



HILLSTONE DEFI

Maximum investment opportunities in De-Fi platform

Ver. 3.0



HILLSTONE

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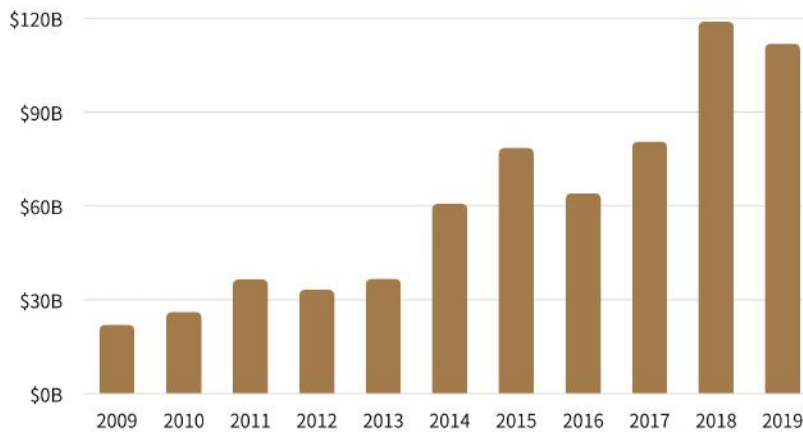


VENTURE INVESTMENT

Venture Capital

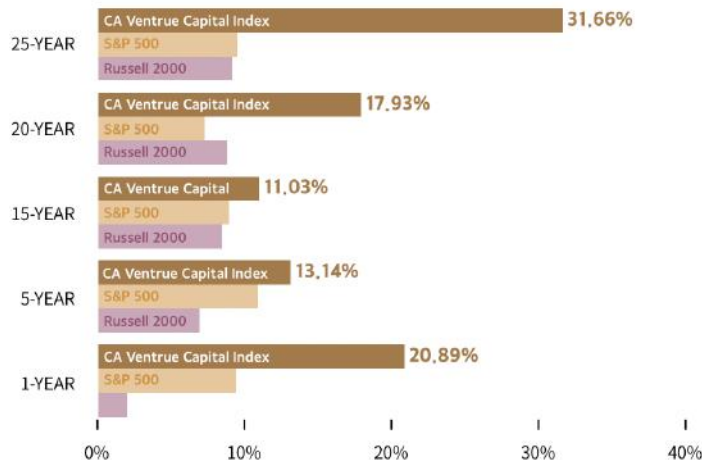
Venture capital invests in the early stages of a company, and provides comprehensive support (capital, operational management, and technical guidance) to develop and grow the company, and then create returns through various methods such as IPO of the company.

In the past 10 years, the venture capital market has been growing continuously. In the United States, the market scale reached \$118 billion in 2018, the highest scale throughout the history. There was a dramatic increase in scale between 2017 and 2018, approximately by 36%. In addition, the compound annual growth rate (CAGR) of the international venture capital investment market has reached 27%, implying a global growth trend in the venture capital market.



Total U.S. Venture Capital Investments

Although investing in venture capital involves high risk, venture capitals have higher potential returns than public investment; the return of venture capital could be twice the average growth rate of public security market indexes such as S&P 500 and Russell 2000.



Private Investment Performances Between Fund Indices

Venture Investment

Modern venture companies stem from ARDC (American Research and Development Corporation), who raises funds from institutions. ARDC is founded by George F. Doriot of Harvard University in 1946, to commercialize a research conducted by MIT. ARDC's early success in the venture investment has attracted many financial institutions and capitals to the venture investment.

Venture companies usually invest in startups that need support on capital and management. Venture companies provide capital, management, and technical support that are necessary for startups to grow and expand. After the successful nurture of a startup, venture companies obtain their returns through IPO or M&A.



How Venture Capital Works

However, there are several critical limitations in the venture capital.

First of all, venture capital investment has high barriers of entry for individual investors. Since venture companies usually raise funds from professional investors and state-led FOF, individual investors seldom get any chance to participate in venture capital funds. Moreover, an individual investor must satisfy the minimum investment amount (100,000 USD ~10,000,000 USD) to be qualified as a professional investor.

In fact, venture companies are facing myriad issues in fund raising because it is difficult to find interested LPs (Limited Partners). It is difficult to attract LPs unless a venture company has a stable investment record and a promising target market. Investors and LPs tend to avoid investing in companies that lack legitimate investment history since the investors prefer safe investment to high-stakes investment.

Another problem is that individuals have little recourse to liquidate their shares while venture companies can recover their funds through IPO, M&A, or equity liquidation. In order to protect investors from capital loss, a legitimate infrastructure, such as over-the-counter market for trading non-listed company stock, is needed.

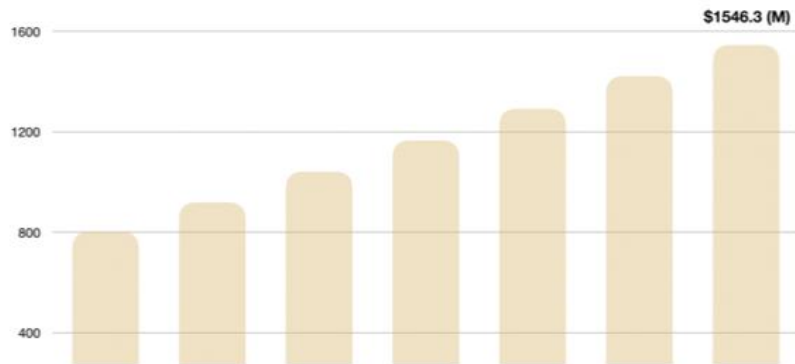
The last problem resides in the limitations of the international remittance. This limitation is crucial especially for venture capitals because there are numerous opportunities overseas. International investment usually require large-scale remittance. In order to transfer the massive remittance abroad, investors must go through multiple banks, and deal with exchange rate issues, commission fees, and complicated documents. The slow processing speed (It usually takes 2 to 10 days to receive an international payment) is another problem in overseas payment. After all, the whole payment procedure turns out to be slow and burdensome for both investors and investees.

Crowd Funding

Crowdfunding allows individuals and companies to raise funds easily from the public without the intervention of intermediaries.

Crowdfunding can be classified into four types: donation, credit, compensation, and equity. The donation type is for the purpose of donation without any compensation. The credit type provides microfinance to individuals and entrepreneurs for the purpose of collecting interest. Individuals invest in funds promoted by fundraisers and obtain non-monetary compensation in the compensation type. The compensation type is widely deployed in industries such as performance, music, movie, education, and environment. Equity type is similar to investing in venture capital in that people invest in startups for acquiring the shares.

The popularity of equity-type crowdfunding has been consistently increasing. This type of crowdfunding has encouraged individual investors to invest in venture capitals, which had been limited to professional investors and institutions. The earliest equity crowdfunding platform was ASSOBS (Australian Small Scale Offerings Board), founded in 2007. ASSOBS funded 176 companies with more than 150 million US dollars; 78% of the funded companies were operating successfully at the end of 2017.



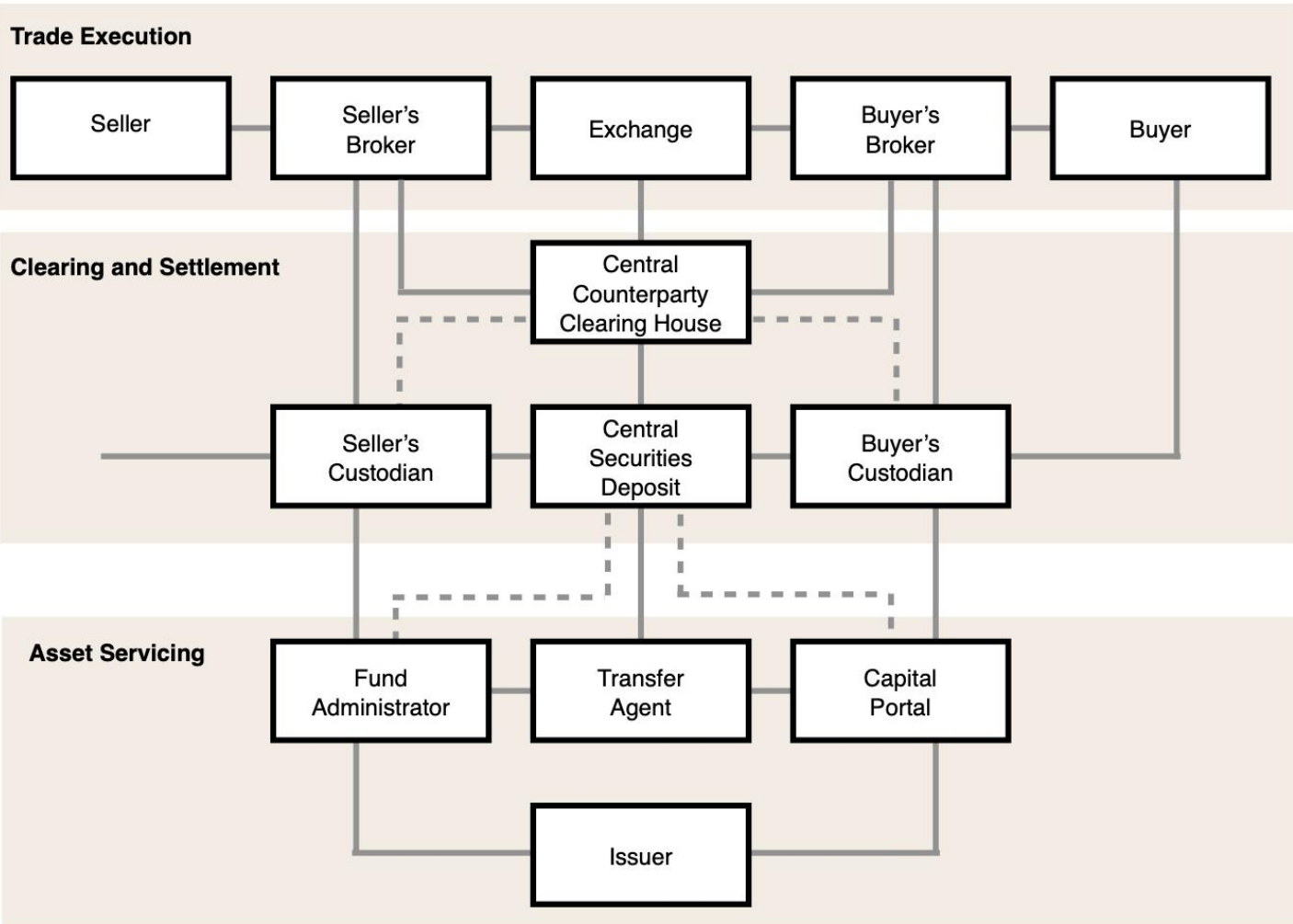
Crowdfunding transactions in the U.S. are estimated to be worth \$1.04 billion in 2018, and the average annual growth rate from 2018 to 2022 is forecasted to be 10.4%, and is expected to reach \$1.55 billion in 2022. (Source: Statista, December 2017)

Although the crowdfunding market has been developing rapidly, people are concerned that the development may be going in the wrong direction. For example, entities providing donation-type crowdfunding services are actually providing credit-type crowdfunding services, and their interest rates are much higher than the local interest rate. It seems that the modern crowdfunding has detoured from its original purpose that Grameen Bank, one of the earliest pioneers in crowdfunding, had established; the unsecured low-interest microfinance seems outlandish in today's crowdfunding system.

Moreover, there are many loopholes in the current laws that regulate the public offerings and investors. For example, there is a strict regulation for verifying individual's credibility, but corporate's accountability is often left unverified. Therefore, investors cannot judge the credibility of a company's information from a public funding platform. As a result, investors often bear the brunt of potential risk in crowdfunding.

Foreign Exchange

Investors who pay international remittance have to consider different tax declaration requirements in different countries since each country has its own strict regulations on investments. For example, a tax-free investment product in the UK might be subject to strict taxes in the US authorities. Investors might need tax advisors to help them navigate through complex tax requirements in different countries.

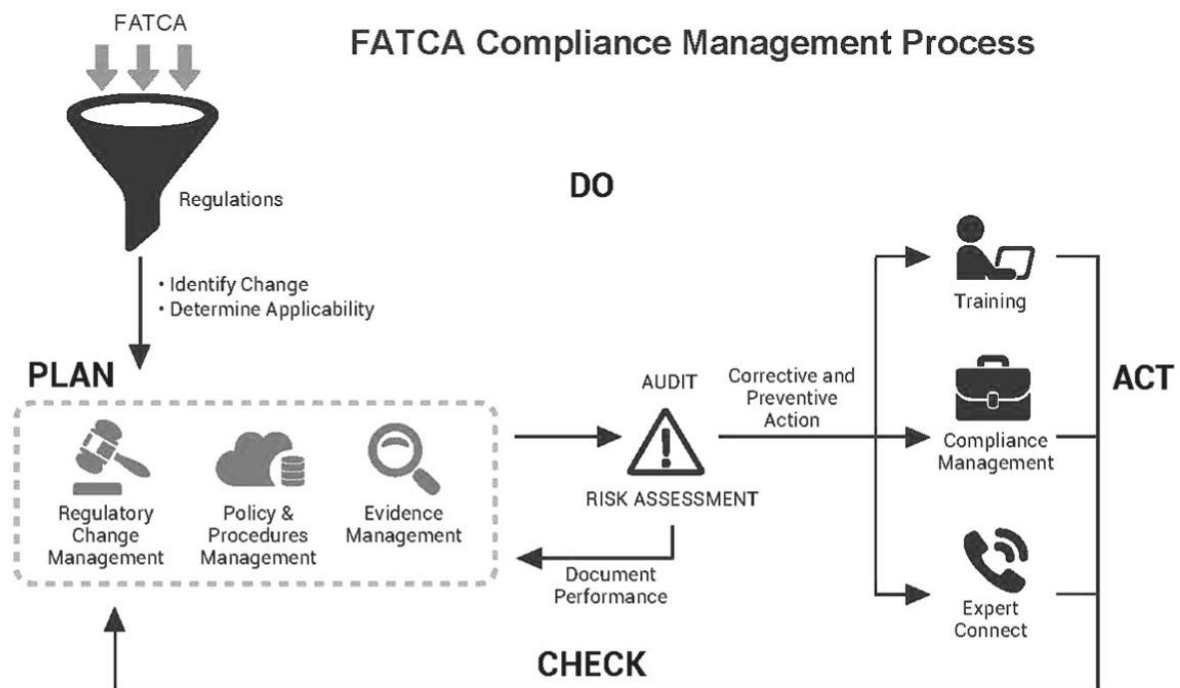


A new law called FATCA, which took effect in July 2014, imposed a heavy obligation on U.S. banks and financial firms to report details of U.S. customers to the U.S. IRS. Americans have more banking and investment options than they did four years ago, but their choices are still relatively limited.

Foreign Exchange

According to The Foreign Account Tax Compliance Act (FATCA) enacted by the president Obama in 2010, foreign institutions in U.S. are required to submit documents signed by the local governments and the U.S. investors' asset information to the Internal Revenue Service (IRS). Companies that does not comply with the FATCA's requirement could be subject to significant penalties. The potential risk of paying for the costly penalties discourages foreign financial institutions from accepting US customers. Some companies rather deny U.S. investors to avoid the risk. Some countries such as UK are dealing with FATCA seriously.

In addition, PFICs' (Passive Foreign Investment Company) internal income service rule divides investment into two types: investment in operating businesses and investing for passive income flows. To be qualified as a legitimate investment, an investment needs to go through income and asset verification.



The definition of a passive income is complicated. Dividends and interests of an enterprise can be reckoned as passive income, but these dividends and interests vary according to the nature of the enterprise. Unfortunately, if this kind of stock is merged into a popular unit trust or other investment portfolio managed by British asset managers, it is likely to fail, so it is regarded as PFIC and becomes a potential higher tax target.

Crypto Finance

At the end of 2008, a white paper about a decentralized interpersonal electronic payment system—Bitcoin— was sent to the cryptographic mailing list by Satoshi Nakamoto. Bitcoin then came into the world when Satoshi Nakamoto mined the first Bitcoin block on January 3, 2009.

In 2013, Vitalik Buterin, a programmer and co-founder of Bitcoin Magazine, argued that Bitcoin needed a scripting language in order to build decentralized applications. Then he developed Ethereum, a new blockchain based on a distributed computing platform. Ethereum made decentralized applications available on Ethereum networks using smart contract scripting languages such as Solidity and Vyper.

The advent of Bitcoin has enabled transnational transfer of value without a centralized issuer; the emergence of Ethereum and Smart Contract led to the creation of a new financial system that operates without a central entity and protocols.

Traditional financial markets run with the premise that transaction costs and information costs can be reduced by employing financial intermediaries. DeFi challenges the aforementioned premise by replacing those intermediaries with a decentralized automatic system. In DeFi, financial institutions do not interfere in investment. Instead, Smart contract codes automatically execute loans and investments based on the verifiable information accessible on the blockchain network. All evidence of transactions are transparently disclosed on the network.

	Traditional Finance	FinTech	DeFi
Currency Issuer	Country		Smart contacts or blockchain regulations
Investment Method	Stocks, bonds, etc.	P2P credit, small-scale collective fundraising, etc.	Decentralized credit, asset investment, etc.
Asset Transaction	Stock Exchange		Decentralized exchange
Main Intermediary	Financial Intermediaries	FinTech Entities	Smart contract regulations

Sources : NextFinance , SK Securities

Decentralized Finance

The goal of DeFi is to become a complete alternative for the traditional finance. What are some advantages of DeFi compared to the centralized financial services?

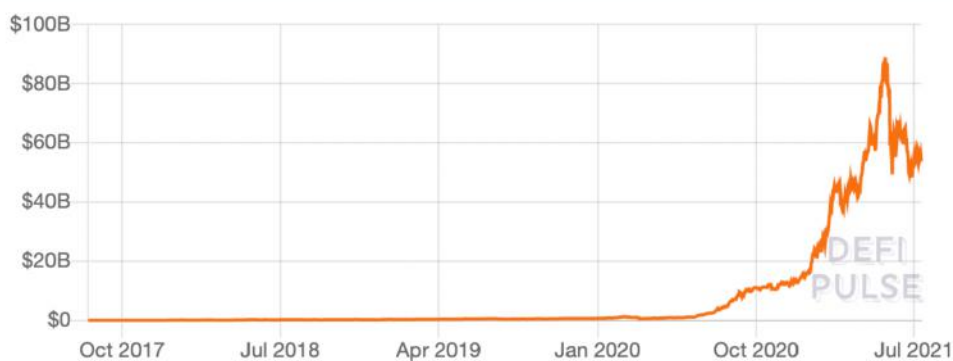
1. The change of credit relationship: Since DeFi protocols rely on the blockchain, DeFi financial services can be highly transparent and tamper-proof. This allows people to trade directly with one another without the help of trusted third parties such as banks.

2. Low transaction costs: As financial transactions occur in a peer-to-peer mechanism, transaction costs are significantly reduced in DeFi. Traditionally, transactions were and costly due to the intermediary fee imposed by banks. But in the DeFi ecosystem, people are free from most of the fees caused by intermediary service.

3. Efficiency: DeFi improves the efficiency in financial industry. Financial institutions have been playing a vital role in the traditional finance industry. High commission fees and slow transaction process were two main problems in centralized finance. The DeFi service is cheaper and faster because it operates based on Smart Contracts and cryptocurrencies.

Traditionally, it took more than 3 days to receive a secured loan or an overseas remittance in CeFi, not to mention the numerous documents required for the service. On the contrary, the DeFi service only requires depositing the collateral in the loan smart contract, and then the loan is made immediately. As long as the recipient's wallet address is known, the money can be sent within 10 minutes.

In light of these advantages, the value of the DeFi market is surging. As shown in the graph below, The Total Locked Value (TVL) in DeFi Market has reached \$11 billion from 600 million in less than a year.



An approximate of total investment in the DeFi Market

Decentralized Finance

Although the decentralized finance solves many problems existing in the financial industry, it has some limitations.

Firstly, it is hard for DeFi to take part in the traditional financial industry, especially the investment industry. The investment industry is the biggest trappings of the whole financial industry, and it is difficult for DeFi projects to enroll in the investment industry because of complex rights and obligation issues between parties involved in security transactions. Since security tokens can avoid legal restrictions, there are serious legal risks. Investors' reluctance in taking legal risks hinders DeFi from engaging in international revenue securities.

Secondly, DeFi projects failed to attract new capital inflow; most DeFi projects could not provide a strong investment factor to investors. People outside the DeFi industry did not consider DeFi projects as the primary investment target. This is because the projects were limited to the DeFi ecosystem itself.

Lastly, the fluctuation of market price and interest rates have been the major concern for investors. The failure in controlling interests and distribution could cause a disastrous effect on investors.

Percentage of people who have never used regular financial services.



Resource: Mckinsey, Hillstone Foundation

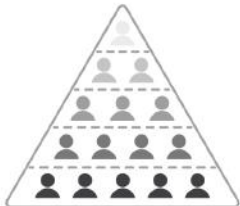

DAO(Decentralized Autonomous Organization)

Recently, DAO (Decentralized Autonomous Organization) has been heralded as the substitute for the centralized organization. DAO also stands for an AI-based decentralized network which is a system created by Vitalik Buterin and Ethereum developers. DAO maximizes productivity by dividing the work into computational interaction tasks, and by providing incentives to DAO participants. DAO can be thought of as a company operating under certain rules that no individual can intervene. Rules within the DAO are implemented in the form of verifiable open source software distributed on the computers of shareholders participating in DAO. People can become shareholders of a DAO either by purchasing the shares or by acquiring the shares through providing services to the organization. Shares in DAO represent the qualifications of owners to share the interests of DAO.

DAO uses blockchain technology to track transactions on the Internet, and ensures that digital books are not forged when creating and distributing timestamps on distributed databases. This method simplifies financial transactions by eliminating intermediary intervention.

In addition, DAO is an organization managed by codes and programs, operating independently without an intermediary or central entity. Using Smart Contract, DAO receives external information and operates based on opinions derived from the information. The entire operation of a DAO is conducted according to the designated Smart Contract without any human intervention. DAO is usually operated by community equity holders who provide incentives according to token mechanisms. DAO's rules and transaction records are transparently stored on the blockchain ledger, and those rules are usually determined through voting among share holders. In general, decisions within DAO are made when a proposal acquires votes from most of equity holders or a proposal meets a set of network agreement protocol.

DAO might seem similar to exiting organizations such as companies and countries, but it operates in a more decentralized manner. While traditional organizations operate in hierarchical structures and multi-layered bureaucracy, DAO has no hierarchy. Instead, DAO uses economic mechanisms (especially Game Theory) for the benefit of the organization and members.

Traditional Organization	Structure	Core base	Decision making	Pros	Cons
	Vertical	Rules within the organization	Centralized	Concrete chain of command, quick decision making	limited communication channel and lack of creativity due to centralized governance structure
DAO					
	Horizontal	Blockchain, Smart Contract	Decentralized, Democratic	transparent disclosure of information, flexible and autonomous decision making	Possible security threat toward Smart Contract

NFT (Non-Fungible Token) Asset

Non-Fungible Token (NFT) is one of the encrypted tokens representing a unique asset on the blockchain. Unlike other tokens, NFT can be used to prove authenticity or ownership in the digital domain because it is Non-Fungible. For example, an NFT can represent a painting of an artist due to its non-fungibility.

If an asset is fungible, it means that the asset is replaceable. For example, a dollar can be easily replaced. The fungibility enables free exchange of traditional currencies. However, fungibility forces people to focus on quantity rather than value. NFTs are special because each NFT has unique identifiers that make them distinct (Non-Fungible).

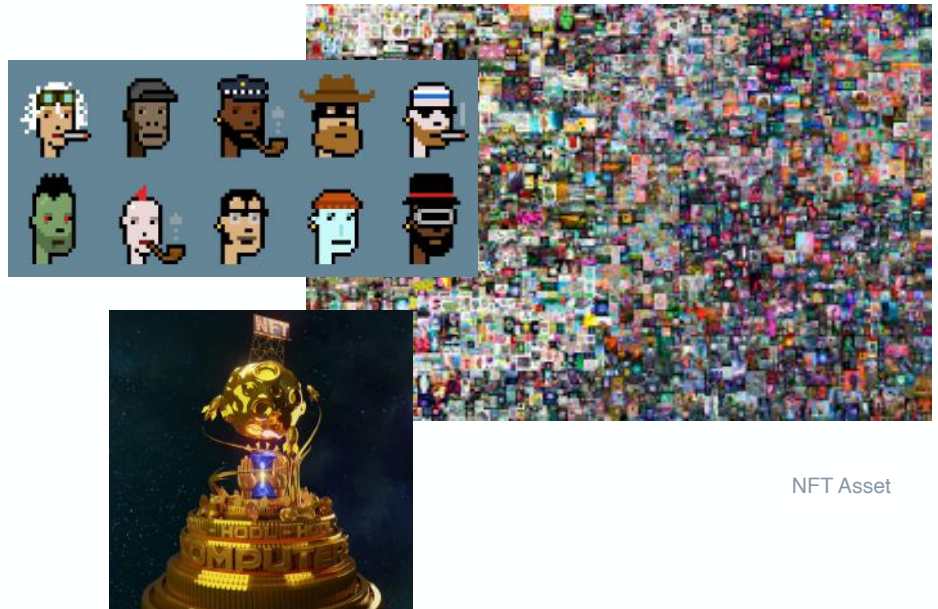
There are various standards for creating and issuing NFTs. ERC-721 standard is the most widely used, and is tradable on the Ethereum blockchain. Recently, the standard has changed to the ERC-1155 model, which allows both fungible and non-fungible tokens to be included in a single contract, opening a whole new realm of possibilities. With ERC-1155 model, NFT is now interchangeable between applications without losing its uniqueness. The value of NFT derives from people who perceive them as valuable. In other words, it is the shared belief that makes NFT valuable.



SuperRare



NFT Platform



NFT Asset

Investment Opportunities in NFT Asset

Nowadays, NFTs are treated more as a target for investment. More and more people are willing to invest in the NFT market. Recent data shows that the market transaction in the NFT industry has reached 300 billion last year, which is approximately 260 times the transactions happened in 2020.

Metaverse Finance

Overview

Metaverse is a compound word for “Meta” and “verse”. “Meta” means virtual and transcendent, while “verse” means universe and real world. Metaverse thus can be referred to as another world beyond reality. Metaverse can be defined as living an another self in a virtual world such as game, SNS, web, or even real life. People are attracted to Metaverse not only because it is entertaining, but also because it has huge economic value. ROBLOX, one of the most famous games in Metaverse, reached the market cap of 44 billion dollars and 1.25 million user number. Users can purchase game items and interact with the real world using ROBLOX—the currency used in the game. The game earned a total of 378 million dollar in 2020. Another prototype is ZEPETO, Korea’s leading Metaverse service which started in 2018. In ZEPETO, players travel the world using their unique avatars, and interact inside the virtual world using its own game currency. There were more than 46 million people who joined the fan meeting of BLACKPINK, one of the most famous K-POP idol groups in Korea, held in ZEPETO. ZEPETO also made huge profit in collaborating with GUCCI to sell high-end bags and clothes in the virtual world.

Metaverse has become a new business opportunity for various industries, and is causing a great shift in wealth. According to a research, the Metaverse market is expected to reach 341 billion dollar in 2025 and 2 trillion dollar in 2030. One of the tech-giant Facebook changing its name to Meta is one of numerous indications that implies the strong potential of Metaverse. However, the Metaverse market is still in its infancy, and there is still volatility in the market. Some companies could gain enormous benefit simply by naming their business as Metaverse-business (even if their products was nothing new).



ROBLOX



THE SANDBOX



ZEPETO

The Unprecedented Growth of Metaverse Finance

As the industry of Metaverse prosper, attempts to establish Metaverse advisory companies or to invest in Metaverse companies has also increased. Matthew Ball, who created the world’s first Metaverse ETF (Exchange Traded Fund), listed out the four characteristics of Metaverse: sustainability, real-time, independence, and user content. In fact, the game industry also shares theses four characteristics of Metaverse. In MMORPG (Massively Multiplayer Online Role-Playing Game), users interact with each other real-time and create their own content and value. Since the game industry has high investment return, institutions and investors has been continuously investing on it. Sharing the similar characteristics with the game industry, it is highly likely those investors will look for investment opportunity also in the Metaverse industry.



HILLSTONE MISSION & CORE OBJECTIVE



Mission

Hillstone Finance aims to establish an independent and centralized system. Although establishing such a perfect model might seem outlandish at the moment, we believe that Hillstone Finance will inspire entrepreneurs all over the world

Hillstone Finance's mission:

- Reduce transaction costs between investors and operators, operators and investment target companies.
- Provide opportunities for individual investors to invest in closed corporate investment products.
- Addressing unnecessary legal and geographical restrictions on investment.
- Reduce the risk of investment failure due to information inequality.
- The connection between the decentralized financial industry and the traditional financial industry.
- Provision of a semi-centralized/decentralized comprehensive financial platform
- Operation of traditional financial business through transparent DAO
- Prospection of investment opportunities in NFT
- A specialized investment institution that leads the management of Metaverse financial assets.

Core Objective

Hillstone Finance shares the value of innovation with everyone. By utilizing Hillstone Finance token HSF, Hillstone eliminates misinformation, alleviates geographical and economic constraints, reduces minimum investment and intermediary costs in the traditional finance system. We offer an opportunity to invest in bonds, private equities, and alternative investment that were not accessible to retail investors.

Overcoming Geographical and Legal Constraints in Finance

First of all, Hillstone will look for measures to eliminate both geographic and legislative boundaries that discourages investment. People today find it difficult to transfer capitals internationally in the traditional finance market. Hillstone Finance aims to ease the cross-border transfer of capitals by leveraging blockchain within the current legal system.

Co-development with The Current Financial Market

Secondly, Hillstone will establish a financial network that connects investment companies. The network will provide due diligence report on corporations, which will improve accessibility to high-quality investment products and reduce risk caused by misinformation.

A Hub Connecting Traditional Finance and Decentralized Finance

Hillstone will bridge the traditional and decentralized finance under the current regulations and laws. We want the government and institutions to have positive perspectives on decentralized finance. We also want to encourage them to establish legal and industrial foundation based on the time and examples Hillstone provides.

The Establishment of A Transparent DAO

Hillstone will utilize HSF to create a Decentralized Autonomous Organization (DAO). Decisions made by DAO members, and product sourcing process will be disclosed transparently.

The Pioneer of Finance in Metaverse

There are numerous financial products emerging in Metaverse. Hillstone Finance will serve as the financial institution in Metaverse, and provide valuable investment opportunities in the virtual world. Hillstone will try its best to prospect high-value assets in metaverse, and provide combined financial services of traditional finance and Metaverse finance as the leading figure.



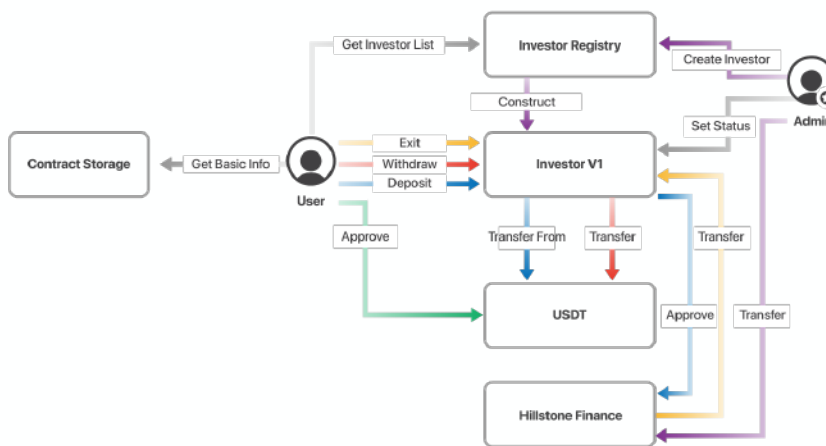
HILLSTONE INVESTMENT PROTOCOL

Platform : INVESTORS

What is Investors?

Investors is the first blockchain-based and asset-backed staking platform made by Hillstone Finance. In Investors, users can stake cryptocurrency in products (for example, venture capitals) guaranteed by Hillstone Finance and obtain profit. Users can convert cryptocurrencies deposited in Investors to HSF token (Hillstone Finance token) anytime, and extract these HSFs from financial products for sale. Users can also re-stake in the same products using HSF.

Investors Contract Architecture



< Investors Contract Architecture >

Every component of Investors except KYC/AML Module and Web Interface operates based upon Ethereum. The diagram above briefly illustrates the contract architecture of Investors. Each Module in the diagram has the following functions:

- InvestorRegistry: creates POOL, and passes staking lists to Web Interface for registration.
- InvestorV1 : a staking product contract that receives cryptocurrency from users, and enables users to dispose HSF for cash; it is the vital components of Investors service that interacts directly with users. It follows the ERC721 standard.
- USDT (TetherToken) : ERC-USDT token; it could be substituted for other stable coins depending on the different products listed on Investors.
- HillstoneFinance : HSF token contract.
- ContractStorage : used for storing contract information. It could be a centralized static server, a decentralized file storage such as IPFS, or a smart contract.

Key Participants:

- User : users of Investors; they can deposit or dispose cryptocurrency, and sell the rights to staking products by disposing HSF token.
- Admin : manages products listed on Investors, price of cryptocurrencies deposited in products, the status of Investor contract such as investment contract location.

Platform : INVESTORS

Investors Contract LifeCycle

The following passage explains the lifecycle of a staking product in Investors with a simple example.

Product Creation

An organization with an adequate collateral enters into a mortgage agreement with Hillstone Finance and stores the contract in ContractStorage:

- Name of the collateral: WhaleFund1
- Target Staking Amount: 1,000,000 USD
- Minimum Staking: 700,000 USD
- Interest Rate: 10%
- Contract Location: <https://contract.hillstone.finance/WhaleFund1>
- Product Sale Starts at: 2021-07-14 00:00
- Product Ends at: 2021-08-14 00:00
- Staking Period: 2 years

Admin will call the function `InvestorRegistry.createInvestor("WhaleFund1", 1000000, 5, "https://contract.hillstone.finance/WhaleFund1", ...)`. When `createInvestor()` function is called, `InvestorRegistry` will create `InvestorV1` and passes the address information to Admin through `CREATE2`.

Product Sale

Users access to product information and deposit USDT through Investor Web Interface. `InvestorV1` will approve the amount of USDT users want to deposit. The function call `InvestorV1.deposit (10000 10^18)` will deposit 10000 USDT into the product. If users wish to withdraw the deposited money, they can call `InvestorV1.withdraw (10000 10^18)` to take 10000 USDT back. Admin will set the price of HSF one day before the sale of a staking product, and call `Hillstone Finance.approve` to let `InvestorV1` collect HSF tokens which are disposable any time.

Platform : INVESTORS

After Product Sale

The sale of a product ends after the end of the product deadline. If the deposited money is below the minimum staking, the product is canceled, and users have to call `InvestorV1.withdraw` to take their deposited USDT back.

If the deposit exceeds the minimum staking (700,000 USD), The deposited USDT will be sent to Admin, and Admin will deposit the corresponding amount of HSF in `InvestorV1`. Users can no longer use `InvestorV1.withdraw` once the deposit is sent to Admin. Users can call `InvestorV1.exit` to convert their share in the product to HSF token.

Disposal and Re-staking

If a user chooses to exit from a staking product, the user will receive HSF according to the price set by Admin.

The call of `InvestorV1.Exit` will create an empty room that has the exact size of the retrieved amount. For example, if someone disposes 100,000 USDT from a product that currently has a deposit of 500,000 USDT, the user has the right to collect 120,000 USDT from 600,000 USDT. Therefore, `InvestorV1` sells the product as a re-stakable product. However, the re-staking is conducted through HSF, not USDT, and there is no limit to the amount of re-staking because the return is distributed in relation to the total amount of re-staked HSF.

Suppose there the size of the empty room is 100,000 USDT, and there are 20,000 HSF deposited in this room which has 10% of interest rate. A user who deposited 10,000 HSF in this room will get half of the overall interest, which is $110,000 * 50\% = 55,000$ USDT. If the total amount of deposited HSF is changed to 50,000 HSF, the user gets $110,000 * 20\% = 22,000$ USDT. The income distribution in this room depends on the ratio between an individual's HSF versus the total amount of HSF deposited in this room.

Users can call `InvestorV1.repurchase` to deposit HSF in those re-stakable products (empty room).

Staking Returns and Liquidation

Admin will deposit USDT in `InvestorV1` at the staking repayment deadline. After the deadline, users can not call `InvestorV1.exit`, but they can call `InvestorV1.claim` to receive returns. After every user receive their returns and Admin collect deposited HSF, the `Investor` contract will expire.

If Admin does not deposit USDT in `InvestorV1` after the staking deadline, users can use `InvestorV1.exit` to collect HSF corresponding to their deposited amount, or ask for collateral transfer to Admin.

INVESTORS - Product Sourcing

Hillstone has tremendous advantages on product sourcing, risk and opportunity detection, product audit, and network compared to other domestic asset management companies.

For details about product sourcing, committee members and fund manager, and our partner companies, please see www.fundy.fund.

	HILLSTONE	Domestic Asset Management Company
Expertise in investment products	<ul style="list-style-type: none"> - Hillstone team consists of experts with more than 15 years of experience in the best financial institutions - Hillstone has expertise in investment banks, private equity funds, and Family Office. - Specialty in private equity alternative funds which require expertise in structure, investment risk, and laws 	<ul style="list-style-type: none"> - Expertise limited to general products
Expertise in risk and value detection	<ul style="list-style-type: none"> - Our team conducts "Sense Check" through the network and identify risks and opportunities in a particular region (born-educated-professionally worked) 	<ul style="list-style-type: none"> - In case of overseas alternative asset, firms lack network and the ability to evaluate and respond to problems in real-time
Objective Review	<ul style="list-style-type: none"> - Hillstone can provide objective risk assessment of products listed on our platform since it is not entitled to any product marketing pressure 	<ul style="list-style-type: none"> - Domestic firms might intentionally distort the information for marketing purposes. This subjectivity in product information could cause serious harm to individual investors
Global Network	<ul style="list-style-type: none"> - Hillstone has a global network of private equity experts who work in various field such as law and investment, thus have advantage on auditing and follow-ups on external factors 	<ul style="list-style-type: none"> - Limitations in overseas professional network

INVESTORS - Product Sourcing

Process

STEP 1 : "Player" review / "Sense Check" for Requested Offerings and Investment Opportunities

- Hillstone investment experts in each region check whether the players in charge of audit, administration, and consignment of the target company is acceptable and appropriate in terms of local professional investment standards (Industry Reputation)
- A sense check is conducted on the products' structure, revenue type, and investment style (products that are usually not perceived as an investment opportunity)
- Based on this basic player review/Sense Check, Hillstone's global experts audit the product and send the audit review to the entire Hillstone team

STEP 2 : Hillstone's audit team determines the risk area based on the step 1 results and evaluates domestic and overseas fund operators

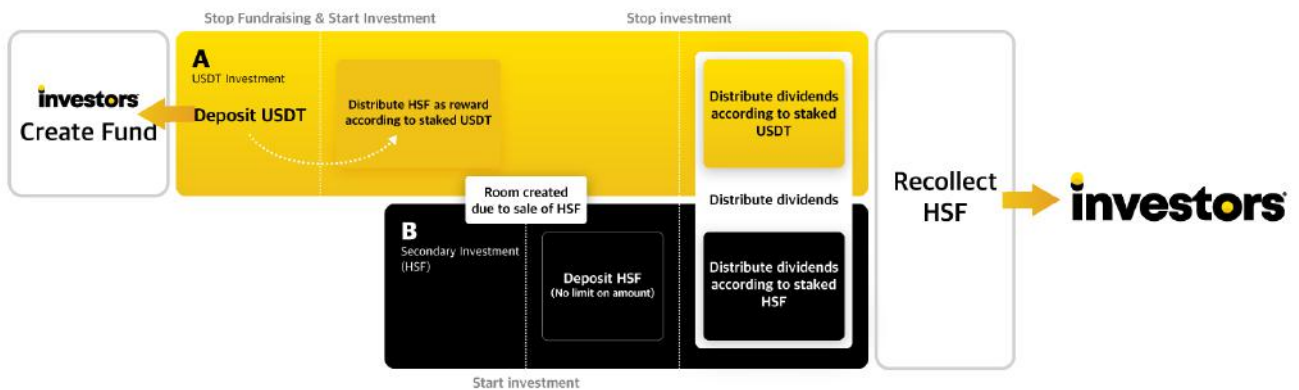
- "Multi-dimensional evaluation" on product risks based on Hillstone's evaluation framework (single dimensional evaluation can not fully determine the multiple risk factor in Fundy products)
- Detailed evaluation on Global Macro / Local Market / Asset Category / Product Structure. Each private equity alternatives have different factors to identify for each product or asset, and expects corresponding experts in each field to evaluate different factors.

STEP 3 : Final decision through Hillstone's Global Committee Input

- All Hillstone committee members' final comments are collected through the risk report / comments written by Hillstone team. Regional experts' reviews on how similar products were released or how the investment was made in other regions.

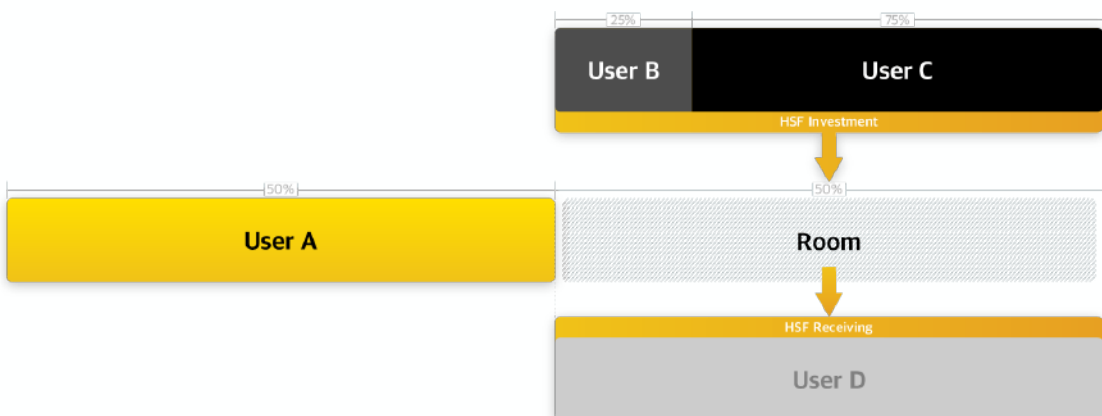
INVESTORS - User Scenario

Investors is a platform that uses virtual currencies to prove collateral rights. Users around the world will invest USDT to Investors and receive verified asset contracts (funds, real estate, stocks, etc.) and HSF tokens as collaterals. As users invest in projects listed on our platform, a POOL of USDT will be created. Once users invest in projects, they will receive the corresponding asset contract and HSF token as collaterals. Users can dispose HSF token any time before the project deadline. After the disposal, the rights to the asset contract will automatically expire. If users do not dispose HSF for a specific period, the contract will automatically settle the income generated by the asset to users in USDT. If only a portion of the HSF token is disposed, the settlement will be made except the disposed portion.



After some users dispose HSF, a ROOM will be created in the POOL. HSF token holders can use HSF tokens to secure a share in this ROOM. For example, there is a POOL that is worth \$100,000. Users extract \$10,000 amount of HSF, which is 10% of the total amount in the POOL. A room of \$10,000 will be automatically created, and 10% of the POOL will be allocated to the room by the asset contract. There is no limit to the number of participants and the amount of HSF in this ROOM. The total amount of HSF tokens stored in this ROOM will determine the final income distribution.

When the POOL finalizes, revenues will be automatically distributed according to the asset contract. HSF tokens staked in the POOL will be collected by Investors. Users who staked HSF in this ROOM will get their income according to the ratio between the amount of HSF they have invested versus the total amount of HSF tokens stored in the ROOM.



INVESTORS - User Scenario

Example

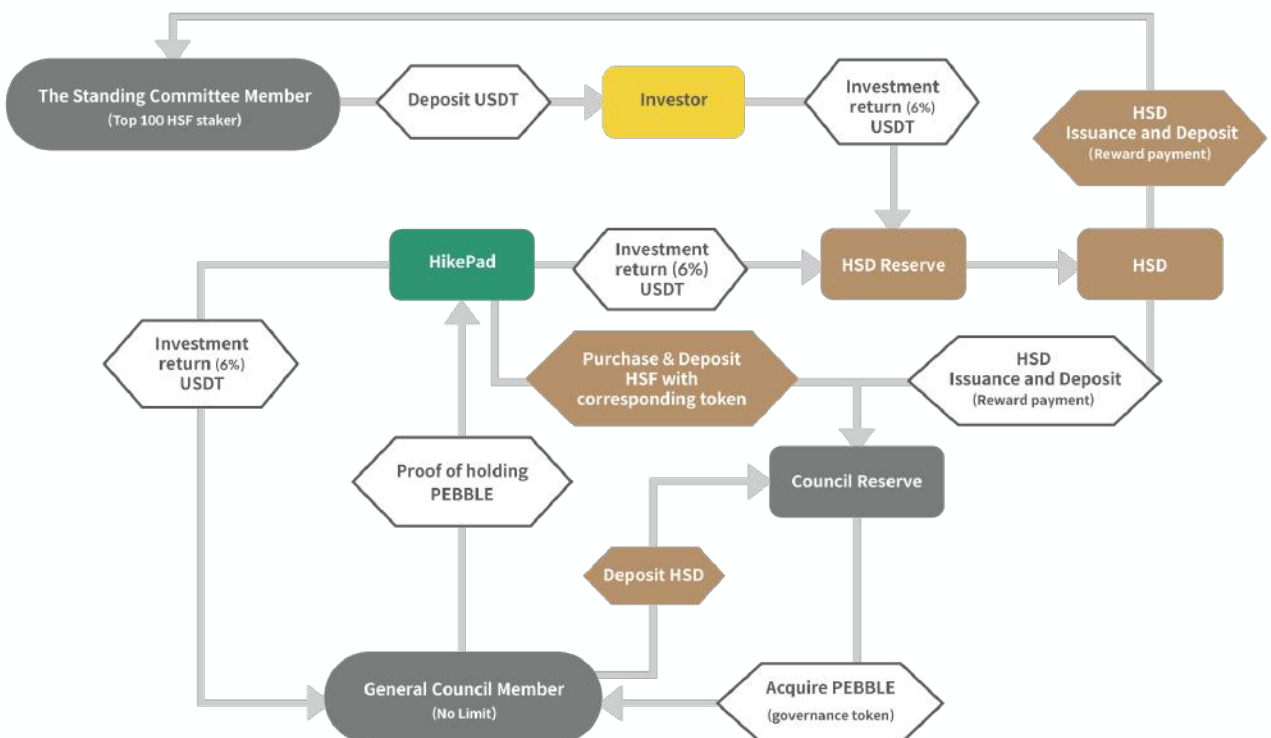
Suppose there is a Product A which has the pool size of \$100,000, 140% expected return, 2 years of duration, and fundraising deadline "X-date".

Users can deposit USDT into the pool until X-date, and obtain both the share to the asset contract and HSF token according to the ratio of one's invested USDT / total staked USDT amount in the project. Users can choose to either hold their acquired HSF until the project duration, or give up their shares in the asset contract by transferring the HSF token to other wallet or exchange.

When users give up their shares, a new ROOM will be created for HSF token holders to stake in. There is no limit on staking HSF tokens, and users will obtain the rights to the contract as well as investment return according to the amount of HSF they staked vs the total staked amount of HSF in the project.

Suppose User A stakes 100 HSF, User B Stakes 300 HSF in the ROOM which has the size of \$50,000. Since the total amount of HSF in the ROOM is 400 HSF, User A's share in the room is $100 / 400$, which is 25%. On the other hand, User B takes up 75% of the share in the ROOM. If User A is the only staker of the ROOM, he could own the rights to the whole ROOM with just 1 HSF.

HikePad& Hillstone General Council



DAO System

Hillstone Governance Structure

Hillstone General Council, or HGC, will be responsible for governing and maintaining a long-lasting investment platform in which users can enjoy investment opportunities that had been inaccessible before. HGC is going to replace Hillstone Finance Foundation, which is responsible for sourcing funds at the early stage of Hillstone Finance project. Hillstone General Council is a DAO (Decentralized Autonomous Organization) which accounts for sourcing and managing funds. Hillstone Finance collects 6% of the funds as commission fee. On top of HGC is The Standing Committee of Hillstone General Council, which holds more power than HGC. This document specifies the structure and authorities of Hillstone General Council and The Standing Committee of Hillstone General Council.

Hillstone General Council (HGC)

The Hillstone General Council will initially include ten members, including Hillstone Finance Foundation. These members can be both individuals or institutions, and the maximum size of HGC will be 100 members. HGC includes The Standing Committee of Hillstone General Council, which is made of 10 members.

Council Reserve

To become a member of Hillstone General Council (HGC), the applicant must stake HSF in Council Reserve. This requirement also applies to the initial 10 institutions selected as HGC members. After staking, members will receive PEBBLE as our governance token. Those staked HSF will act as collaterals for the financial products registered on Investors and HikePad, and users will receive Hillstone's stable coin HSD as reward.

Since the value of HSF and HSD are directly related to the development of the Hillstone Finance ecosystem, all members who stake HSF in Council Reserve are in fact contributing to Hillstone Finance.

Members who wish to un-stake their HSF must return the governance token—PEBBLE. The returned PEBBLE will be burned.

PEBBLE Token

PEBBLE is the governance token for Hillstone General Council (HGC). Users can obtain the rights to participate in financial products registered in Hillstone platform with PEBBLE. Moreover, users receive PEBBLE as a reward for staking HSF. Users also receive HSD from HSD Reserve when products registered on Investors and HikePad exits. The distribution of HSD is determined according to the amount of PEBBLE token a user holds vs the total amount of PEBBLE in the entire ecosystem.

The Authority of Hillstone General Council

Members of Hillstone General Council have the following authorities:

- Council members (except The Standing Committee and the fund operating party) will receive 35% of the commission fee (6% of the fund) according to the amount of PEBBLE token.
- A General Council member can request for vote on the management of Hillstone Finance
- Voting rights will be distributed according to each member's amount of PEBBLE token
- A member can grant Impact Factor to encourage participation of a specific institution

DAO System

The Standing Committee of Hillstone General Council

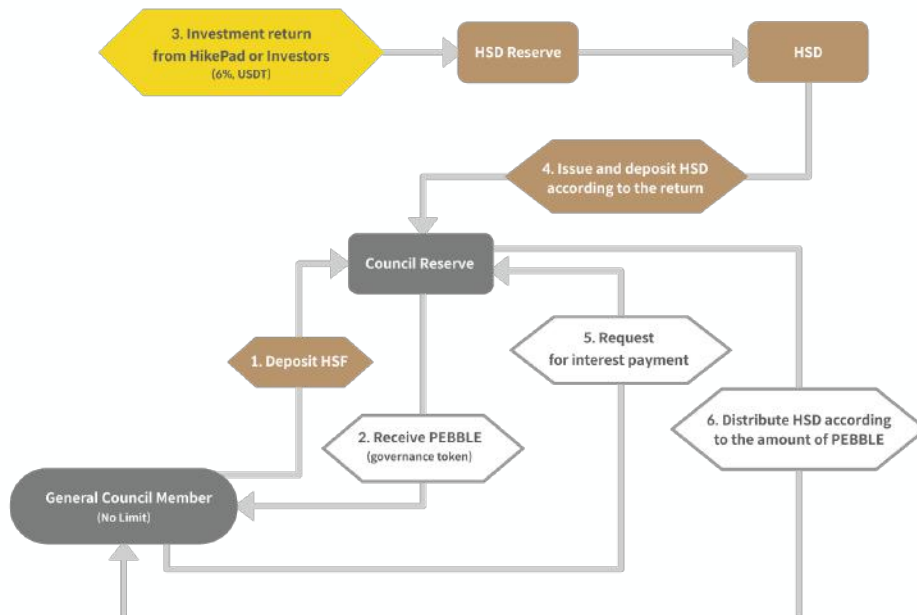
100 institutions will be selected from Hillstone General Council to become The Standing Committee of Hillstone General Council. Members will be selected according to the amount of PEBBLE token they have times the Impact Factor. The top 100 institutions will be elected to be the standing committee of Hillstone General Council.

- A Standing Committee member can request for registering products on Investors or HikePad
- A total of 45% of the total commission fee will be equally distributed to all Standing Committee members (except the operating party). The product operating party will take 23% of the commission fee.

Exit/Disqualification From Hillstone General Council

A standing committee member can be disqualified if its PEBBLE ranking falls below top 100, or HGC has disqualified the member through voting, or the member failed to operate a product successfully (if the fund at exit is less than 99% of the original fund). When a member is disqualified, Hillstone will confiscate all the HSF deposited by the member. Hillstone will use it for loss compensation and community development.

To prevent a rug-pull, a member can not request for the refund of deposit, and Hillstone would not refund the fund operating party during the operation period.



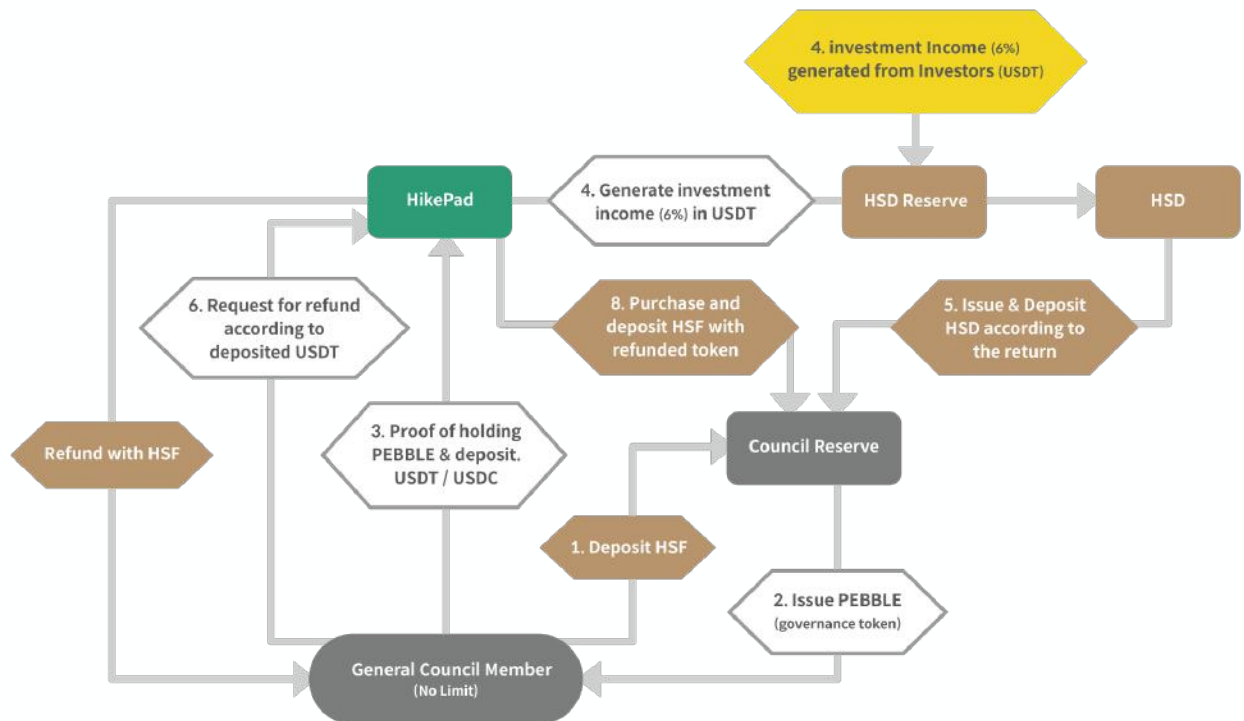
HikePad

HikePad is a new LaunchPad created by Hillstone Finance. It is designed to invigorate crypto finance ecosystem by facilitating new projects' bootstrapping, expanding Hillstone Finance ecosystem, and adding layers to the tokenomics of Hillstone Finance.

Expanding crypto finance ecosystem through HikePad

Crypto finance ecosystem, including DeFi, NFT, and etc. is growing rapidly. As a member of the ecosystem, Hillstone Finance has been cooperating with many other projects, providing infrastructure and incentives to new projects in order to contribute to the ecosystem.

In addition, Hillstone Finance aims to provide further support to new projects so that they can successfully land on the crypto finance ecosystem. Through HikePad's support in marketing, community buildup, fundraising, and etc., new projects in the ecosystem will be able to have a "warm start".



HikePad Matrix

Hillstone IDO Platform - HikePad

The Structure of HikePad

HikePad is a crypto project investment platform that allows you to invest in crypto projects through stable token such as USDC or USDT. HikePad does not receive other cryptocurrencies like ETH/BTC as payment. Investment received in USDT and USDC are converted to HSF and will be deposited according to the market price.

When fundraising begins, users invest in projects using USDC/USDT. Each project has its own PEBBLE requirement for users before they participate in the fundraising. Only those who meet the requirement can invest in the project. Users' investment will be converted to HSF and be deposited in the product according to the current market price of HSF. During the lockup period, users can repurchase their investment through HSF, which reduces users' investment risk. At the end of the lockup period, users receive project tokens according to their investment.

Features of HikePad

DAO Backed Launchpad

The investment on projects registered on HikePad will be carried out with HSF as collateral so that staking position can be repurchased even during the lockup period. HSF as collaterals are initially funded by the Hillstone Finance Foundation and later the Council Reserve. Therefore, investment in HikePad will be conducted under the guarantee of the Hillstone General Council (HGC).

Contribution to the Tokenomics of HSF

HikePad is designed to contribute to the Tokenomics of HSF directly and consistently.

HSF Lock

HikePad provides long-term lockup system for HSF. The lockup system directly increases the value of HSF by decreasing the circulating supply. To stake HSF into Council Reserve, users might retrieve HSF from Secondary Fund Pool, and the decrease in the overall quantity of HSF in the pool would naturally increase the APR of the pool, which would eventually lead to the increase in demand for HSF.

HSF Buy

HikePad increases the value of HSF by increasing the demand for HSF. Users' demand for HSF will increase since they must stake HSF in order to participate in HikePad.

A hub for new crypto projects and a leader in crypto finance ecosystem

Crypto finance ecosystem is developing at an unprecedented rate. HikePad will provide a "Warm Start" for new crypto projects so that it can accelerate the emergence of great crypto projects into the ecosystem. Hillstone Finance will seek to cooperate with new crypto projects, eventually contributing to the expansion of crypto finance ecosystem.

Hillstone IDO Platform - HikePad

HikePad 101

1. Stake

To invest in HikePad, users need to possess PEBBLE by staking HSF in Council reserve. This system is designed to make sure that HGC can guarantee the quality of projects registered on HikePad, and that only members of HGC can participate in investment. Moreover, acquiring PEBBLE through staking also helps investors to hedge their investment risk.

2. Invest

Every projects registered on HikePad has a minimum requirement of PEBBLE. If a user meets the requirement, the user can invest in the project with stable coins like USDT. After the investment, the user will receive the project token with a certain lockup period, and during this lockup period the user is able to exchange the project token for HSF. The exchanged tokens will be used to stabilize the value of HSF Token.

The Stable Coin of Hillstone Finance—HSD

HSD is a stable coin backed by crypto assets. Its value is soft-pegged with USD. All HSDs are backed by collateral assets, and the value sum of those collateral assets are always greater than the total issuance of HSD.

HSD Reserve

Although HSD would remain at its original price of 1 dollar in the long run, its value might not always stay at 1 dollar. This might cause inconvenience and trust issue to users who use HSD as a payment method.

In a mature market, arbitrage traders play a role in filling this gap in short and long-term prices by utilizing more advanced financial instruments such as futures, margins, options, and various derivatives. The Hillstone Finance team aims to establish a stable ecosystem using HSD, and this is the main mission of Hillstone Treasury Fund, which is used to directly manage the short and long-term price of HSD.

HSD Reserve will be operated in a more heuristic manner at the first launch. When the price of HSD increases above 1.15 dollar, Hillstone will issue naked HSD and sell for USDT and USDC to decrease the price of HSD until its price falls below 1.05 dollar. These USDT and USDC are stored as reserve asset in Treasury Fund, and will be purchased for burning when HSD price falls below 1 dollar.

In the near future, the operation policy of HSD will be updated with a more sophisticated algorithm to gradually put pressure on mid-term prices, such as Funding Fee, rather than pushing prices at once as above.

Metaverse Finance

The Professional Financial Institution in Metaverse

Hillstone takes further steps to devote itself into the Metaverse business. The conversion of crypto to real world currencies, or vice versa, is where two worlds—crypto world and the real world—collide with each other. Real world currencies are closely related to all compliances and legal issues, whereas those of cryptocurrencies are still evolving.

Hillstone plans to go beyond the reality and create a decentralized autonomous organization (DAO) in the virtual world. In this virtual world, Hillstone will invest in virtual assets, including virtual real estate, game items, characters, and NFT. The investment return will also be distributed in the form of virtual asset. In fact, the rate of return in the virtual world has exceeded the rate of return in reality long before. In the virtual world, there are many attractive investment products for asset managers. However, those fund managers in the virtual world deviates from those in the traditional realm; they are NFT writers, community managers, virtual real estate brokers, and gamers. In this virtual world, they are the best financial experts.

With these new financial experts, Hillstone is about to take on a new journey.

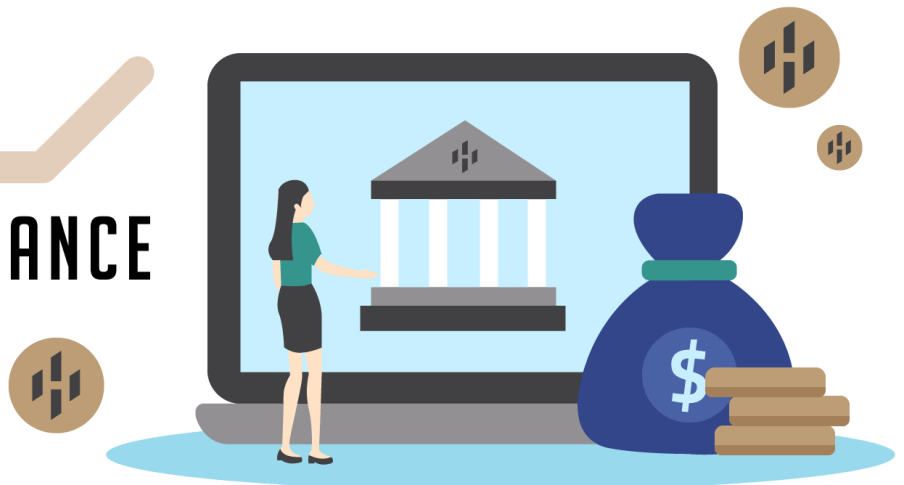
Hillstone will leverage merits and diversified value system of Metaverse to provide decentralized financial services. Online financial products, asset loans, collateral, substitutions, and various chain financial derivatives are all under the service category of Hillstone Finance. Hillstone will be the first professional financial service company in Metaverse and accelerate the coming of Metaverse era.

Main target area:

- Metaverse infrastructure and platform
- Metaverse project and asset
- NFT infrastructure and platform
- NFT project and asset
- WEB 3.0



HILLSTONE METAVERSE FINANCE





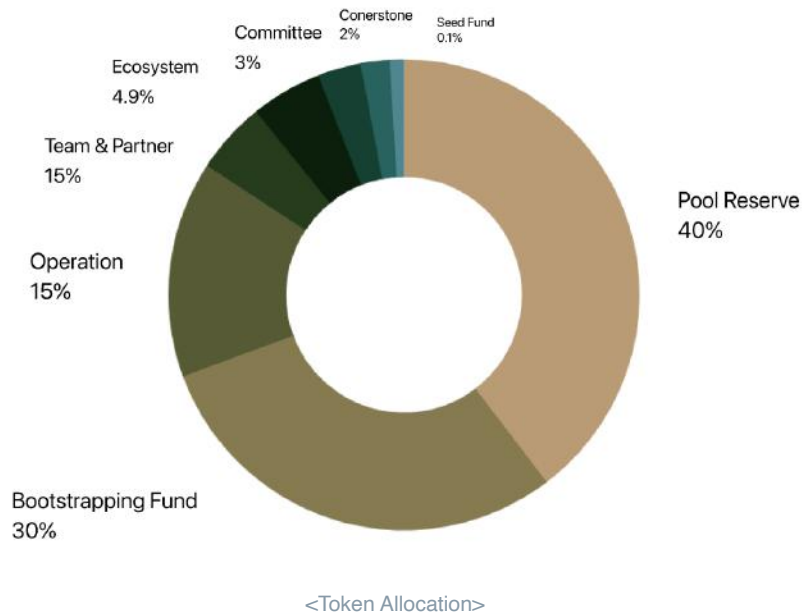
HILLSTONE TOKEN



Token Allocation

Overview

- Total supply: 100,000,000 HSF
- Pool reserve 40%
- Ecosystem 4.9%
- Bootstrapping Fund 30%
- Seed fund 0.1%
- Team & Partner 5%
- Committee 3%
- Operation 15%
- Cornerstone 2%



The Vesting Schedule of Hillstone Finance (HSF)

The total supply of HSF is 100 million HSF. The token distribution is composed of 9 parts: pool reserve, operation, ecosystem, team, cornerstone, private sales (VC), private sales (strategic partnership), private sales (IDO), and committee.

This document explains the vesting schedule of HSF.

Pool Reserve 40%

- 40,000,000 HSF
- Tokens in Pool Reserve are locked by platform contract "Investors"
- Tokens are unlocked only when a fund product is successfully raised and operated. After a fund product exits, tokens staked in the product will be recollected to Pool Reserve

Ecosystem 4.9%

- 4,900,000 HSF
- Tokens in Ecosystem are not locked. These tokens are used for the development of ecosystem (VC, strategic partnership, IDO, airdrop, marketing)
- Hillstone will constantly update tokens used from Ecosystem

Token Distribution

Bootstrapping Fund 30%

- 30,000,000 HSF
- Starts from August 2022
- Tokens reserved for users who wish to stake HSF in Council Reserve
- Locked for 6 ~ 24 months after sale

Seed fund 0.1%

- 100,000 HSF
- For seed-round institutional investors

Team & Partners 5%

- 5,000,000 HSF
- Starting from July 2023, 250,000 tokens in Team & Advisors will be unlocked every month
- Total Lockup Period: 2 years
- Vesting Period: 20 months

Committee (governance) 3%

- 3,000,000 HSF
- Starting from July 2023, 100,000 tokens in Committee will be unlocked every month
- Total Lockup Period: 2 years
- Vesting Period: 30 months

Operation 15%

- 15,000,000 HSF
- Starting from July 2021, 250,000 tokens in Operation will be unlocked every month
- Total Lockup Period: 0
- Vesting Period: 60 months

Cornerstone 2%

- 2,000,000 HSF
- For Corporational uses

- There should be enough HSF circulating in order to operate Hillstone General Council and HikePad successfully. We will leverage Bootstrapping Fund to solve the issue of small circulating supply at the early stage. Users can purchase HSF from Bootstrapping Fund at a relatively lower price, but in the condition of locking these HSF for a certain period.
- Tokens will be used for the development of Hillstone Finance ecosystem (community, infrastructure, grant program)
- **Hillstone Partnership Program**
Hillstone Partnership Program is designed for The Standing Committee of Hillstone Finance. Members of The Standing Committee can source products to Investors and HikePad. They include accelerators, funds, crypto exchanges, and those who have influence in the blockchain ecosystem. We provide HSF at a lower price, with the condition of long-term lockup. All purchase HSFs will be staked in Council Reserve, and will become the long-term partner of Hillstone.

Token Distribution

1. Token Issuance

The HSF will be issued when an investment product is sold. If a \$1 million product is registered on the platform and \$1 million is deposited in the pool through USDT, an HSF of equal value will be provided as collateral for participants who deposit USDT.

Example) If you deposit \$100,000 USDT for a \$1 million product, 10% of the product's rights will be recorded in the contract and \$100,000 HSF will be provided simultaneously.

The \$1 million USDT deposited will immediately be paid to the product owner who registered his contract, and the rights to the contract will be transferred to the platform.

Participants who deposited USDT will acquire the contract and HSF, and they can cash their HSF at any time by trading on the market.

For example, if a user who has \$100,000 ownership and HSF sells 50% of his total HSF to the market, the right to the product will remain only \$50,000, the amount of HSF will be 50% of the original amount.

If a user holds his HSF as collateral until the expiration date of the original contract fund, he will earn interest in proportion to the amount of USDT deposited in the contract fund, and if the collateral is disposed of halfway, the remaining rights will be paid.

For example, suppose \$1 million product has generated 20% profit and is liquidated at \$1.2 million. If a user holds \$0.1 million HSF at the end, all HSF will be collected by the foundation and the profit will be automatically paid in USDT (in this case, the user will receive \$0.12 million USDT). If the user has disposed 50% of his HSF, he will receive \$0.06 million USDT as the return.

All HSFs are issued only when fund products are sold, and Hillstone does not guarantee absolute safety or unconditional income. However, investors have the advantage of avoiding losses from huge price drop of our currency since HSF is pegged by actual fund products.

If the price of HSF rises, you can sell collaterals (HSF) to realize your profits, and if the price of HSF falls, you can continue to hold the HSF as collateral, the interest of fund product will protect you from the price drop of HSF.

Most importantly, the fact that HSF issuance must be carried out in conjunction with fund products can theoretically protect HSF price from falling significantly.

2. Token Demand

2-1. Purchasing Tokens to Participate in Fund Products (Fund Pool Participants)

Suppose you deposit \$100,000 USDT into a \$1 million product, and sell half of your deposit (\$50,000) to the market. A room that is worth \$50,000 will be automatically generated inside the fund pool.

Users can only stake HSF into this room.

This means that Hillstone Finance platform separates the primary sale—USDT from the secondary sale—HSF

Token Distribution

For a USDT pool (primary sale), the pool capacity is limited—people can only deposit \$1 million in a \$1 million fund pool. But for HSF pool (secondary pool) there is no limit for the pool capacity. At the time of liquidation, the amount of HSF determines the revenue for each participants.

For example, a \$50,000 HSF room will be created if participants who deposit \$100,000 USDT in a total fund pool sell 50% HSF to the market. Participants will receive \$50,000 (5% of \$1 million) in revenue from fund liquidation if they leave the 1000 HSF alone in the room. If other participants deposit 1000 HSF along the way, the ratio becomes 5:5 (1000 HSF out of 2000 HSF), and each participant will receive \$25,000 in revenue. When an additional 2000 HSF deposit participant is added, revenue will be shared at a rate of 2.5: 2.5: 5. In other words, the total amount of deposit is unlimited and returns are distributed according to the proportion of HSFs deposited at the time of final settlement.

HSF participants can maximize their earnings by depositing the right amount of HSF in the fund. If users expect a high return of a fund, it will be more profitable for them to deposit HSF in the room even if the HSF price goes up.

If the HSF price is low in the market, participants can buy HSF in bulk and deposit them into the room to increase their share in this room.

In other words, if the initial fund returns are expected to increase, more people will stake their HSF. This will enable Hillstone to take more HSF back to the pool reserve, less HSF will be circulating in the market as a result.

2-2. Staking for the Purpose of Pool Generation (Fund Seller)

Sellers who wish to sell their fund products through our platform must deposit an HSF equivalent to 0.1% of the total capacity of the fund product.

At this time, the seller can acquire HSF through exchange or swap.

For example, a seller who wants to transfer his contract to Hillstone Finance (fund registration) for \$1 million need to purchase \$1,000 HSF through an exchange or swap and deposit it when he uploads his contract to the platform. If a total of \$1 million USDT is deposited in the fund pool, the seller will receive \$1 million USDT as the investment. If the product failed to reach 70% of the total capacity, the contract will be returned to the seller and the HSF will be returned as well.

When a product is sold, the seller receives the USDT, and HSF he deposited will be returned to the seller at the time of income distribution to the participants.

If staking is not closed within a certain time, all deposited USDT and HSF deposited by the seller will be returned.

Token Price Mechanism

Suppose there is an “Alpha Project” that was initially created as a pool of 100,000 USDT. HSF with the same value of 100,000 USDT will be deposited as collateral rights in the Alpha Project. Higher expected returns on alpha projects will increase the demand for staking in the secondary-sale room (please refer to 2-1 in Liquidity), and this will let users buy 1 HSF at a higher price than 1 USDT. There are also people who give up their rights in the contract by cashing their HSF for fast liquidation and short-term profit. This action further increase the size of the room, thus further increasing the number of people who wish to buy HSF at high price to stake in this room. On the contrary, even if the price of HSF drops, people are expected to buy HSF at bulk size to stake more HSF into the room. This will decrease the circulating supply of HSF, and thus increasing the price of HSF.

In other words, the supply of HSF token increases when a project opens a new pool on our Investors platform, and the demand for HSF increases as the expected revenue of projects increases.



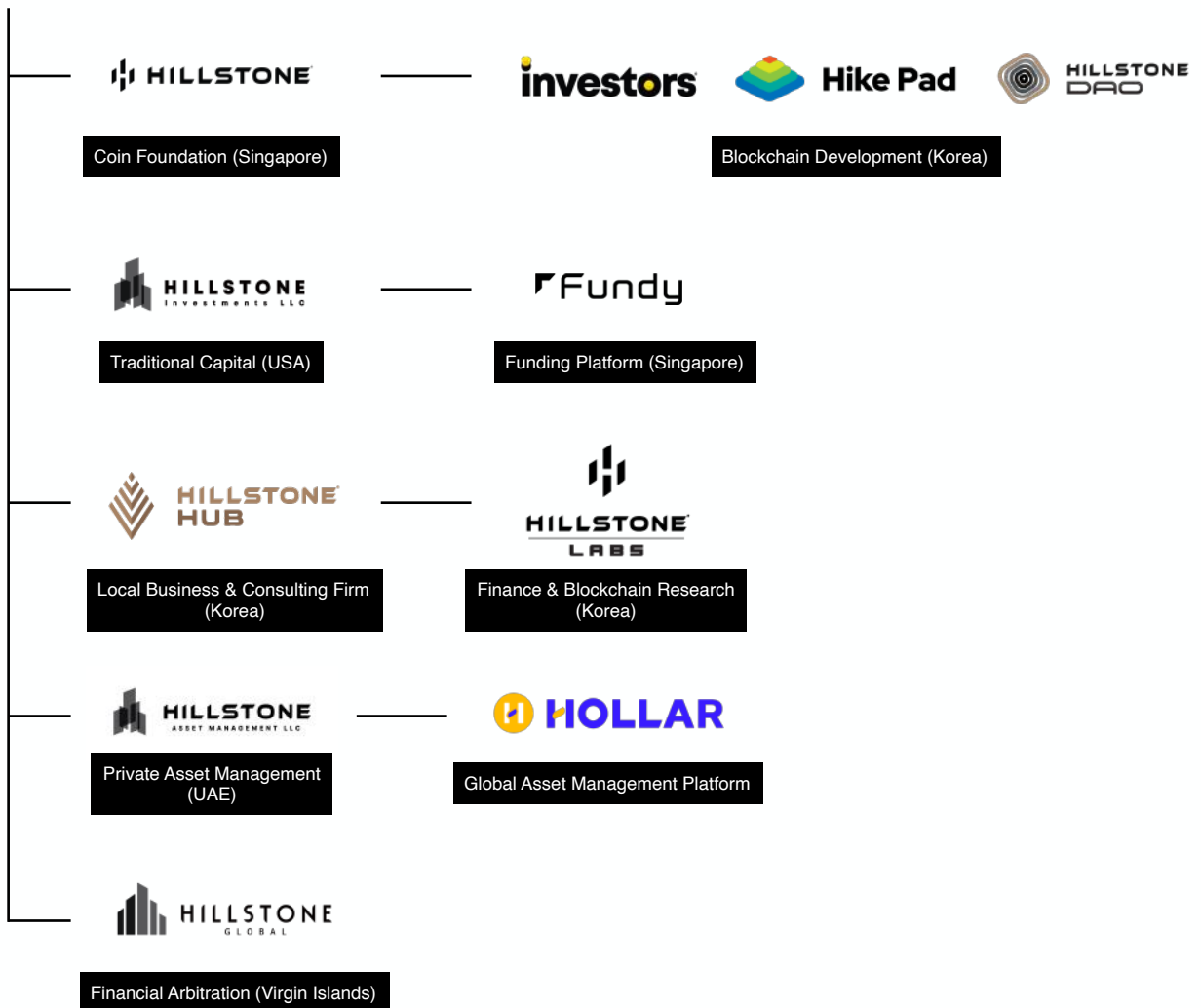
COMPANY & TEAM

Corporation Structure



Hillstone Partners
M&A Advisory Business Boutiques

Traditional Capital (Korea)



HILLSTONE FOUNDATION

73 Upper Paya Lebar Road #06-01c Centro Bianco Singapore

HILLSTONE INVESTMENTS LLC.

180 Maiden Lane, New York, NY 10038

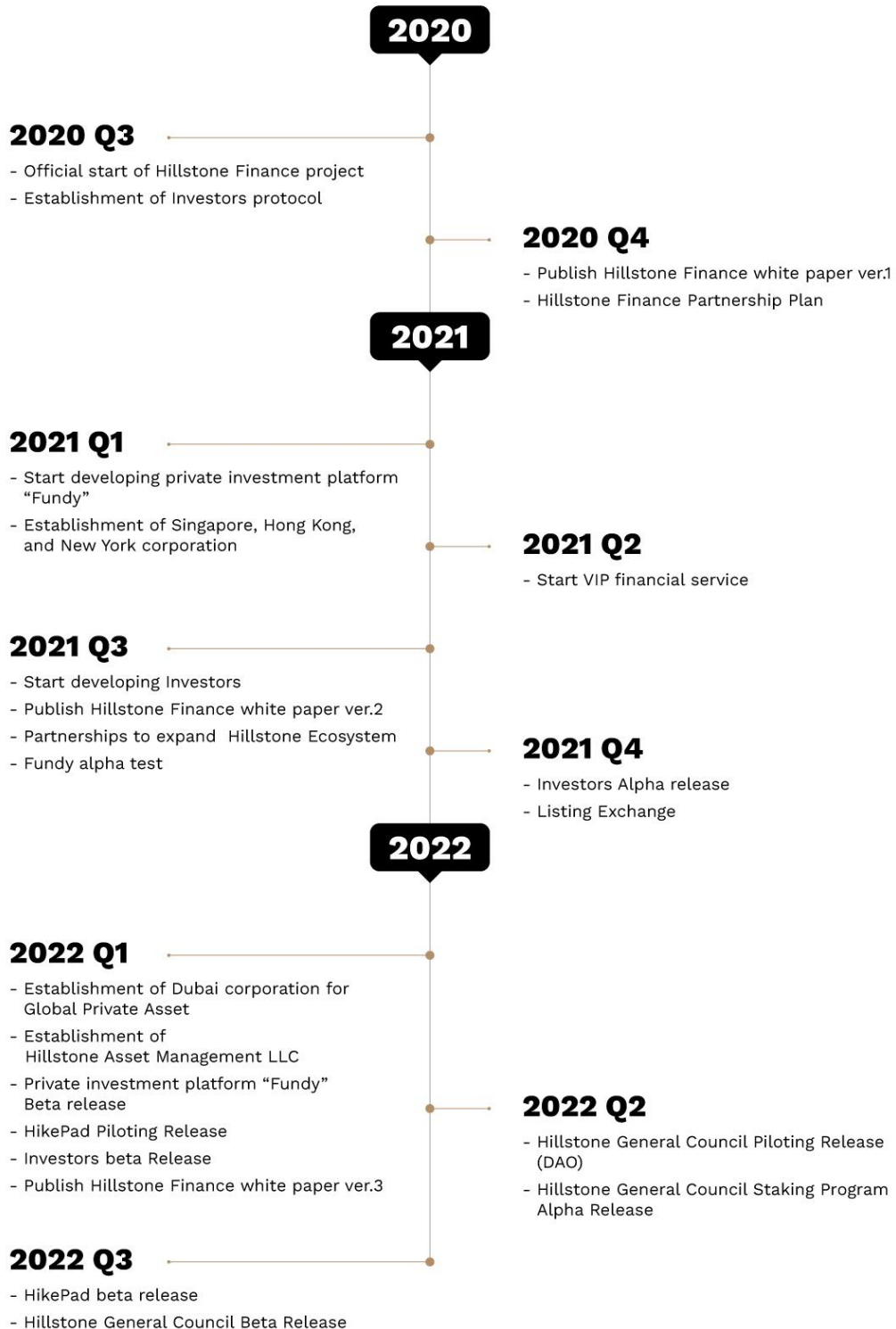
HILLSTONE PARTNERS / HILLSTONE HUB

14-2, Pangyoyeok-ro, Bundang-gu, Korea

HILLSTONE GLOBAL

British Virgin Islands, BVI 2021594

Road Map



C-LEVEL



FOUNDER & CEO

Hwang Na-yol

2007 Seoul National University
Humanities Dropout

2017 Hillstone Partners CEO
2016 Yozma Campus Korea Center
Director
2014 CrazyRap CEO
2005 X Face CEO
2003 UMind CEO



CHIEF STRATEGY OFFICER

Park GiMok

2003 Graduated from Peking University,
Major in Business Administration

2017 RealIR CEO
2014 Brighta Consulting Co-Founder
2013 Mplus Consulting Team Manager
2012 consultant (China business)



CHIEF TECHNOLOGY OFFICER

Lee Jae-heung

2019 Graduated from Hanyang
University, Major in Computer
Engineering,

2018 ADEVT CEO
2018 SCV Soft CTO
2015 PLASSE Researcher
2017 Naver Lecturer
2017 Engine Developer



CHIEF MARKETING OFFICER

Yoo Jemin

2019 Hillstone Partners, CMO
2018 369Block Founder
2015 Where is new Director
2010 Femia CEO
2009 AKPR CEO



DESIGN TEAM LEADER

Nam Il-woo

2008 Samsung Art & Design School /
Graduated
2010 CJ Media OPAD / Design
2011 Medici Milano / Design, Planning
2013 CrazyRap / Design
2017 IVAN creatives / design

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Token documents: White papers or websites do not contain proposals from companies or Hillstone Foundations to sell HSF. We are not responsible for anything contained in the white paper or website regarding promises and expressions of the Hillstone Finance platform's future performance. In relation to the distribution or transfer of HSF, the contract between the Distributor (or a third party) and the parties applies only by separate terms and conditions. The information specified in the white paper and website is intended to provide information and is not legally binding. No entity can enter into a legally binding contract regarding the acquisition of HSF. If there is a discrepancy between the terms and conditions and the white paper or website, the terms and conditions take precedence.

Statements and guarantees

- 1) It complies with all applicable laws, regulatory requirements and restrictions.
- 2) It does not guarantee or express the value or liquidity of HSF, and I acknowledge, understand, and agree that HSF is not an investment product and is not for speculation.
- 3) Company, foundation, and Hillstone Finance team members are not responsible for the value of HSF, the transferability and liquidity of HSF, or the availability of the HSF market.
- 4) The Company and Hillstone Foundation shall not be guaranteed or liable to any company or individual for the accuracy, completeness, timeliness or reliability of any white paper, website or other content. The Company, Distributor, Each Affiliate, and Service Provider shall not be liable for any kind of indirect, special, incidental, consequential or other loss, illegal contract or other (including any liability arising from default or negligence). Prospective buyers of HSF should carefully consider and evaluate all risks and uncertainties (including financial and legal risks and uncertainties) associated with the distribution of HSF, Company, Distributor and Hillstone Finance Team.

If you are a citizen, country, resident (tax or other), regional or permanent resident (i) of a region or country where HSF distribution is likely to be interpreted as a secure sale, you acknowledge, understand, and agree that you are not eligible to participate in HSF distribution. I agree to provide identification documents when participation in token distribution is prohibited by financial services or investment products and (ii) applicable laws, regulations, treaties or administrative laws (including the United States and China).

Use only for information purposes: The information presented in this white paper is a conceptual explanation of the goals of the Hillstone Finance platform to be developed in the future. Especially for the Hillstone Foundation's purpose of sharing the roadmap of the project to explain the plan, legally binding commitments are not included. Ultimately, the development, launch, and timing of all products, functions, or functions may be maintained and changed at the sole discretion of the foundation, company, or affiliates, and should not rely solely on the information in this paper. In addition, white papers or websites may be modified or replaced from time to time. The foundation is not obligated to update white papers or websites or provide access to information other than the information provided herein.

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