



MaxBox Token White Paper



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MaxBox Systems Inc.

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Summary

As the Philippine's highest-ranking FinTech solution provider, MaxBox will open and operate the first regular virtual currency exchange office in the Philippines to support the circulation of virtual currency, and the so-called ICO (Initial Coin Offering) by releasing its own token in order to provide platform services to assist the financing of each company and project, and will strongly promote the revitalization of corporate activities both inside and outside the Philippines.

At MaxBox, we will promote the distribution of various virtual currencies by themselves as virtual currency exchangers and will also use virtual currency based on Ethereum Smart Contract as our own token. Furthermore, by connecting with virtual currency such as Bitcoin, we will provide infrastructure for virtual currency which combines usefulness and liquidity.

Blockchain offers a fundamentally different new mechanism for storing and managing information online. By using distributed ledgers, it is possible to overwhelmingly solve system issues and security problems existing in traditional centralized databases and protocols.

The Blockchain solution has advantages of transparency, invariance, cost, security and reliability. This is also clear from the fact that financial businesses, government agencies and other organizations are considering all kinds of applications in terms of providing services more effectively and efficiently. However, deploying a new Blockchain for each of these objectives place a heavy burden on network infrastructure, development, security, and ongoing maintenance. Also, when using existing Blockchain (such as Bitcoin) with As-Is, users cannot control the function of Blockchain and future development work, so many problems will arise in service development.

MaxBox also adopts a similar approach for deploying Blockchain so that we can develop services via the Blockchain and Ethereum platform which implements powerful APIs and frameworks. This enables optimization of development process and flexible application development. Thereby, MaxBox can provide state-of-the-art systems and services such as company analysis using ICO platform and AI based on Blockchain and Smart Contract, ensuring transparency and effectiveness.

Market Trend

The Philippines is the 2nd fastest-growing economy in Asia.

According to the Nihon Keizai Shimbun on January 26, 2017, the Philippine government announced that the real Gross Domestic Product (GDP) growth rate (preliminary figure) in 2016 has increased from 5.9% in 2015 to 6.8%. This is thought to be due to the increased remittance from migrant workers and the favorable private consumption which accounts for 70% of GDP.

The GDP growth rate in the Philippines in 2016, which slowed down to 7.1% in 13 years, but now it has turned to expansion. Migrant workers' dollar remittance increased when the value of peso in dollar declines in the middle of 2016. The remittance from foreign countries in January to November is a record high of 24.3 billion dollars (about ¥2.8 trillion), an increase of 5.2% compared with the same period of the previous year, which is boosting private consumption.

The government set the target of the economic growth rate in 2017 to 6.5 - 7.5%. In December 2016, the World Bank raised the Philippine's 2017 growth forecast to 6.9% from 6.2% as of October, and forecasts 7.0% in 2018. The government plans to introduce infrastructure development as one of the main pillars of the medium-term economic plan announced in February to maintain growth. (From the Nikkei newspaper WEB version dated January 26, 2017)

According to the HSBC survey report (World Economy, 2015), the Philippines' World GDP ranking is expected to rise from the 43rd in 2012 to 16th in 2050, where Philippines is seen develop as a "Rising Star in Asia".

Meanwhile, the population in the Philippines is growing remarkably, especially among young people. In 2010 it already exceeds 80 million people, in 2020 it is expected to exceed 100 million people, and is predicted that the population will continue to accelerate until 2070.

Along with this continued population increase, migrant workers abroad are increasing in proportion, and remittances from overseas to the Philippines have reached approximately \$28 billion. The Philippine remittance market is now the third largest in the world after India and China. According to the Philippine Central Bank, foreign currency remittances from January to September 2016 totaled 20 billion dollars (about ¥2 billion).



an increase of 4.8% from the same period of the previous year, and is seen to reach the highest remittance of the year.

On the other hand, the inconvenience of banks has been conspicuous for remittance procedures from overseas, and its improvement is an urgent issue to be addressed by the Philippine government.

MaxBox will solve this problem with a new remittance using virtual currency and will promote and expand the appropriate virtual currency remittance transaction as domestic pioneer of this huge remittance market.

MaxBox Business Plan

At MaxBox, we are planning to step up business development in five phases.

■ Phase 1: Establishment of Virtual Currency exchange

MaxBox will register as regular virtual currency exchange trader in the Philippines and first release a wallet and a virtual currency exchange that can purchase, transmit, receive, settle, trade such existing virtual currencies like Bitcoin, Ethereum and so on. As the official exchange authorized by the Philippine government, we aim to secure market share earlier than anywhere else.

■ Phase 2: Release of ICO platform

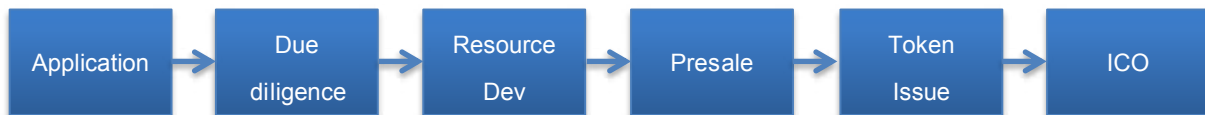
We will design and issue unique tokens for each company that wishes to expand startups and businesses, and provide all the missing resources such as financing support, suppliers introductions, human resource development, etc. We will comprehensively support flexible and rapid business start-up.

After that, we will establish a role and position as a next-generation exchange that also supports ICO around the world including our exchanges. By utilizing the virtual currency / token, we can collect activity support from all over the world, aiming for Asian Silicon Valley and Crypto Valley.

MaxBox will support the procurement of promising companies in Japan and overseas, and at the same time, we will provide the ICO platform as a new mechanism in return to supporters (investors)

On this platform, we issue a unique token that allows each company to procure flexible funds, and an exchange function that allows issuing tokens to be registered in exchanges and make market trading relative.

Several processes are required before ICO. You can arrive at ICO for the first time after designing tokens and implementing presales, with due diligence to examine business and project contents as entrance.



■ Phase 3: Collaboration with domestic service companies

We will cooperate with various companies in the Philippines, mainly logistics and retailing, and will issue and penetrate useful tokens in cooperation with the real economy, such as service tokens for each business operator.

■ Phase 4: Collaboration with domestic financial institutions

By collaborating with domestic financial institutions and M&A, we will promote the use of tokens in existing financial services (e.g. issuing bank's own coins, collaboration of unique coins and debit cards etc.), and new financial infrastructure services with virtual currency and tokens we are planning to provide.

■ Phase 5: Development of FinTech platform utilizing AI

We will utilize AI's corporate analysis evaluation for the ICO platform in order to realize sophistication as a support platform for corporate activities. As a result, it will be possible to support more accurate and optimized business management.

AI platform

MaxBox aims to optimize enterprise analysis and corporate activities by AI.

In this platform, we will incorporate not only conventional information but also social data centered on SNS, and will conduct corporate analysis with a multifaceted viewpoint.

We will also apply AI to corporate activities in order.

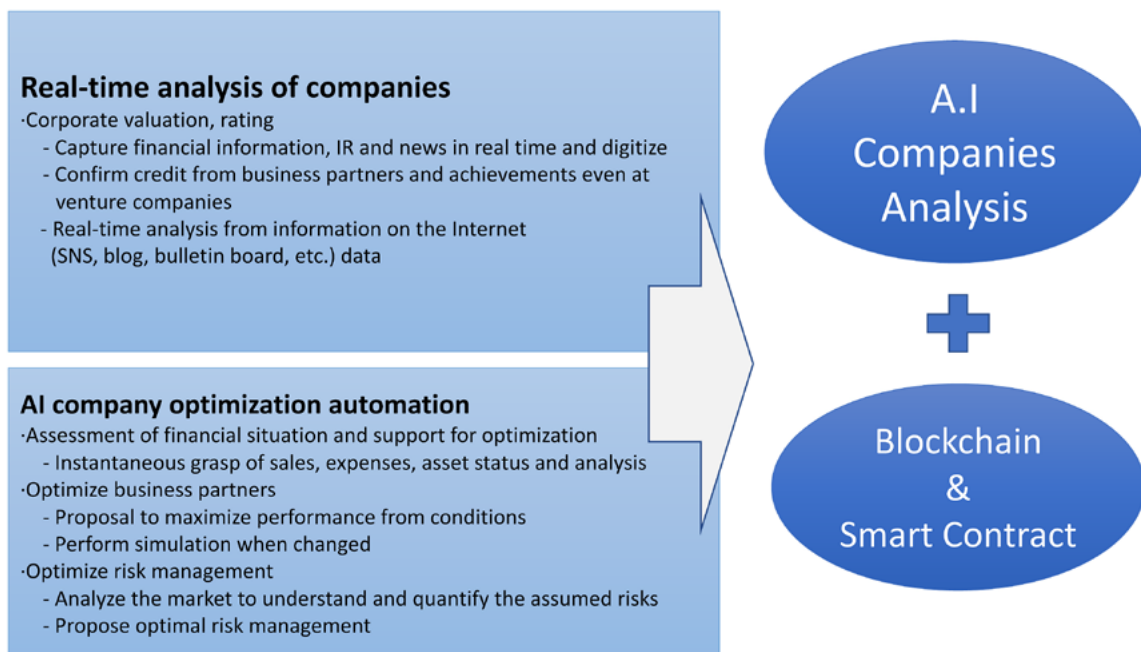
As a company optimization solution by AI, we plan to provide services that contribute to corporate evaluation at ICO, value-added of companies and profit improvement.

Furthermore, as a mechanism to ensure the feasibility of these activities, we will also develop platforms based on Blockchain and Smart Contract in parallel.

■ State-of-the-art enterprise analysis by AI

- Collection and association of related big data by A.I. Mapping
- Real-time analysis of companies and automation of company optimization
- Automated collateral and transaction execution of contract based on Blockchain and Smart Contract

Enterprise analytical evaluation by state-of-the-art A.I



■AI company optimization automation

1) Assessment of financial situation and cash flow optimization support

We will link with cloud accounting, existing accounting systems, financial institution information of partners. We will collect and understand figures such as sales and expenses of the entire company and analyze the movement of funds in real time.

By grasping sales and expenses of department and individual at any time, it is possible to realize not only profit and loss, but also current situation analysis and optimization of cash flow.

2) Optimization of business partners

The AI analyzes the details (prices, etc.) of product, services and projects in progress, its progress situation (schedule, task, person in charge) by registering business partner information (search using the same platform). It is judged whether the business partner of the



company is appropriate. As a result of analyzing the speed and price to delivery, after-sales follow-up and satisfaction of other companies. It proposes companies that will provide products or services more suitable now. You can simulate cost reduction degree, time reduction degree etc. when changing the business partner.

3) Human resource optimization

By synchronizing and analyzing employee's mail, chat, materials, etc., we can grasp in real time the situation of who is, where and what kind of work is done in real time, and take a sudden change of business and what to do for the newly added person. Moreover, we can analyze individual's ability and personality by optimization such as suggesting suitable projects and placing personnel at the right place.

4) Optimize risk management

By analyzing risks such as politics and economic environment related to project contents and new projects, we conduct optimization simulation in risk management, such as strategies to avoid and reduce insurance.

■ Company analysis and evaluation method by A.I

Based on data aggregated by AI company optimization automation, we digitize internal elements such as cash flow, personnel affairs, and in-platform exchanges. We add external factors such as business contents, business partners, market trends and market size enterprise. As a result, we can quantify and visualize the credibility, stability, growth potential, anticipated risks and problems.



Virtual Currency Exchange System

First of all, we will construct and operate a system essential to the virtual currency exchange. After that, we will implement the necessary functions flexibly based on market needs.

■Service / System

1. Service

As an authorized virtual currency exchanger, MaxBox provides the following services related to virtual currency:

1) Wallet

You can deposit virtual currency, send it between accounts or send it to an external address.

2) Virtual currency exchanges

You can buy and sell virtual currencies on the exchanges anytime.

3) Virtual currency trading

We also provide a trading system, in-kind transactions and leverage transactions in virtual currency. The price is determined by the supply and demand of trading participants.

2. Overview of virtual currency handled

Initially we will begin handling the major virtual currency below. In addition, we plan to expand handling currencies sequentially and to begin handling MB Tokens at our exchanges in accordance with the launch of ICO platform and ICO of MB Token.

1) BTC: bitcoin (Bitcoin)

Bitcoin (Bitcoin) is a virtual currency that can store and transfer value. It is based on the blockchain (a network used as a means of storing and transferring assets by recording transaction information in a ledger on the Internet), which is a distributed ledger using cryptographic technology devised in 2008. It has features such as having no issuer, issuance limit, etc. It is used for payment instruments and investment.

2) ETH: Ethereum (Ethereum)

Ethereal (Ethereum) is a mechanism to describe smart contract (contract information) in the blockchain. Bitcoins manage all transaction histories with blockchains, but they write the contracts made in the transaction to the blockchain, and the written contract contents are executed.



3. Transaction channel

You can trade on the Internet by PC and smartphone. In addition, you cannot order through email or telephone via customer support. * Some services cannot be used from smartphones.

4. Transaction time

Trading is available at any time. There is no periodic system maintenance time, but temporary maintenance may be carried out. * Transaction time may be changed occasionally if necessary.

5. Trading pair

The virtual currency pair handled by us is as follows.

- 1) Sales office (cash transaction) BTC / PHP / ETH / PHP / ETH / BTC
- 2) Exchange (cash transaction / leverage transaction) BTC / PHP - ETH / PHP - ETH / BTC

Initially, it corresponds to Bitcoin, Ethereum. From there, we will continue to expand the virtual currency handled.

6. Types of exchanges orders

You can order by order and limit.

7. Fee

The following fee etc. will occur. Conditions and amounts are specified separately.

- 1) Transaction fee
- 2) Deposit and withdrawal fee
- 3) Remittance charge

■System infrastructure

In order to ensure availability, extensibility and reliability, this exchange system is built on the AWS (Amazon Web Services) cloud environment. Also, to deal with security risks on various systems, we will implement necessary content for security solutions provided on AWS.

■Major System function

The main functions provided by this system are as follows.

Major System Functions (Initial Release)

- a. Wallet
- b. Customer Management
- c. Transaction Management
- d. Virtual Currency Sales and Buying
- e. Virtual Currency Trading

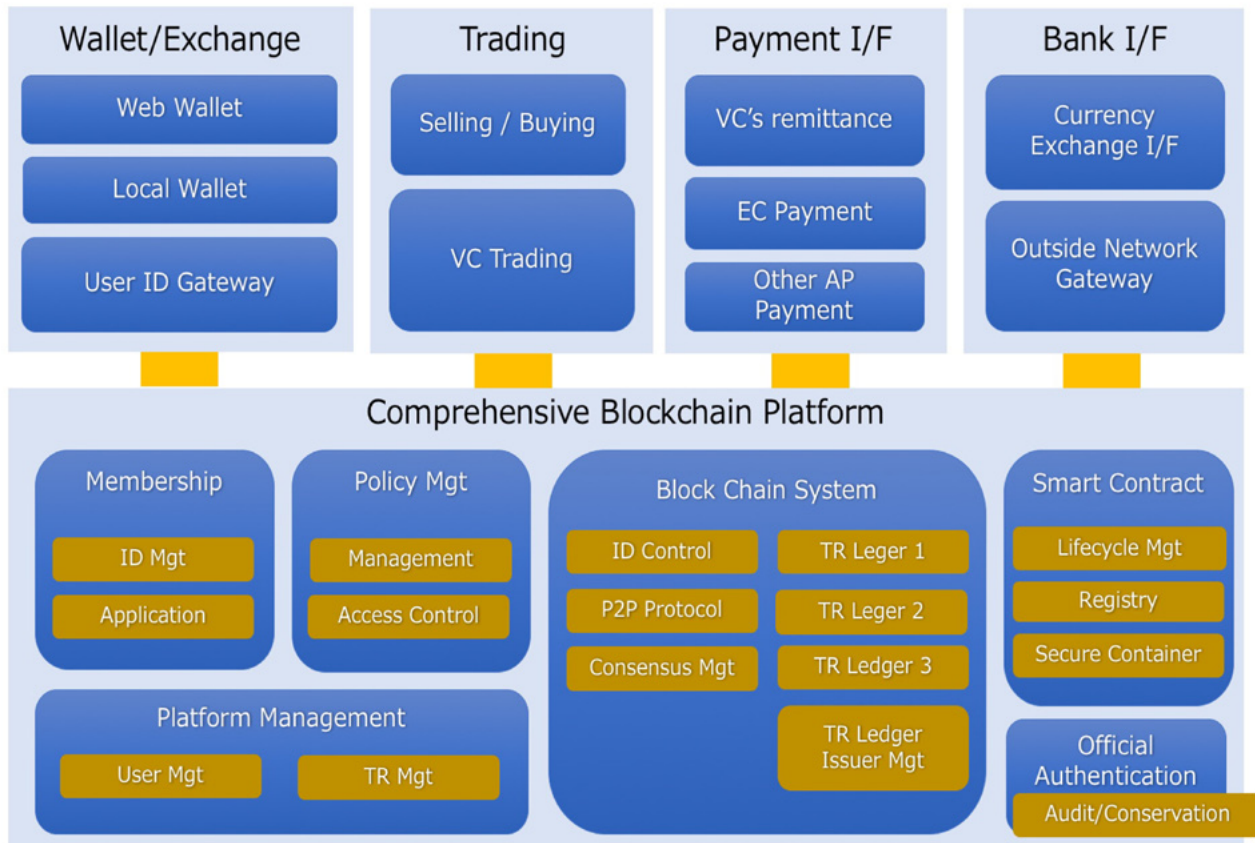
- f. Reporting
- g. Other Management

■System Structure Image

This is an image of MaxBox system configuration.

Based on the Blockchain total platform, we will implement the system necessary for providing each service.

System Function Image



5. System Security

In order to provide an environment where all customers can trade virtual currencies with peace of mind, we are doing our utmost effort to make ease of use and strong security coexist. In addition, we will implement various security measures to prevent money laundering and criminal revenue transfers.

(Example: SSL communication, adoption of SHA-2 (SHA-256), FW, WAF, 2FA, customer information encryption, Antivirus, measures against hacking etc.)



Marketing Plan

We will develop various promotions that combine real, web, etc. as the main target of customers and promote alliances with more than 13 million companies/individuals, and aiming at early acquisition of users and expansion of transaction volume.

a. From the beginning Plan for Partnership

- Japanese biggest IT company
 - Operate Internet shopping mall (2.9 million registered users)
 - Operate service portal site (13,000 cases of registered stores)
 - Operate a recruitment site affiliated with universities and companies (200,000 registered companies)
- Migrant workers control group (10 million workers)
- Domestic bank
- Major media
- Language

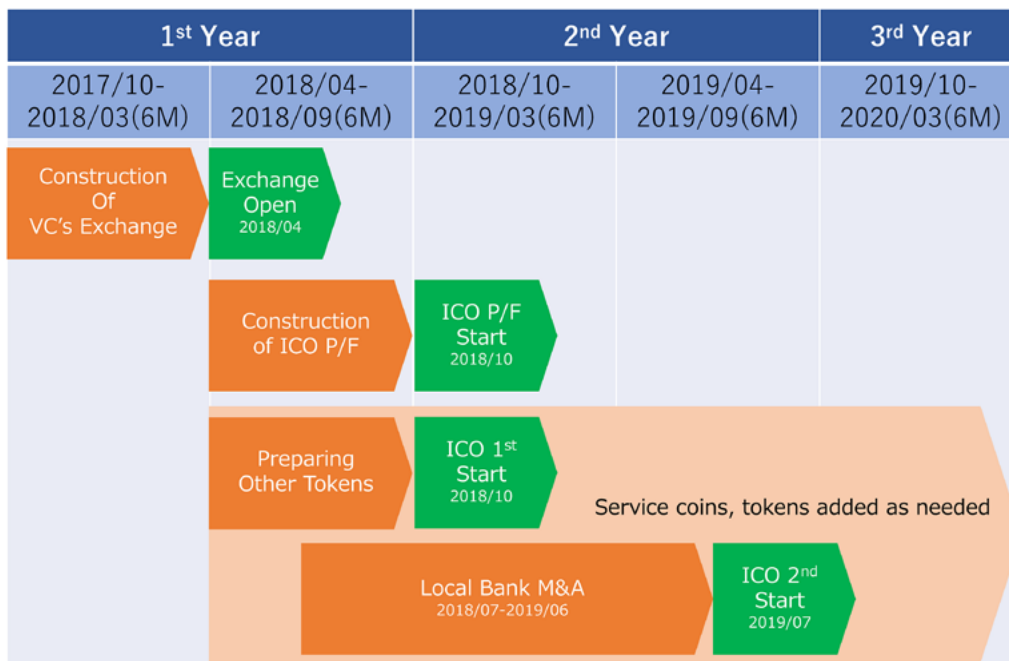
b. Occasional Partnership

- Real estate-related companies
- Local conglomerate companies
- Others

The virtual currency exchange office is also considering deployment in a real shop. As a goal, we are aiming at 30 ATMs in 50 years and 5,000 ATMs in 5 years. With the expansion of this business, we plan to broaden the range of usage from small settlement of convenience stores, malls, gas stations, retail stores etc. to large settlements such as real estate and corporate transactions.

Schedule

Registration of our virtual currency exchange trader is under review and will be approved by the government. The virtual currency exchange is scheduled to start in April 2018. At the same time, we are promoting the construction of the ICO platform, and we are working to release the ICO platform in October 2018.



Business Forecast

1. Financial Forecast

We are planning various fees for transaction fees, mainly for sales. We anticipate an increase in transaction volume and sales due to the growth in the number of accounts, intend to achieve sales, sales volume, sales, in the fifth year. In the first year, the start-up phase, and the second year, the establishment phase of the business foundation, we plan to increase capital through major shareholders and business partners, and flexibly secure the necessary working capital.

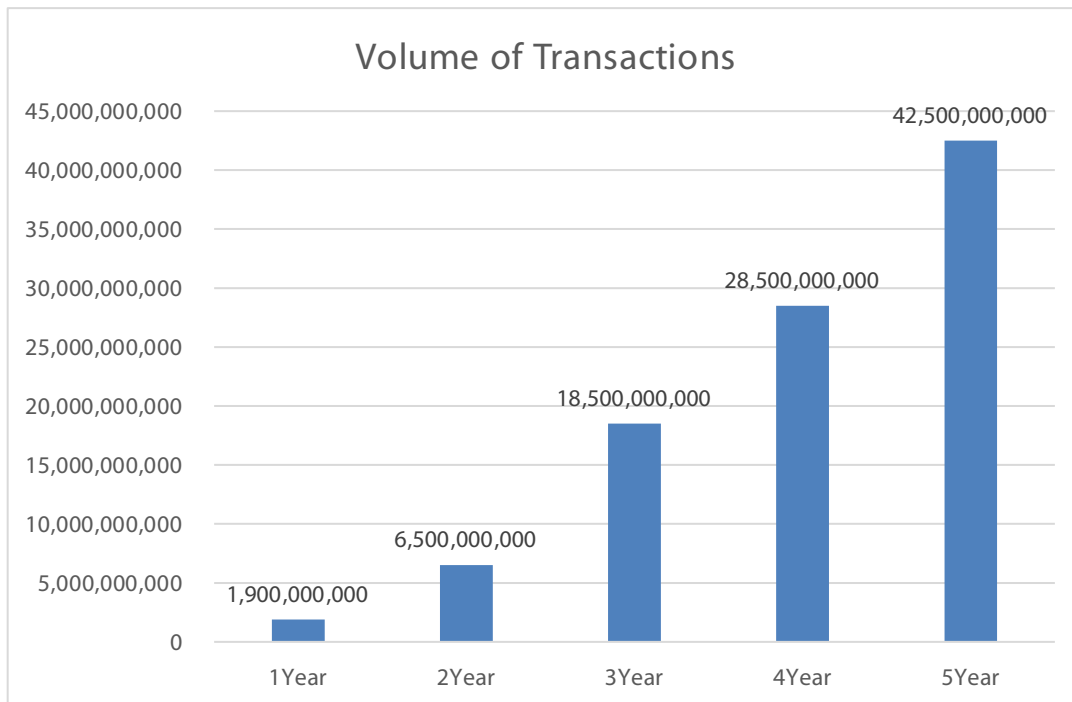
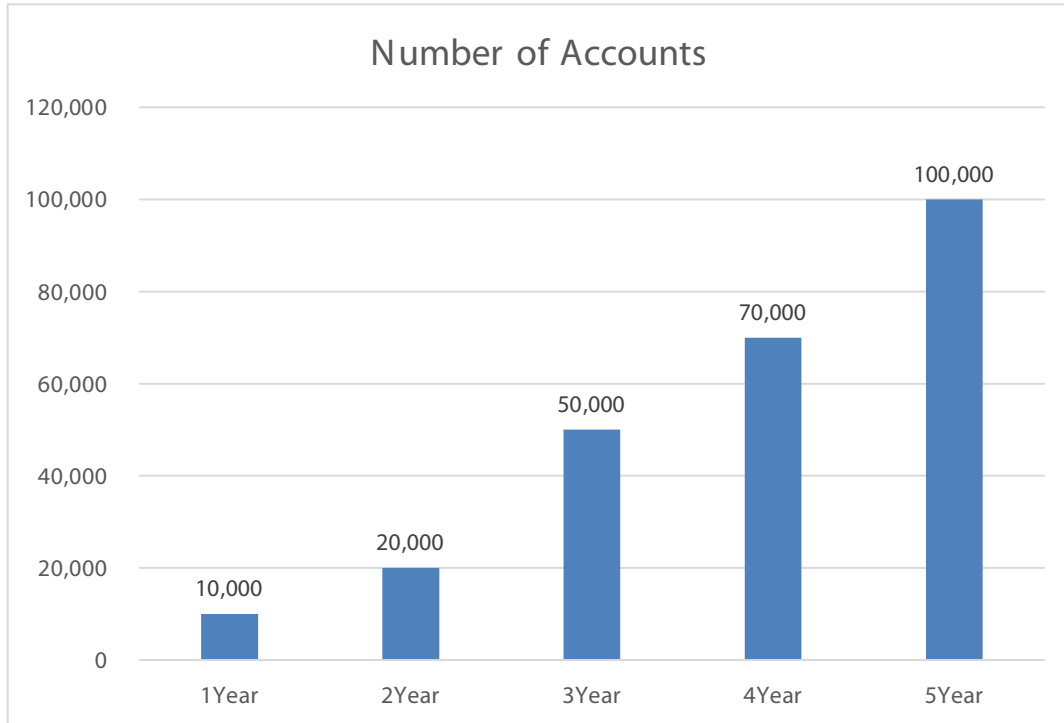
Financial Forecast (unit: PhP)

	1Year	2Year	3Year	4Year	5Year
Number of Accounts	10,000	20,000	50,000	70,000	100,000
Volume of Transactions	1,900M	6,500M	18,500M	28,500M	42,500M



2. Number of Accounts and Volume of Transactions

We will aim for 100,000 active accounts and a transaction volume of ¥35 billion in 5 years.



MaxBox Token Presale

■ What is MB Token?

MB Token is a unique token built on the blockchain of the Ethernet network and issued by Maxbox. MB Token is issued as a token conforming to ERC 20 which is one of the common standards of the Ethernet blockchain.

As a platform provider, MaxBox will work closely with various companies and services in the future to support and promote the use of unique tokens and coins that are useful. Along with the penetration of new tokens and coins, we will further work to expand the use of MB Tokens.

MB Token presale was launched in November 1, 2017. Below are the details of the token sale:

■ Token Issuance and Allocation

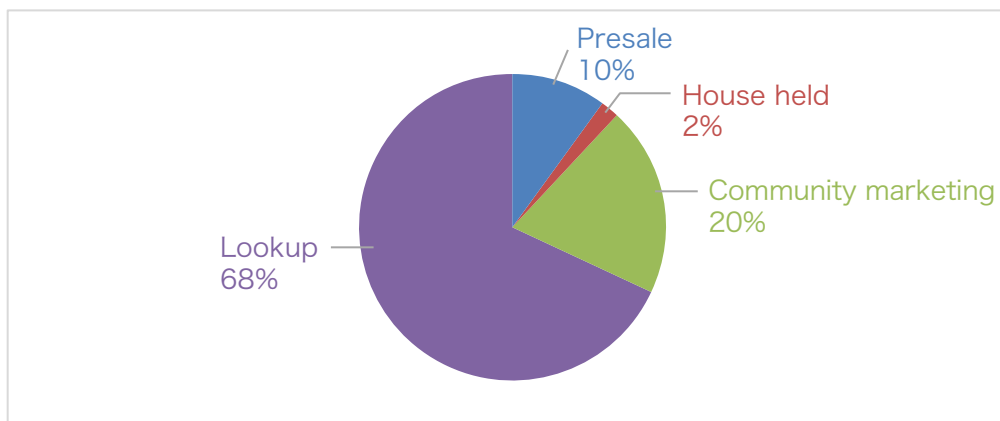
Total number of MB Tokens: 100,000,000

Presale (Contributors): 10,000,000 (10%)

House held (MaxBox): 2,000,000 (2%)

Community marketing (Incentive): 20,000,000 (20%)

Lockup (Reserved): 68,000,000 (68%)



For MB Token presale, the total issue quantity is set at 100 million. The token issued for sale during the presale period is 10%. Two percent is distributed internally to MaxBox and 20% will be given community marketing as an incentive for related companies contributing to the project. The remainder will be secured as lockups issued according to demand in the future to promote the sound market circulation of tokens.

In addition, the number of tokens issued is limited, and it is introduced to the market according to demand. Upon reaching the specified number, no new market launch will be made.



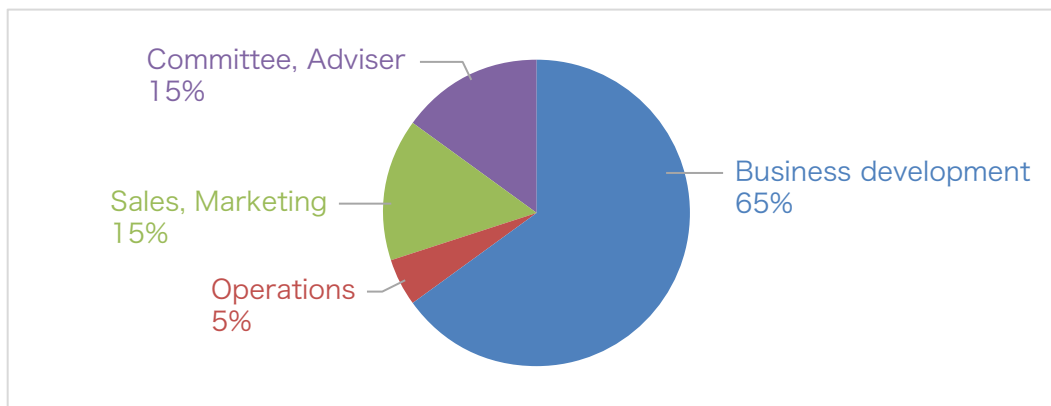
■ Use of Funds

Business development (system, service, settlement funds): 65%

Operations: 5%

Sales, marketing: 15%

Committee, advisor: 15%



Funds raised from the token sale shall be allocated primarily for the development of systems and services, mainly on virtual currency exchange and ICO platforms, and will be also used to secure liquidity of settlement funds for virtual currency exchange.

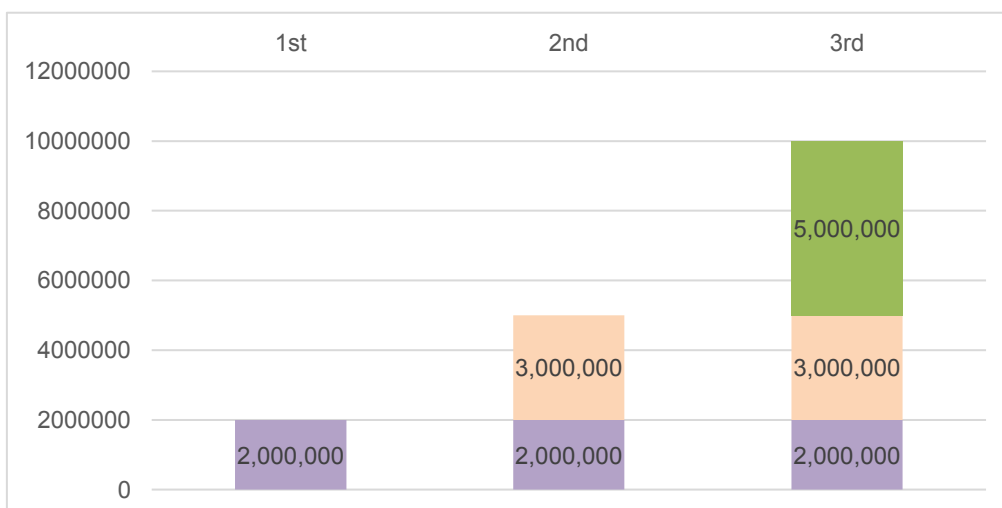
■ Sales Period and Number of Tokens

Phase 1: December 1, 2017 - January 31, 2018 2,000,000

Phase 2: February 1, 2018 - February 28, 2018 3,000,000

Phase 3: March 1, 2018 - March 31, 2018 5,000,000

* When sales reaches the number sold, the sales will end and the next round will be ahead of schedule.





■ Bonus

1. Time Bonus: Early purchase bonus

Phase 1 + 15% Bonus

Phase 2 + 7.5% Bonus

Phase 3 + 3.75% Bonus

Early purchase bonus:

When purchased within the applicable period, tokens will be awarded in addition to the normal purchase amount.

2. Volume Bonus: Purchase price bonus * For all period

Over 300,000 dollars or more + 5% bonus

Over 100,000 dollars or more + 4% bonus

Over 50,000 dollars or more + 3% bonus

Over 30,000 dollars or more + 2% Bonus

Over 10,000 dollars or more + 1% Bonus

Purchase price bonus:

When purchasing more than a certain quantity, tokens will be awarded in addition to the normal purchase amount.

In addition, tokens granted with bonus will be allocated from community marketing.

Unanticipated Risks

MaxBox is managed to promote the distribution of appropriate virtual currency and to provide a new funding platform utilizing its own tokens. Meanwhile, the token is still a technologically new structure and the position is not clear even in existing laws and regulations. Tokens do not acquire any kind of ownership rights, financial products, security rights, etc.

Also, please understand beforehand that the token has the following inherent risks in the operation of this project.

1. Risks related to purchasing, selling and using tokens

This token is not planned or sold as securities, financial products. We are not responsible for any loss or damage caused by purchasing or trading based on information on this token.

2. System risks



Since this token is based on the Ethereum network, there is a risk that unexpected events may occur due to malfunction of this network. Also, there is a possibility of hacking, security attacks from malicious group etc. The MaxBox platform is in the process of developing and there are chances that important specification changes will occur in the future. Or there may be risks that the platform does not function properly or develop and maintain sufficiently due to some developmental factors.

3. Risks to buyer's wallet management

Inappropriate management by buyers may result in loss of access to this token if you lose access information associated with digital wallet.

4. Market risks

This token is intended to be used on the MaxBox platform, but the price itself may fluctuate greatly. In addition, depending on the situation of the exchanges, there is a possibility of non-liquidity risk with respect to book tokens held by purchasers.

5. Local regulation and tax risks

With respect to issuing, selling and trading tokens, local regulators may be subject to some regulation in the future. Also, regarding the purchase of this token, the relevant tax requirements must be confirmed by each purchaser.

END