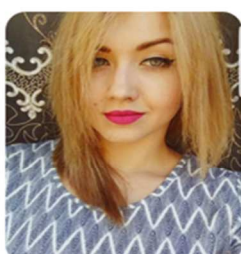
Global Marketing
Akerke Rabilova



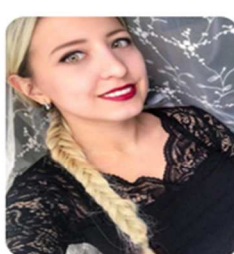
Devops
Yeshenaaliuev Almat



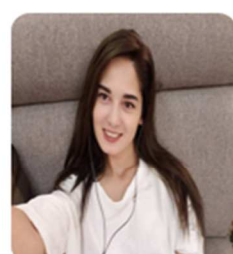
Engineering
Avutova Veronika



Engineering
Nenasheva Darua



UX/UI
Kolmoaorova Anastasia



Foreianer lawuer
Zhadura Rustemova

Advisor



JUNGDAE KIM
Chairman of NTC GROUP



JONGUP LIM
Founder of KHAN21



MINWOO LEE
Founder of INNOB Co., Ltd.

PARTNERS & CUSTOMERS



Legal Considerations

The information and related materials provided in this white paper are for informational purposes only and should not be considered legal or financial advice. Facite does not make any guarantees or promises regarding any consequences of using Facite tokens. To the maximum extent permissible by law, Facite shall not be held liable for any inaccuracies, incompleteness, or unreliability of any particular information, analysis, advice, or recommendation causing any economic loss. Users are responsible for all risks involved in using the information on the website or the material accessible by any link. Furthermore, in this whitepaper, 'dividends' refers to the cryptocurrency provided as a result of contributing to the possession of the particular token and that there may be updates to the information provided in the whitepaper.