FCE Platform

Whitepaper



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Abstract

Food, in one way or in another, is the basis for business the activity of any person. Food production and sales are and will be growing as the population grows. Production of reasonable and quality organic products is a problem which becomes more relevant day after day. Small and mediumscale farmers are the producers of local natural food. According to FAO (Food and Agriculture Organization), the world counts with over 500 million farmers. The most of them are small producers.

However, the traditional business models which exist today led the major food brands and agricultural corporations to push the small and medium-scale producers and processors of agricultural products and foodstuffs out from the local markets. The globalization mechanisms help them to tighten their domination easily, using their own material and immaterial resources, on the markets of countries with less developed economies.

Long chains of agricultural products delivery used by transnational corporations, have led to a decline in the consumption of local products. That has led, in its turn, to a reduction of the number of small and medium-scale farms (data from the United States and Europe), increase of the average age of farmers (over 58 years), thus lowering the competitiveness, turning the heavily fragmented market of agricultural products and foodstuffs producers into the market of large corporations and intermediaries.

Therefore, as an example, even in the United States a farmer gets only 16 cents for every dollar paid by the final buyer for the products he has produced. 2 billion of people on Earth (mostly rural population) do not have any access to the banking services and are excluded from the modern economic processes.

We do not set ourselves the task to strive against the transnational corporations, and we don't oppose globalization. We believe that these are all attributes of the current moment of the development of our civilization. Any form of confrontation leads inevitably to the destruction and losses. But we cannot ignore the economic, social and humanitarian expenses of the existing models.

So, our platform will be put up to provide an equal access to a global market of production and distribution of consumable goods for the large and small producers and consumers of agricultural products and foodstuffs together with the modern financial instruments. This might create a vast market of organic food with fair prices.

Legal

General information

In order to fund the development of the FCE Platform, token that will be sold to the public, in exchange of cryptocurrencies. The FOOD token is a coin, which will allow the User to access the service provided by the 1000EcoFarms platform and network.

The FOOD token does not have the legal qualification of a security, since it does not give any rights to dividends or interests. The sale of FOOD tokens is final and non-refundable. FOOD tokens are not shared and do not give any right to participate to the general meeting of FCE GROUP AG. FOOD tokens cannot have a performance or a particular value outside the FCE Platform network. FOOD tokens shall therefore not be used or purchased for speculative or investment purposes. FOOD Tokens will not be listed on any regulated stock exchange. Neither this Whitepaper nor any other material relating to the Offer, FCE Platform Network or FOOD Tokens will be or have been filed with regard to legal standards such as the Federal Act on Stock Exchanges and Securities Trading law, the Financial Market Infrastructure Act, the Collective Investment Schemes Act, which are not applicable to this token sale. Therefore, laws and acts that ensure that investors are sold investments that include all the proper disclosures and are subject to regulatory scrutiny for the investors' protection, are not applicable in this case. Every purchaser of the FOOD Token should receive proper advice in order to understand whether the purchase of the Token is appropriate for him or not.

Anyone purchasing FOOD tokens expressly acknowledges and represents that she/he has carefully reviewed this white paper and fully understands the risks, costs and benefits associated with the purchase of FOOD tokens.

Knowledge required

The purchaser of FOOD tokens undertakes that she/he understands and has significant experience of cryptocurrencies, blockchain systems and services, and that she/he fully understands the risks associated with the crowdsale as well as the mechanism related to the use of cryptocurrencies (incl. storage).

FCE GROUP AG shall not be responsible for any loss of FOOD tokens or situations making it impossible to access FOOD tokens, which may result from any actions or omissions of the user or any person undertaking to acquire FOOD tokens, as well as in case of hacker attacks.

Risks

Acquiring FOOD tokens and storing them involves various risks, in particular the risk that FCE GROUP AG may not be able to launch its operations and develop its blockchain and provide the services promised. Therefore, and prior to acquiring FOOD tokens, any user should carefully consider the risks, costs and benefits of acquiring FOOD tokens in the context of the crowdsale and, if necessary, obtain any independent advice in this regard. Any interested person who is not in the position to accept or to understand the risks associated with the activity (incl. the risks related to the non-development of the 1000EcoFarms platform and network) or any other risks as indicated in the Terms & Conditions of the crowdsale should not acquire FOOD tokens.

Important disclaimer

This white paper shall not and cannot be considered as an invitation to enter into an investment. It does not constitute or relate in any way nor should it be considered as an offering of securities in any jurisdiction. This white paper does not include or contain any information or indication that might be considered as a recommendation or that might be used as a basis for any investment decision. FOOD tokens are just utility tokens which can be used only on the 1000EcoFarms platform and network, and are not intended to be used as an investment.

The offering of FOOD tokens on a trading platform is done in order to allow the use of the 1000EcoFarms platform and network, and not for speculative purposes. The offering of FOOD tokens on a trading platform does not change the legal qualification of the tokens, which remain a simple means for the use of the 1000EcoFarms platform and network, and are not a security.

FCE GROUP AG is not to be considered as an advisor in any legal, tax or financial matters. Any information in the white paper is provided for general information purposes only and FCE GROUP AG does not provide any warranty as to the accuracy and completeness of this information.

FCE GROUP AG is not a financial intermediary according to Swiss law and is not required to obtain any authorization for Anti Money Laundering purposes.

Acquiring FOOD tokens shall not grant any right or influence over FCE GROUP AG's organization and governance to the Purchasers.

Regulatory authorities are carefully scrutinizing businesses and operations associated to cryptocurrencies in the world. In that respect, regulatory measures, investigations or actions may impact FCE GROUP AG's business and even limit or prevent it from developing its operations in the future. Any person undertaking to acquire FOOD tokens must be aware of the FCE GROUP AG business model, the white paper or terms and

conditions may change or need to be modified because of new regulatory and compliance requirements from any applicable laws in any jurisdictions. In such a case, purchasers and anyone undertaking to acquire FOOD tokens acknowledge and understand that neither FCE GROUP AG nor any of its affiliates shall be held liable for any direct or indirect loss or damage caused by such changes.

FCE GROUP AG will do its utmost to launch its operations and develop the FCE Platform platform. Anyone undertaking to acquire FOOD tokens acknowledges and understands that FCE GROUP AG does not provide any guarantee that it will manage to achieve it. They acknowledge and understand therefore that FCE GROUP AG (incl. its bodies and employees) assumes no liability or responsibility for any loss or damage that would result from or relate to the incapacity to use FOOD tokens, except in case of intentional misconduct or gross negligence.

Representation and warranties

By participating in the Token Sale, the User agrees to the T&C and in particular, they represent and warrant that they:

- are authorized and have full power to purchase FOOD tokens according to the laws that apply in their jurisdiction of domicile;
- are not a U.S. citizen, resident or entity (a "U.S. Person") nor are they purchasing FOOD tokens or signing on behalf of a U.S. Person;
- are familiar with all related regulations in the specific jurisdiction in which they are based and that purchasing cryptographic tokens in that jurisdiction is not prohibited, restricted or subject to additional conditions of any kind;
 - are not acting for the purpose of speculative investment;
- live in a jurisdiction which allows FCE GROUP AG to sell the FOOD tokens through a crowdsale without requiring any local authorization;
- does not live in a jurisdiction which is qualifying token issued through a crowd sale as securities;
- will not use the Token Sale for any illegal activity, including but not limited to money laundering and the financing of terrorism;
- are solely responsible for determining whether the acquisition of FOOD tokens is appropriate for them;
- are acquiring FOOD tokens exclusively for use of the 100EcoFarms platform and network;
- understand the risks associated with the Token Sale (incl. the risks related to the non-development of FCE Platform network and operations);

• understand the use of cryptocurrencies and its associated risks.

Governing law and arbitration

The Client acknowledges and accepts that the FCE Platform ICO operation is taking place within a Swiss legal environment that is still under development. The Parties agree to seek an amicable settlement prior to bringing any legal action. All disputes arising with the white paper provided, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers of Commerce in force on the date when the Notice of Arbitration is submitted in accordance with these Rules. The arbitration panel shall consist of one arbitrator only. The seat of the arbitration shall be Lucerne, Switzerland. The arbitral proceedings shall be conducted in English.

1

FCE Platform is a blockchain ecosystem, architecturally designed to create a global marketplace of food and agricultural products on the existing platform of 1000EcoFarms with the opportunity to add other platforms. FCE will be based on Ethereum technology as a universal trading platform for businesses dealing with food broadly defined.

The FCE Platform deals will take place with the use of smart contracts, while the transactions will accept a proper cryptocurrency named FOODCOIN (FOOD).

A wide selection of tools, such as a proper "smart" wallet, a remote user identification system, flexibly configurable smart contracts, authentication of the origin of food and a proper crypto payment processor, will let the business process participants related to food choose and customize the essential platform parameters to reduce current expenses. We believe that this wide selection of FCE instruments might be used by the farmers, manufacturers of agricultural machinery and fertilizers, farm product processors, food manufacturers, cafes and restaurants, food delivery services, etc.

A significant potential may be in using FCE Platform in social projects. Using a combination of 1000EcoFarms and FCE Platform as an additional alternative social currency for supporting the local systems and ensuring the local food and economic security, will revive the local small-scale food producers and push the local economies to develop. These tools will be interesting to the public authorities and municipalities, where decisions are controlled by the local communities.

FCE Platform has the plans to support food and ag start-ups with the verified model, innovation content and the significant growth potential using the platform of 1000EcoFarms and FCE blockchain. The special crypto fund will be founded with this aim of view. The purpose of fund will be an effective use of liquid money to build an integral ecosystem.

Another essential scope of using FCE Platform will be non-profit and charity organizations. The 1000EcoFarms platform has launched two charity projects: "Stop Hunger" and "Help A Farmer". Using the blockchain technology will simplify the addressed charity at the global level and make these activities completely transparent.

FCE Platform is planning to collaborate with government and non-government organizations in the integration of blockchain technologies to

solve actual global problems, such as famine relief, disaster relief, climate fluctuation, support of small farmers, uncontrolled global migration of agricultural population.

As a payment instrument, the platform will use its cryptocurrency – FOODCOIN (FOOD). All the parties of the transactions will freely exchange FOOD for goods and services, buy and sell FOOD on exchange markets.

To ensure the quick and organic launch of the platform, we will use strong marketing and training instruments as well as the support of the community developed by our project.

The Mission of FCE Platform

The Mission of FCE as a business platform is to form a fully featured ecosystem, bringing together all economic agents (sellers, distributors, buyers, banks, insurance and logistics companies, tax services, customs, etc.) into a single blockchain platform.

Small consumers of agricultural products, such as coffee shops, restaurants, grocery stores, gastro-boutiques, will have access to the global market proposals directly from the manufacturers, for example, to the coffee from a plantation in Kenya, cheese and chocolate from a small manufacturer in Switzerland or wine from a small winery in France.

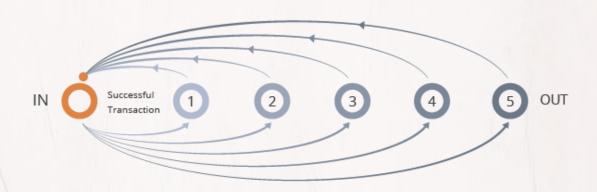
Using FCE Platform and smart contracts, major food producers and distributors may substantially reduce their expenses on search and identification of new agents and contractors, as well as signing and management of new contracts. Our goal is to create a platform with simple and clear instruments available for simple farmers and producers who are not familiar with the world of blockchain technologies. We understand that apart from the technological limitations of blockchain-platforms, which are going to be solved over time, there are conception limitations of the common users, who are not ready (and don't have to) to key into the technology, and should have a wide and convenient set of instruments to solve their everyday business tasks as the consumers. Based on this we are going to build a platform focused on the customer's needs.

Small farmers, as well as the large producers and distributors, will get equal access to FCE, creating a comprehensive global competition environment for producers of food and agricultural products. With minimum skills, the users will be able to find customers and suppliers, using the interactive map of 1000EcoFarms. The smart contracts can be signed without involving lawyers, and there is no need to maintain logistics departments to connect with logistics companies. Lots of intermediaries will be excluded from the transactions, and this will provide significant cost savings on signing and managing the contracts. It will allow businesses to better compete with the companies which make deals in a traditional way (through intermediaries or maintaining large teams of law, logistics, etc.).

FCE Platform - Feedback Loop

FCE Platform is designed as a transparent and accessible system with simple registration procedure and the opportunity to enter one's profile by a click. Transparency and accessibility of the platform are important for the growth and development of ecosystem under the conditions of new economy and form the basis of the project. Blockchain technology does not require a climate of trust among the parties of the transactions. It creates the environment that will guarantee protection against fraud without any need to trust the other party. The focus on internal security and feedback loop are of great importance in the architecture of the platform to enhance the security of the transactions.

Every successful transaction that was first initiated within the system and had a weak initial impulse (because of the lack of trust) get quite another (larger impulse) and the tendency to be repeated if it has passed all the stages and has been completed successfully. But at the re-initialization, it will have more significant input impulse that will grow further while moving to the completion. Thus, a classic feedback loop put into practice within the balanced ecosystem with sufficient selection of instruments will be generated.



FCE Platform – Network Economic Model

FCE Platform is a network economic model that consolidates farmers, buyers of natural food, restaurants and grocery shops owners, members of buying clubs, manufacturers and distributors, logistics and transport companies, customs brokers, insurance companies, state certification authorities as well as customs and tax authorities.

Operating procedures within the platform and instruments for their execution such as payment instruments and identification systems are made for every type of users.

Global marketplace will provide sellers, distributors and manufacturers with the unlimited access to new markets, the opportunity to work both in local and global markets, the instruments for strategic market research and business development planning. Using them manufacturers and sellers will get a chance to make up for a shortfall of current assets thus becoming competitive market players alongside with major manufacturers and networks.

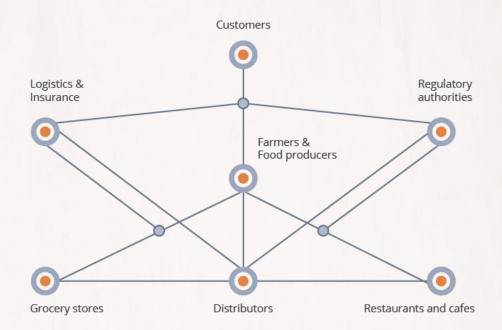
Having become the members of the platform, buyers and sellers will get direct access to each other including private communication using the integrated messenger. Network economy model will produce synergies for all members of the ecosystem using co-operation with each other in feedback loop system.

Thus, the buyers will get access to the unlimited range of the original, high-quality and low-priced goods and the sellers will get the growing flow of favorably disposed consumers.

Getting access to FCE Platform state and control organizations will get a convenient tool for financial crimes enforcement (tax avoidance, struggle against counterfeit, etc.).

Being a marketplace with a variety of essential and useful instruments, FCE Platform provides cost minimization and access to financing and global marketing. Its users will get a technological competitive advantage, the grounds for business expansion and the opportunity to meet competition in this field.

Network Economic Model



1000Ecofarms agreed to become an early adopter of FCE Platform because the tools created by the FCE Platform can be useful for users of 1000Ecofarms. In turn, FCE Platform is interested in 1000Ecofarms platform because it has the necessary infrastructure to attract farmers and food producers, as well as the possibility to provide them with convenient tools of FCE Platform. At the first stage, 1000Ecofarms platform has integrated the FOOD token as one of the payment methods for buying and selling food and sending and receiving donations for farmers.

1000EcoFarms is a global marketplace for B2B and B2C projects on the natural food market.

The 1000EcoFarms project became the first global natural food marketplace which enables its users to make and accept payments for food with crypto currency.

The users of 1000EcoFarms have access to the instruments of direct marketing and the opportunity to sign agreements online, to make and accept various types of payment (by cash, credit cards, PayPal and crypto currency).

1000EcoFarms offers its users unique services designed for business models such as buying clubs, food coops, CSA and herd shares (for users from the US). Users get access to the platform via browser, as well as mobile devices.

3.1

1000EcoFarms by the numbers

- Offices in the United States (Bethesda, MD) and Russia (Moscow);
- Over 4000 registered users;
- Over 700 sellers in the United States and Russia (approximately 50/50);
- Users registered on 5 continents (Canada, Mexico, Great Britain, Costa Rica, India, Australia, Malawi, Nigeria, Ukraine, Belarus, and others);
- Over 2000 products on the site;
- The sales start from October 2016.

3.2

Potential of the natural food market

Over \$ 1 trillion healthy food market worldwide (source: Euromonitor)

70% of customers in the United States willing to pay more for local products (source: ATKearney)

8669 of farmers markets in the United States. Growth by 98% over 10 years (source: USDA)

\$ 602 billion: grocery retail sales in the United States (source: Statista) 12-16% of all food will be sold online until 2023 (source: AT Kearney)

51% of customers believe that local products are underrepresented on the market (source: AT Kearney)

23% of agricultural sales are made on the farms with a turnover of less than \$250 k (source: USDA)

Less than 16 cents for each dollar spent by the buyer on the products come to the farmer in the United States (source: VDACS).

4

Structure and functionality of the FCE Platform

The implementation of the FCE Platform project involves creating of several basic functions essential for the quick and low-cost transfer of the main traditional types of economic interactions among various blockchain platform users:

- database in a distributed ledger;
- own crypto currency the FOODCOIN (FOOD) *;
- multi-functional advanced crypto wallet the WALLOK **;
- own payment system the DIPAY (DP) ***;
- remote user verification the DIGID ****;
- system for smart contracts multisign the SMACO *****;
- product authentication the Product Origin ID (PRORID)

FCE Platform will have a hierarchical and customizable system for the data access (personal, corporate, as well as smart contracts data, transactions, guarantees, etc.).

Each element of the FCE Platform structure will represent a tool, organically linked with the rest of the platform, but capable to operate as an independent element.

More detailed information about each element of the structure will be presented below.

4

Technology

Ethereum-based blockchain will be used as a technological solution to build FCE Platform. This technology was selected mainly because it allows you to optimally combine a distributed database storage system, smart contracts and remote user identification on the platform.

Technically, FCE Platform will provide a peer-to-peer network of associated nodes (for data processing and storage). Each node stores a complete copy of the FCE blockchain. These nodes are provided in the architecture both of a private and open blockchain structure to maximize the protection against unauthorized data modification.

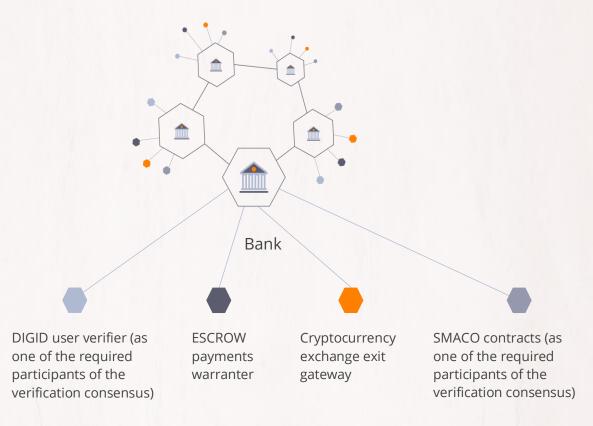
A private blockchain structure model formed within a corporate entity will constitute a closed system and will be available only to users with private keys.

This mechanism will have a flexible customizable hierarchical structure allowing to include or exclude from the monitoring and administration of the objects such as smart contracts, various departments, and services within the company, as well as external parties, such as partner banks, insurance and logistics companies, customs brokers, tax services, etc.

The concept of development

The advantages of FCE Platform concept consists in the fact that our easily scalable platform does not imply confrontation with traditional financial institutions, excluding the competition with them as the cause of counteraction from their part. Instead, FCE Platform will offer banks a cooperation and a wide range of instruments to generate new sources of income and profit channels.

Banks will be offered a key role in the work of FCE:



To date, the banks have a reliable and a proven user identification and verification system, both for legal bodies and individuals. For sure, the banks which work with FCE customers will be ready to confirm the reliability of data of their customers to make transactions. The loyalty to the FCE Platform on behalf of the banks will potentially generate a flow of new fresh and active clients. In addition, the banks will be interested in offering their new "digital" and "crypto" clients such services as the warrantee of escrow payments and an exit gateway to the cryptocurrency exchange markets.

Potential for cooperation

Since a major part of FCE Platform instruments refers to the fintech sphere, its cooperation with traditional and online banks seems to be obviously perspective for the development of the platform. Moreover, telecommunication companies with their wide database of identified users, legal, insurance and logistics companies, numerous services of trade management on the local, national or international level, should be an extensive basis for cooperation.

There are two key factors that will motivate future partnerships:

- quick integration into the realities of the new global digital economy with new sources of income;
- the risk of exclusion from the trade transaction chain and reduction of the customer base with global implementation of the blockchain.

FCE Platform will be a balanced ecosystem providing a set of instruments, initially created to work on 1000EcoFarms. Further on these instruments will be used on other platforms as well through open sources and API.

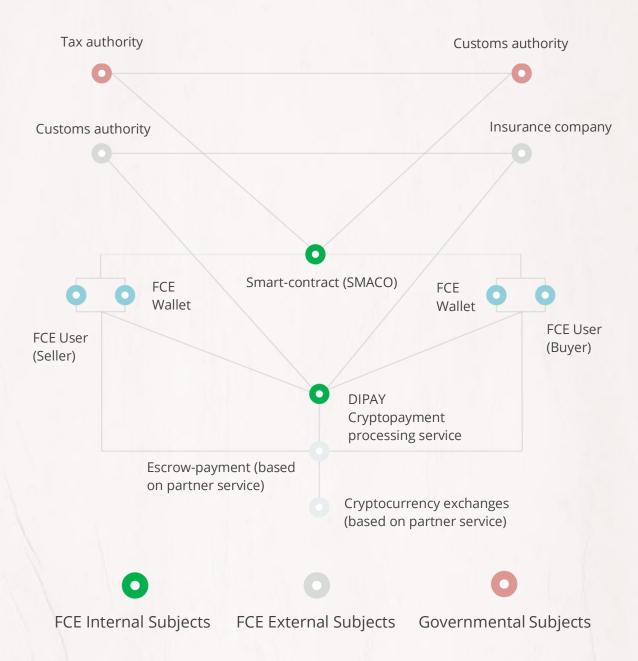
Smart contracts SMACO will be available as a library of standard and optionally customizable contracts and will be in the middle of FCE. All the users will be able to customize them easily to solve various problems (with standard and optional features).

The users will interact within the platform using the WALLOK cryptowallets. Numerous partners who have got identification resources (banks, mobile network operators, notaries, insurance companies, etc.) will act as user verifiers and escrow payments warrants. DIPAY payments processor will conduct fiat and cryptocurrency transactions quickly and easily.

Over time, the public fiscal bodies will automatically connect to the smart contracts for online monitoring of the business activity, eliminating potential fraud with taxes (customs duties, excise taxes, income taxes, etc.). Thus, the State structures responsible for the effective collection of taxes will be interested in transferring real deals to the blockchain platform.

1000EcoFarms – Blockchain trading platform

User database with interactive map (personal and corporate Included DIGID (Digital Identity Verification Platform)



Implementation of the FCE project will go through several stages:

1. Market research (August 2017)

This round is necessary to test the concept of FCE Platform among potential investors and to assess the level of perception of the project.

2. Establishing an Office in Lucerne, Switzerland (November 2017)

Switzerland is one of the few jurisdictions loyal to blockchain projects. Also, the economy of Switzerland is founded on three pillars: finance, agriculture, high-tech production. Thus, the two directions out of the three combine perfectly in our project. Therefore, Switzerland will be the starting point of the European direction in the development of 1000EcoFams and FCE.

3. Token Generation Event. Sale. 1-st stage (December 2017) At this stage, first FOOD tokens will be issued.

FCE Platform smart contract in the Ethereum network is the first version of our internal payment system. The next stage of development of our internal payment system is to create a software independent in its work from the infrastructure of the Ethereum (eg, Ethereum miners). Thus, we shall be able to significantly extend the functionality of the payment system and to bring it to a new level.

When upgrading to the new version of FCE Platform, users will be provided with a range of tools for a voluntary transition from the old to the new version of the software (export of tokens into coins). Export from the old version to the new one will be available for the unlimited period of time, but technical support will be limited in time.

It is easy to imagine such a transition with the example of text documents. There is a simple and old txt format that allows you to store simple text data (this is the analogue of FCE Platform of the first version). But you can open a text document in MS Word, add pictures and formatting, and save to doc (the equivalent of FCE Platform version 2). After changing txt to doc, you get a lot of new functions, but you will not be able to read your documents in simple text editors, like a notepad.

There is no right to change the old coin with the new one, since FCE Platform will have the sole discretion to decide if and when it will change from the Ethereum blockchain to another system.

4. Development of internal multifunctional multilevel wallet WALLOK (December 2018).

- **5.** Launching of SMACO smart contracts for closed and open blockchains with a flexible customizable hierarchy of access and administration (May 2019).
- **6.** Development of DIGID technology (remote user identification) (December 2019)
- **7.** PRORID products and goods origin authentication system (October 2020).
- **8.** DIPAY development of internal payment processor system. Launching of this tool will be able after receiving of all kind of Authorizations. (May 2021).

10

FCE Platform – the structure and the model

FOODCOIN (FOOD) is a cryptocurrency underlying the FCE Platform as the payment instrument within its blockchain. It should be noted that at the Token Generation Event stage when the FCE Platform is not available, yet the ERC-20 tokens will be issued. Initial followers and the FCE community members can purchase these tokens to support the project and give it a chance to be executed.

FOOD token is issued to launch own internal payment and financial FCE instruments and for full local and international activity on the basis of various platforms such as 1000EcoFarms and the others.

The FOOD tokens will be issued in 2 stages, during the Token Generation Event.

- The first stage of the TGE will include the market research and the ERC-20 tokens initial distribution. Market research was successfully carried out in August-September 2017 and revealed a high interest in the project and concern around the world with the problems of production and fair distribution of food.
- All tokens that were distributed at the first round of TGE will be the basis for the calculation of the total amount of tokens and later of the FOOD cryptocoins. All the ERC-20 tokens distributed at the first round of TGE will make 9% of the total amount of tokens (and later of full-value FOOD cryptocoins) that will be issued by the FCE blockchain.
- At the second round of TGE another 31% of the ERC-20 tokens will be distributed according the current exchange rate. Thus, the total amount of tokens distributed among the initial FCE followers will be 40%. The second round of FCE will take place before FCE blockchain is ready for launch. It will be the same token ERC-20 with the same functionality as on the first phase of the TGE.

During the TGE the rate of 1 FOOD will be:

1 FOOD = 0,0001 ETH

ERC-20 tokens will start to be freely accessed and exchanged on specialized crypto-exchanges after the end of the 1st stage of TGE.

Thus the market price of the FOOD cryptocurrency will be established for the moment of its appearance.

The rest 60% of the total amount of cryptocoins will be distributed as follows:

10% - social projects

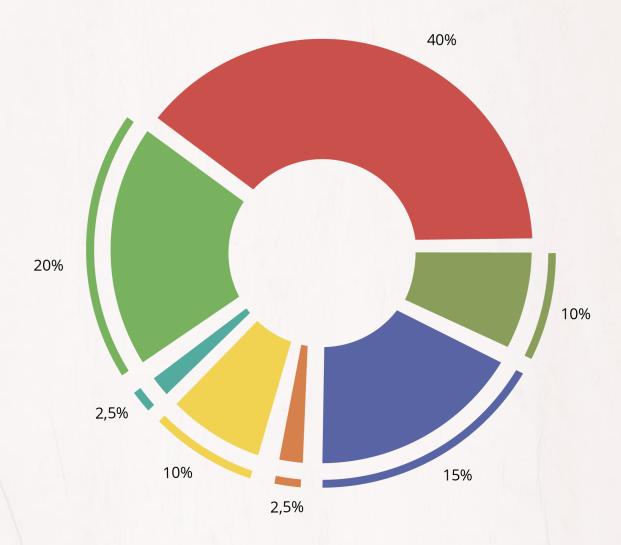
20% - ecosystem development

15% - founder

10% - miners after creating of FCE blockchain

2,5% - advisory board

2,5% - team



The development fund will be a separate fund and its activity will be determined by the problems of maintaining and developing an integrated ecosystem.

The miners reward will consist of 2 elements. They include the issue of FOODs in favor of the miners for the work done as well as the fee that he

transaction participants will voluntarily assign for the confirmation of their transactions. Over time, when the amount of emission intended for mining will be equal to 10% of the total volume of emissions, the miners will no longer receive compensation from the FCE Platform itself but will continue to receive a commission for confirmation of transactions. The volume of emissions for the miners should ensure sufficient time for the FCE Platform to reach operating conditions. As soon as the issue becomes impossible the mining will be maintained by the internal fees established and balanced by the participants themselves within the ecosystem. Mining programs will be available, and the mining model will allow everybody to make confirmation of the transactions within the chain thus excluding the possibility of the artificially inflating prices for the confirmation of the transactions. The fee for the activity within the blockchain will be determined by the market itself.

The Social projects fund will be developed in cooperation with various specialized government, non-government and non-commercial organizations dealing with the problems of fighting hunger, support of local farmers, food and agro projects, climate change problems, etc. The spending will be targeted and will be accompanied by information support so that all members of the community and the owners of the FOODs can evaluate the results of this activity.

The advisory board fund will be founded to attract high-quality experts in blockchain field, IT, logistics, social policy, monetary policy, investments and credit policy.

The team fund will be used to stimulate the project stuff and enlarge their number.

FOOD is not a type of stock or any other security, and it should not be considered as an investment instrument.

FOOD is an internal payment instrument to be used on 1000EcoFarms platform and other platforms. The main task of the FOOD cryptocurrency is to ensure the seamless operation of FCE Platform.

The cost and value of the FOOD can vary over time, both upward and downward. The FOOD will be traded on various exchanges that will determine the cost and rate value to other crypto and fiat currencies, in accordance with the demand and proposal.

FOOD cannot and should not be purchased for purposes other than those declared in the FCE program.

We warn that the potential risks of using FOOD as an investment or speculative instrument fall completely with those who decide to use FOOD for investment or speculation.

Funds allocation

The funds collected at TGE will be used to achieve the goals set out in this Whitepaper.

Since we believe that at the 1-st. stage the community should evaluate the market potential itself.

FCE Platform will build its ecosystem depending on the volume of funds contributed to the TGE.

Min. Cap. is 3 000 ETH

Max. cap at the 1-st stage is 125 000 ETH.

3 000 ETH - FCE blockchain and WALLOK (internal wallet v.1)

20 000 ETH – Creating SMACO (FCE Platform smart-contract system)

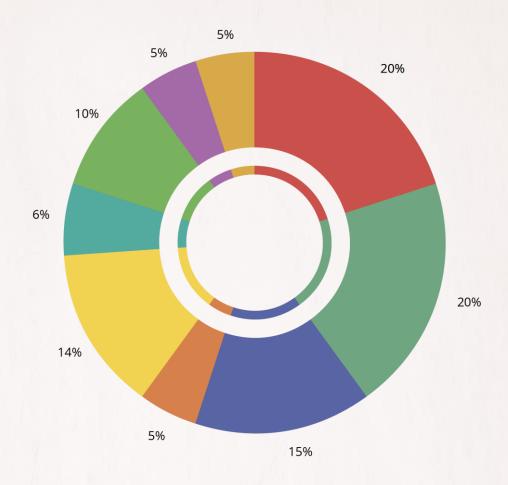
40 000 ETH – DIGID launching (remote identity service)

60 000 ETH - PRORID (product origin authentication system) launching.

80 000 ETH – DIPAY (payment processor)

100 000 ETH – Accelarator for the food&ag start-ups that have already got the ultimate product and customers, and are ready to develop together with FCE Platform

125 000 ETH – Social projects for local food development



- 20% Marketing
- 20% The team (the involvement of highly qualified experts in the field of blockchain)
- 15% Infrastructure development of FCE Platform
- 5% Loyalty program to attract new online trading platforms (online shops, local marketplaces)
- 14% Operating costs
- 6% TGE related costs
- Social projects (the use of FCE Platform as an alternative currency to stimulate local food&ag businesses
- Development of an accelerator for the food&ag start-ups that have already got the ultimate product and customers, and are ready to develop together with FCE Platform)
- 5% Experts and advisers

Economic model & user cases

FCE Platform is a decentralized blockchain platform that allows you to organize money circulation, social and business processes between a large number of independent economic agents without trust to a single center or any member of the network.

The introduction of a community currency and a technical blockchain infrastructure leads to the simplification of settlements and the automation of processes, thus leading to the elimination of intermediaries that are common for centralized systems. As a result, all members of the process (members of the chain of production, supply and consumption of food) receive a significant increase in efficiency and reduction of costs.

All the advantages and user-cases of the platform can be divided into 2 large categories - social and economic.

A social user-case is a way of using a platform that leads to an additional value, the cost of which cannot be measured directly. However, this value is essential for all (or most) parties to a transaction / process and is of apparent interest.

For example, the trust in the product in the supply-chain, since there is its tracking from production stage to sales, reducing routine work, automation of processes that were likely to fail in a centralized system. Providing work opportunities that were previously impossible, etc.

The economic user-case is a way of using the platform, which leads to the mutual economic benefit of the target participants of the process. This is reflected in the mutual reduction of costs for the transaction process, as well as on the reduction of the cost of intermediaries in the price structure of the goods.

For example, this is expressed in a decrease in the cost of goods for the final customer, because there is no income of several intermediaries in the structure of its price. At the same time, this situation is also profitable for the manufacturer, since the elimination of intermediaries enables him to increase his margin, which will allow him to further develop production of goods while reducing the final cost to the consumer.

The humanitarian user-case is the result of using the platform that leads to the solution of a significant humanitarian problem. Usually, this is the result of the effective work to solve economic and social problems in a particular territory. This is due to the fact that the nature of inequality is

usually found in the economic and political structure. Frequently, the instability of the political system leads to a significant increase in the risks of investment, investments do not come, so the standard of living is low, there is no possibility to introduce modern farming methods and pay for exits to product markets. All this leads to the fact that despite the fertile land, excellent climate and production opportunities, the farmer does not have the opportunity to sell his goods to the foreign market or gives this function to the intermediary who solves this issue. In this case, the products are bought at a knockdown price and resold in rich jurisdictions much more expensive. Thus, the consumer does not have the opportunity to buy quality products at an adequate price, and the farmer cannot emerge from poverty. And this is a vicious circle.

In this case, the decentralized system is the technical basis for building transparent and predictable social and economic relations. The most significant points are the following: independent monetary circulation, the possibility of building automatically-executable contracts (smart-contracts), fixing obligations and reputation, building transparent supply chains, transparent systems of support and distribution of funds.

It should be noted that the optimization of the supply chain is one of the most important tasks in this system. There are two types of intermediaries in these chains: intermediaries-parasites and intermediaries that create real value added in the process of their work. As the first category (parasites), we consider resellers and those who use the fact that the farmer has no out-reach to the final consumer or distributor and add a significant part of the price, without increasing the value of the product. Intermediaries that add real value is the category of entities, which include logistics companies, customs brokers, consignment warehouses, banks, insurance companies. These intermediaries allow you to carry out the necessary work, for example, qualitative delivery of cargo, its customs clearance (in the current reality, it is necessary to formalize relations with state bodies when crossing borders), and so on.

Let us consider the technical mechanics of the platform. Globally, you can divide all the directions into the following:

- 1. Token FOOD as a technical unit (gas) for the platform and token FOOD as a currency token and its circulation for mutual settlements of economic agents on the platform.
- 2. The system of smart contracts (digital contracts). Apply of one or more contracts to organize the supply chain in the B2B, B2C, P2P models.
 - 3. The system of digital reputation of economic agents.
- 4. The ability to register their own manufactured goods on the blockchain (for use in paragraph 2).
- 5. The ability to create their own derivative currencies of local communities on the FCE blockchain.

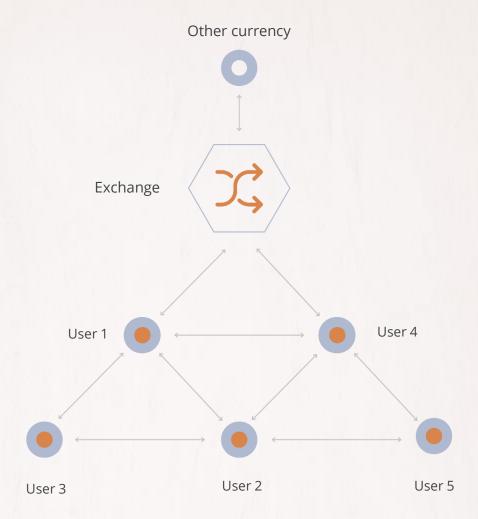
6. Possibility of flexible construction of additional user-cases of the platform using the smart-contracts.

Technical capabilities are just the foundation for social processes. Let us consider the social processes on the platform (items are saved):

- 1. The independent currency of the community allows you to make mutual settlements in a convenient format, without borders and obstacles. Reliable fixing of payment and security.
- 2. The system of smart contracts (digital contracts) allows you to conduct a supply chain from the manufacturer to the final consumer or distributor in the region transparently and with a minimum of complexities. Only the intermediaries that create value are involved in the chain and their services are clearly regulated by time and cost.
- 3. Digital reputation motivates users to conduct honest long-term business and is a significant additional value in the market.
- 4. An important aspect for the formation of supply chains and identification by the farmer of his goods in digital form.
- 5. Certain local communities can issue their own currency on the basis of FOOD crypto currency for internal mutual settlements. This will create an additional cost base, which, if necessary, can be used to support the activities of the economy (you will find the example later)

It should be noted that all the above-mentioned items contain mainly a technical basis (and as a consequence, induce social processes) that convert the opportunity to supply goods and eliminate unnecessary intermediaries. In addition, marketplaces (one of them is 1000EcoFarms) will be implemented, where buyers and sellers will be able to find each other and further use all the technical and social benefits for mutual settlements.

Let us consider the general scheme of the economy of the platform:



The economy of the FCE Platform has a digital payment unit FOOD. The number of FOOD is limited mathematically and is embedded in the source code. The users interact within the system, transferring tokens to each other. The platform has a closed economy and interacts with the outside world through the exchange, where the FOOD rate to other currencies and digital assets is determined. FOOD is the basic asset on the platform. When the local currencies of the community of the platform users are created, their circulation is carried out according to the same scheme, with the exchange for FOOD on the internal decentralized exchange.

With reference to the fiat currencies of the outside world, the FOOD token refers to a deflationary model because of the limited emission. The value of the token depends on its demand for the community and, as a consequence, the ratio of BUY / SELL orders on the exchange (the price of the asset can only be determined in the transaction). Obviously, if the system is in demand in the outside world, the FOOD token will be regularly bought for fiat currencies or other cryptocurrencies.

Closed condition is an important point of monetary circulation. Closed condition means that the token will mostly apply for goods and services within the platform, i.e. without selling it for another currency. For

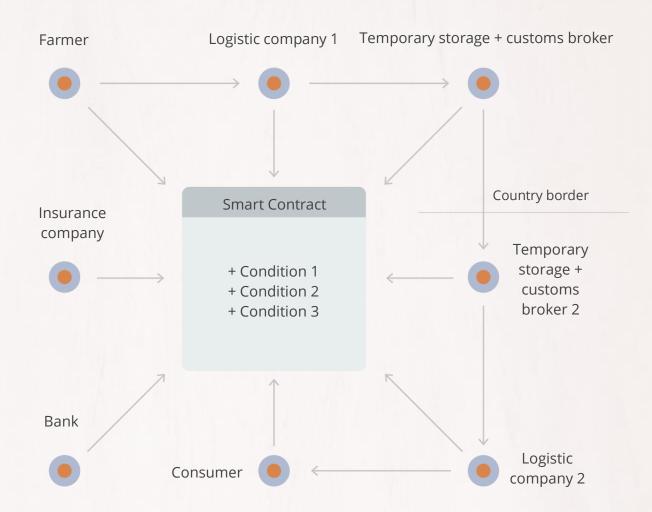
example, a farmer who received FOOD in payment for the goods paid for the work of his contractors and raw materials to produce his products in FOOD tokens, and the producer of raw materials then bought something else and so on:



It is obvious that the goal is to create such a community on the platform and such value from participation in the community so that the duration of the token circulation (the number of transactions before entering the exchange for sale) was the maximum. Then the price of the token will be stable due to a decrease in the offer on the exchange; and in the deflationary model, together with an increase in interest and new users on the platform, it will lead to an increase in the price of the token in the long term.

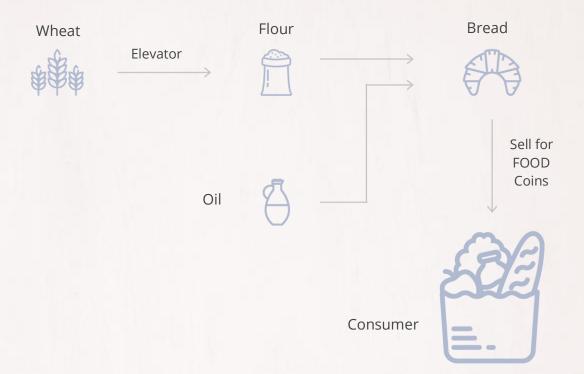
We have considered the simple turnover of the token on the platform. Now let us consider a real case of selling a product by a farmer using supply-chain technology to a consumer from another country (see the figure below). The fulfillment of the terms of the smart contract is checked at every stage of the chain. The conduct of operational activities in the collaboration with the mentioned intermediary structures through a smart contract will automate the process and make it transparent. In addition, delivery monitoring is planned to include the use of sensors T, pressure and others on delivery to monitor compliance with the transport conditions of the product. Using this system, a farmer can essentially conduct a p2p or b2b

transaction when the remaining links in the chain work according to a given algorithm with an understandable execution control.



It is obvious that the elemental case is a p2p sale by sending a private parcel, however it limits the quantity of goods and narrows the conditions of dispatch. Therefore, the case of full delivery of goods in the current reality from a farmer from one country to another was considered. It is important to note that the bank can act as a transaction verifier, and the services of service providers (customs brokers, logistics companies) can be paid from the funds deposited on the contract. Further, these organizations (theoretically, in the presence of legislation) can exchange these tokens into a fiat currency on the stock exchanges. In this approach, it is important that it is possible to send a p2p delivery essentially, automating other intermediate iterations, making this path simple in terms of routine and transparent.

Using supply-chain on the platform allows not only to automate the delivery process but also to identify the history of the product's origin:

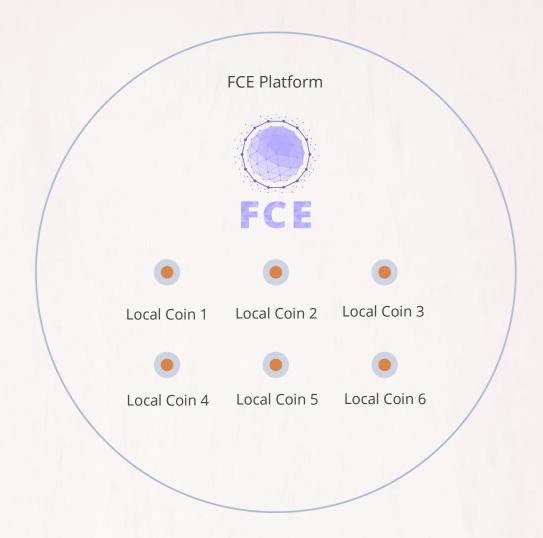


This scheme assumes that wheat, flour and butter were produced by farmers with the identification of the product with the help of a blockchain system. Thus, the consumer knows from what products this bread is baked of, and (ideally) also the structure of the price of this bread.

Thus, as indicated above, the platform allows farmers, consumers and other process participants to interact transparently and in the most automated manner. This allows you to remove parasitic intermediaries and reduce costs, reducing the final price of the product for the consumer and increasing the margin for the farmer by optimizing the price structure.

Further, we should discuss the introduction by local regional farmers associations of their local currencies and their place, and the value created in the FCE Platform.

First of all, the creation of FCE Platform and other currencies on the platform is aimed at creating a universal payment instrument in the community. This payment instrument creates a capitalization of value (in fact, a little new monetary base is created), which allows to reduce the deficit of working capital. A significant problem in farms in developing countries is the high cost of loans and the difficulty of obtaining them. Therefore, in the future, it is logical to issue local currencies for many communities around the world.



Thus, monetary circulation on the platform will be supplemented with local currencies in the future. All such local currencies will support the capitalization of the main asset - FOOD. Releasing their local currencies, farmers' communities will be able to resolve liquidity shortages.

Thus, we have discussed the aspects of monetary circulation (the deflationary model, the length of circulation before entering the exchange, the model of the supply chain, the creation of local currencies).

Conclusion: The value of the platform is to eliminate numerous intermediaries, optimize costs, build simple and transparent ways of forming supply and payment chains. One of the important cases is the possibility of creating their own currencies for local farmers' communities, which can help to solve the problem of high cost of money and lack of liquidity within one closed community or a set of such communities. Using all solutions (economic, social and technical) together, it is possible to achieve a completely new level of the agricultural products disposal and farming activities by the mechanisms of adding value to the system. Value is not taken anywhere; it is formed by the community itself through active use of the payment instruments and technologies.

What is WALLOK?

WALLOK is a smart multi-level multi-currency wallet. You can create both as a unique wallet for your smartphone and synchronize it with other devices (PC, tablet, smart watch, etc.)

Functional FCE Wallet will allow users to:

- To open multi-currency accounts and crypto-currencies;
- To issue invoices and pay bills;
- To use only one or both of wallet levels (Vault or Air);
- To make instant and free transactions (on Vault level);
- To have access to exchange operations and conversion of fiat and crypto-currencies;
- To use the integrated messenger;

Vault is the most secure level of storage and flow of funds that will be held in within the platform and among the WALLOK users. Transactions that take place between WALLOK users at the Vault level, may have additional confirmation function.

Air is the level for advanced blockchain users who make payments using the external wallets.

A WALLOK wallet will have an implementation for using it for business and personal tasks.

What is DIPAY?

DIPAY is a 2-level cryptopayments processing service.

As part of DIPAY processing, the following features will be available:

- creating mobile multi-sig cryptowallets;
- safe cryptoassets storage;
- free and instant payments within the platform;
- the option of issuing and receiving bills/invoices;
- buying and selling cryptocurrencies in online mode;
- recurring payments;
- binding to bank accounts and cards;
- integration with third-party software (for restaurants, accounting, inventory control, etc.).

DIPAY will be an extended version of the wallet WALLOK with API for integrating with third-party services.

For the implementation of DIPAY, partner banks having blockchaintechnologies loyal jurisdiction will be connected. DIPAY will have an API to connect to third-party services and resources.

DIGID (Digital Identity Verification Platform) is a remote user verification system built on a decentralized Ethereum-based blockchain platform.

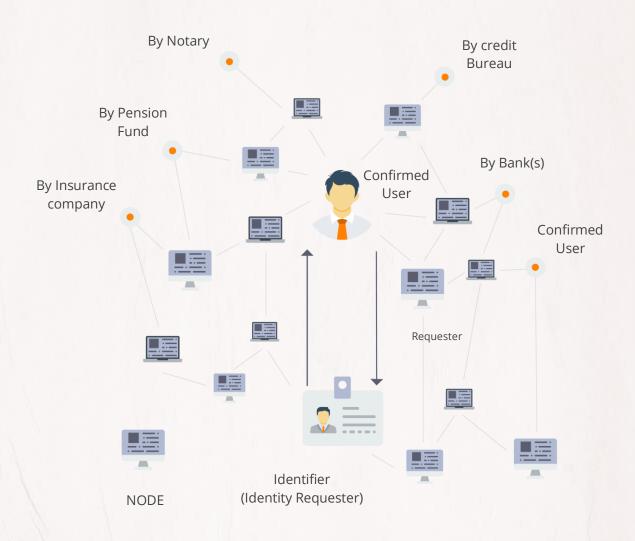
Full application of blockchain technology in the business environment would be impossible without powerful and secure user identification tools.

User identification will be voluntary, but at the same time, an essential condition to participate in the platform in its business implementation.

How is the user identified?

- The parties of a smart contract transaction can request a oneway or mutual verification to the other party of the transaction.
 For this purpose, parties of a transaction exchange DIGID username public keys (tokens). In order to get a full DIGID, the user will have to obtain a confirmation of its profile from a third-party platform user.
- The user is identified once and it remains so in the system as a digital entry forever and can be requested automatically during the verification request.

DIGID Digital Identity Verification Blockchain Platform



What is SMACO?

SMACO (Smart Contract) is a flexibly administered smart contract with the function of multiple inputs and outputs. SMACO will have integrated horizontal and vertical connections between the transaction parties.

A smart contract will be managed by one or more administrators. A hierarchy with rights will be configured by an FCE user who created the smart contract.

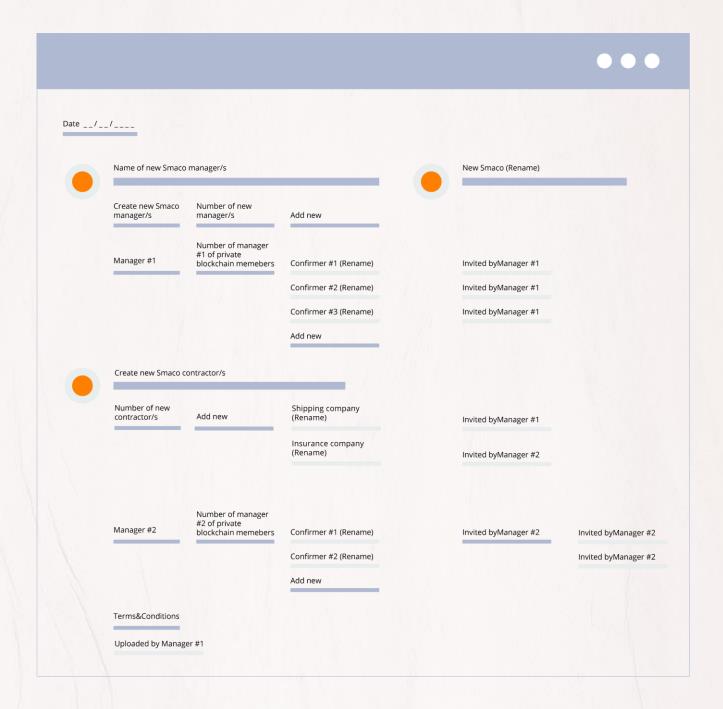
All administrators horizontally integrated into the current smart contract will have the same rights and cannot be removed or restricted in smart contract management rights after signing it.

Each administrator will be able to create a vertically integrated private blockchain for personal service within the current smart contract. The administrators will not have access to private blockchain of another administrator.

Additional parties to the transaction can be invited by the administrators on their own initiative or on the basis of consensus and become either parties or verifiers of the current smart contract.

An open library of standard SMACO contracts with an intuitive interface for connecting additional options will be created. Creating and maintaining SMACO contracts will not require programming skills. Working with SMACO will be usable for everyone.

SMACO control panel



What is PRORID?

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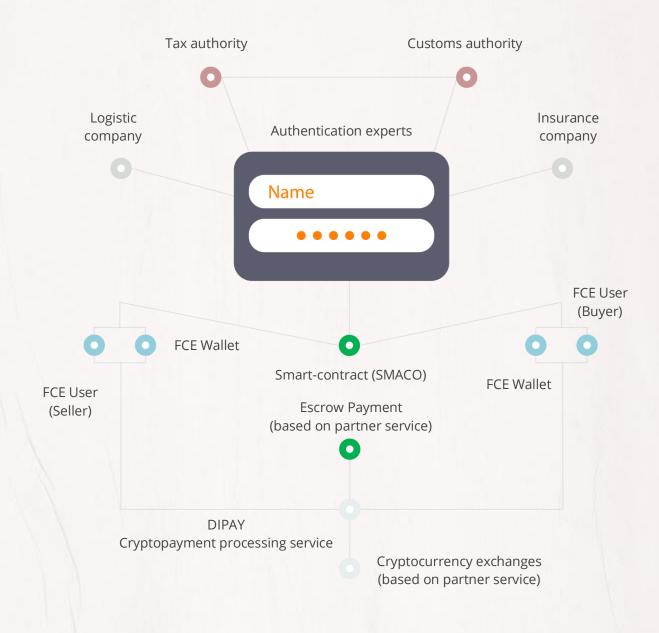
PRORID is products and goods origin authentication system. Actually, PRORID will be a type of Ethereum-based smart contract.

An essential condition to prove the origin of the goods or product in the PRORID system will consist in signing a smart contract by one or more experts (public, commercial or private) with an undisputed authority in matters of origin authentication of the goods that are the subject of an agreement in the framework of the current SMACO contract.

If a smart contract includes a PRORID feature, the logistics company will be obliged to accept the goods only after confirmation from the experts on the current smart contract based on the consensus between the parties of the contract.

PRORID integration with the electronic databases of public fiscal, customs and supervisory authorities will significantly limit the circulation of illegal, counterfeit and other illicit trafficking products and goods, thus making a significant contribution to the fight against economic crimes.

1000EcoFarms - PRORID Product Origin Identity Service (Included DIGID (Digital ID Service)



Conclusion

This document set out a conceptual vision of the FCE ecosystem. This concept is based on the understanding that the dynamic changes in the mentality of consumers have an equally dynamic and often dramatic impact on numerous markets. All the elements of sales chains are experiencing discomfort from changes (from small farmers to large banks and insurance companies). Creating and developing the 1000EcoFarms platform, we can see how users' requests change. The consumers are no longer willing to restrict themselves by the established frames which may now be called obsolete. We see the solution in the use of new technologies and their implementations.

Blockchain technology is certainly promising and is at a very early stage of its development. We strive to create workable and comprehensive solutions for personal and corporate use.

The decision to issue our own cryptocurrency in several steps should demonstrate the relevance of this concept on the one hand, and to enable to smooth out excessive volatility on the other, in case of high demand.

Creating and developing the FCE Platform, comfortable and useful for many purposes, we accelerate the beginning of a new era of development of the food production and consumption market.