

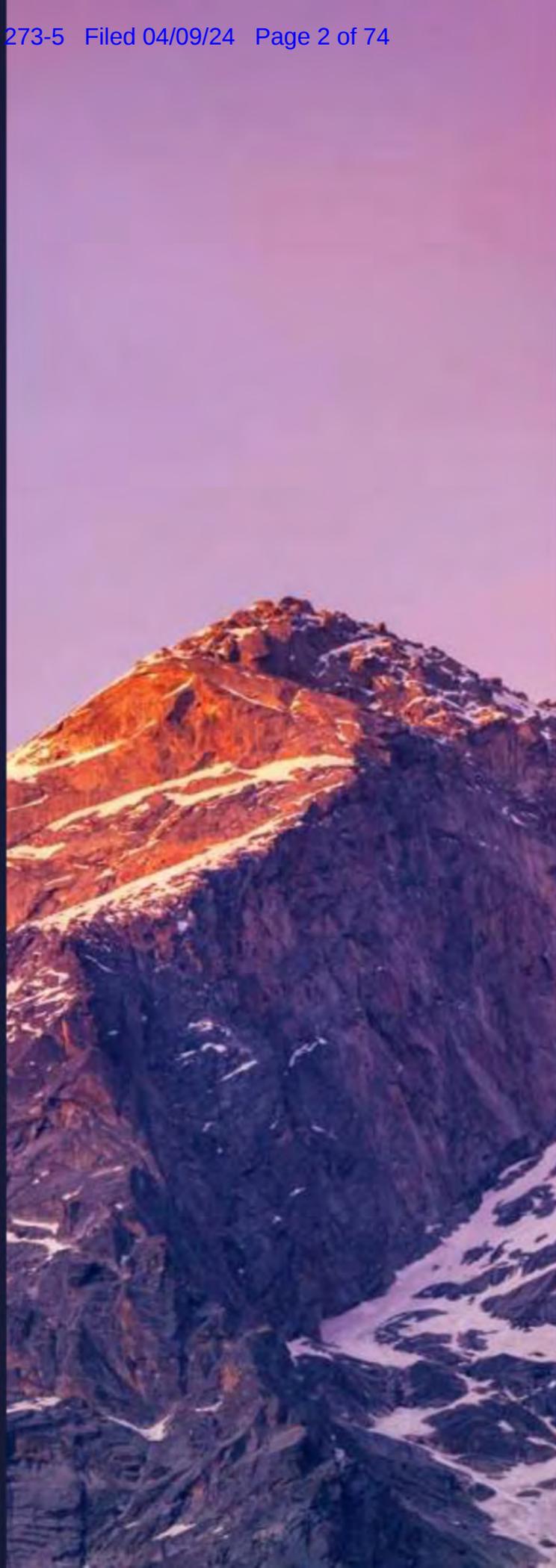
# EXHIBIT E

Whitepaper

# Himalaya Dollar

April 2021 | Version 1.0

THE STABLE COIN OF THE  
**HIMALAYA ECOSYSTEM.**



# The **Himalaya Dollar**.

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## Whitepaper Glossary.

### 0-9

#### 3 FACTOR AUTHENTICATION (3FA)

3Factor Authentication is a triple layer security measure. Himalaya Exchange is the only cryptocurrency exchange to implement this. Members must input their credentials, password, and behavioural identification.

### A

#### ADVANCED PERSISTENT THREATS (APT)

Advanced Persistent Threat (APT) is an adversary with sophisticated levels of expertise and significant resources, allowing it through the use of multiple different attack vectors to generate opportunities to achieve its objectives.

#### AES-256 ENCRYPTION

Short for Advanced Encryption Standard, it's a symmetric block cipher used by the American government to encrypt sensitive data.

#### ANTI-MONEY LAUNDERING (AML)

A set of international laws enacted to curtail criminal organisations or individuals laundering money through cryptocurrencies into real-world cash.

### B

#### BUFFER OVERFLOW

A buffer overflow occurs when the volume of data exceeds the storage capacity of the memory buffer. As a result, the program attempting to write the data to the buffer overwrites adjacent memory locations.

### C

#### CHECK

CHECK is an umbrella term for the National Cyber Security Centre (NCSC) approved penetration test companies and the methodology used to conduct a penetration test.

#### CLICKJACKING ATTACK

Clickjacking is an attack that tricks a user into clicking a webpage element which is invisible or disguised as another element.

#### CLIQUE POA

Proof of Authority means that only approved signers can seal the blocks.

#### COUNCIL FOR REGISTERED ETHICAL SECURITY TESTERS (CREST)

CREST is an international not for profit accreditation and certification body that represents and supports the technical information security market.

#### CROSS-SITE SCRIPTING

Cross-Site Scripting (XSS) is a security vulnerability found in web applications. A XSS attack enables attackers to inject scripts into webpages viewed by others.

#### CRYPTO ASSET

An asset occurring in a digital format that utilises cryptography.

#### CYBER ESSENTIALS

Cyber Essentials is a simple but effective, Government backed scheme that helps protect individuals and organisations against a whole range of the most common cyber attacks.

### D

#### DENIAL OF SERVICE ATTACK (DDOS)

A DDoS attack is a cyberattack on a server, service, website, or network that floods it with Internet traffic. The aim is to overwhelm the website or service with more traffic than the server or network can accommodate.

### G

#### GENERAL PADDING ORACLES

In cryptography, a padding oracle attack is an attack which uses the padding validation of a cryptographic message to decrypt the ciphertext.

### H

#### HARDWARE WALLETS (HWS)

A physical device for cryptocurrencies that stores private keys which enables users to securely store crypto assets.

#### HARDWARE SECURITY MODEL (HSM)

A dedicated crypto processor that is specifically designed for the protection of the crypto key lifecycle.

#### HASH

Hashing is an algorithm performed on data such as a file or message to produce a number called a hash. The hash is used to verify that data is not modified, tampered with, or corrupted.

#### HCN ALLOCATION AMOUNT

Refers to the maximum amount of Himalaya Coin Credits that invited Members are entitled to purchase.

#### HDO OR HCN CREDITS

Means the credit in a Member's account on the Himalaya Exchange that corresponds to a crypto asset, which entitles the Member to trade on the Himalaya Exchange platform.

#### HEARTBLEED OPEN SSL VULNERABILITY

Heartbleed is a security vulnerability in OpenSSL (secure communications over computer networks) that enables attackers to steal sensitive data like login credentials, personal data or even decryption keys.

#### HIMALAYA COIN (HCN)

The official coin issued and managed by Himalaya International Financial Group.

#### HIMALAYA DOLLAR (HDO)

The stablecoin that aims to maintain a fixed value to the U.S. Dollar, issued and managed by Himalaya International Reserves Limited.

#### HIMALAYA ECOSYSTEM

The network through which HDO Credits, HCN Credits and tokens can be used, held, traded, transferred or spent.

#### HIMALAYA EXCHANGE

The crypto asset exchange on which Members can buy, sell and trade their crypto assets.

#### HIMALAYA EXCHANGE APP

The trading application that enables Members access to the Himalaya Exchange platform where they can purchase and trade cryptocurrencies on the move.

#### HIMALAYA PAY APP

The payment solution app that fuels the Himalaya ecosystem, connecting Merchants and Members. Members of the ecosystem can exchange their HDO and HCN for goods and services.

#### HSTS HEADER PRESENCE

Hyper Text Transfer Protocol (HTTP) Strict Transport Security (HSTS) is a web page header that convey details to the browser to enforce security settings.

### I

#### INITIAL ISSUANCE

This means the first issuance of HCN by the relevant Issuer.

#### ISAE 3402

International Standard on Assurance Engagements (ISAE) 3402 is an assurance standard to report on risk management, the controls and services provided to customers by service organisations.

#### ISO27001

International Organisation for Standardisation (ISO) 27001 is an international standard on how to manage information security.

#### ISSUER

Meaning, in respect of the HDO, Himalaya International Reserves Ltd and in respect of HCN Himalaya International Financial Group Ltd.

# Whitepaper Glossary.

## K

### KNOW YOUR CUSTOMER (KYC)

'Know Your Customer' refers to a financial institution's obligation to verify the identity of a customer in line with AML laws.

## L

### LIGHTWEIGHT DIRECTORY ACCESS PROTOCOL INJECTION (LDAP)

A code injection technique used to exploit web applications which could reveal sensitive user information or modify information represented in the LDAP data stores

### LIQUIDITY SUPPORT

Means the ability of the Reserve to use its funds to provide liquidity if needed.

## M

### MAN-IN-THE-MIDDLE ATTACKS

A cyberattack where the attacker secretly relays and possibly alters the communications between two parties who believe that they are directly communicating with each other.

### MEMBERS

This term refers to a person or entity who registers and creates an account with the Himalaya Exchange.

### MERCHANTS

Any retailer approved by Himalaya Pay who accepts HDO Credits or HCN Credits as a means of payment for goods or services.

## P

### PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI DSS)

PCI DSS is a set of requirements which explain how to protect organisations and customers when taking payments.

### POINT OF SALES (POS)

Refers to the physical or virtual location of a customer's purchase of an item, or the actual physical point-of-sale device.

### PRIVATE OFFERING

The private sale of the Himalaya Coin, which is offered to certain Members of the Himalaya Exchange on an invite only basis.

### PRIVATE PLACEMENT PARTICIPANTS

Means all individuals who have been formally notified by the Himalaya Exchange inviting them to participate in the initial sale of Himalaya Coin by purchasing Himalaya Coin Credits up to a maximum amount.

### PURCHASE ORDERS

Orders submitted by Members to purchase HDO Credits on the Himalaya Exchange.

## Q

### QUICK RESPONSE CODE (QR)

QR code is a square bar code which allows Members to instantly access information on a product or service.

### QUORUM

Quorum is an open-source blockchain protocol specially designed for use in a private blockchain network or consortium blockchain network, where multiple members each own a portion of the network. It is the backbone of Himalaya Pay.

## R

### (RELIABLE, REPLICATED, REDUNDANT AND FAULT TOLERANT) RAFT

A consensus algorithm that is designed to be easy to understand.

### REMOTE OS COMMAND INJECTION

This is an attack is an injection attack through which an attacker can execute any malicious commands on the host operating system via the application

### RESERVE

Pool of assets managed by the HDO Issuer to maintain the value of HDO.

### RESTRICTED JURISDICTION

Means any country with respect to which investments in crypto or other transactions in crypto are in any way restricted.

### RESTRICTED PERIOD

A period in which transactions outside the Himalaya ecosystem are restricted.

## S

### STABLECOIN

Refers to the Himalaya Dollar which is structured with the aim to maintain its value 1-to-1 to the United States Dollar.

### SUBSEQUENT ISSUANCES

Any issuance that occurs after the initial offering.

## T

### TLS 1.3 ENCRYPTION

The latest version of the internet's most deployed security protocol, which encrypts data to provide a secure communication channel between two endpoints.

## U

### UTILITY

This is the commercial value proposition of the Himalaya Dollar.

### USERS

Anyone who accesses or uses the Himalaya Exchange App or the Himalaya Pay App.

## W

### WHITELISTED

Ethereum addresses or other blockchain addresses that have been verified and registered with the Himalaya Exchange or the Issuer.

## The Big Problem.

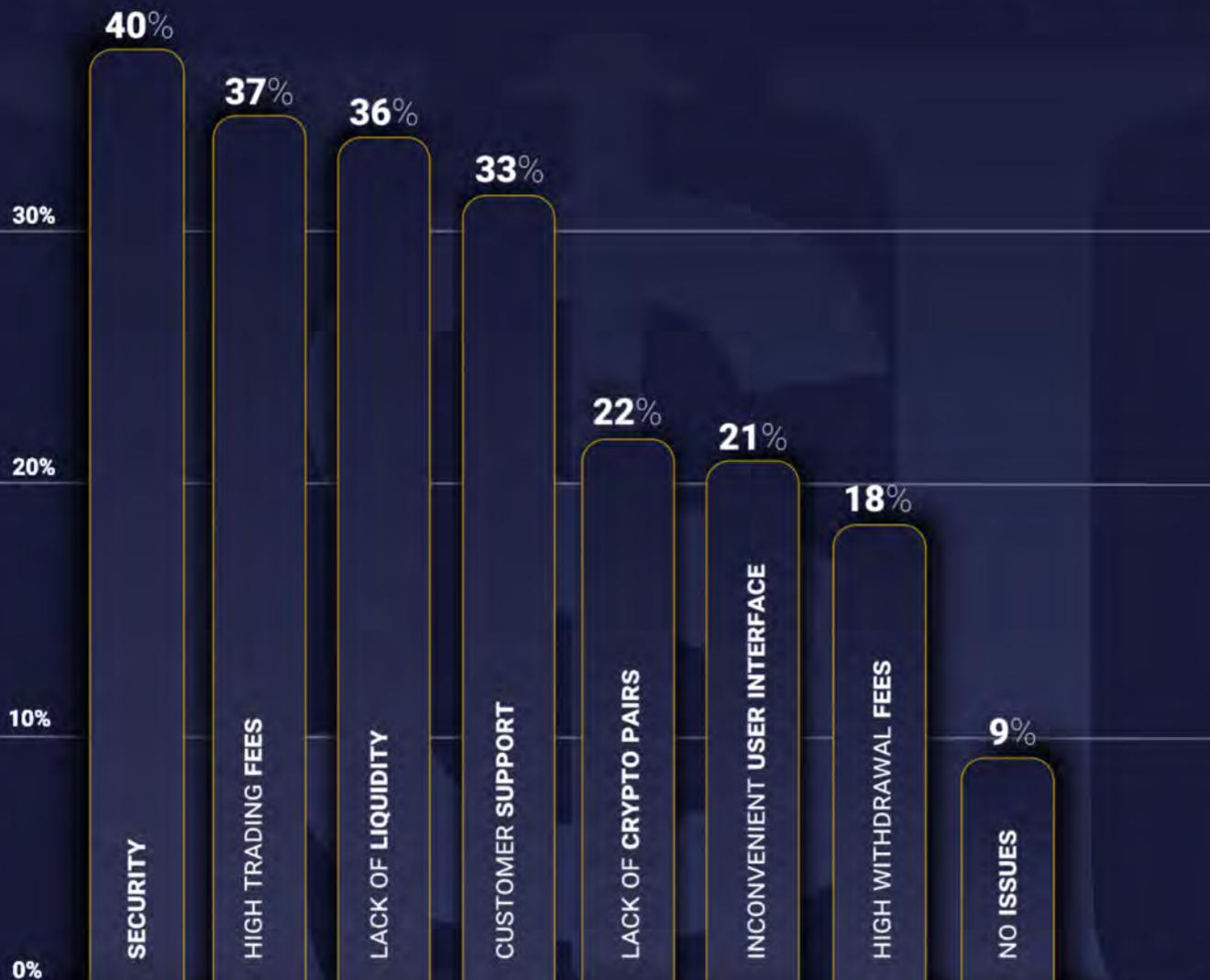
Today’s cryptocurrency and other digital assets landscape is still evolving and presents many exciting opportunities, as well as challenges. Factors like the lack of liquidity and education, poor security and customer support, high volatility, and poor onboarding infrastructure, fill the average consumer with FUD (fear, uncertainty & doubt).

Many crypto exchanges are built for experienced investors who understand the intricacies of wallet security and complexities of cryptocurrencies. These exchanges have also faced security issues mainly due to inadequate use of “hot and cold storage” strategies and poorly written software, leaving most of their users vulnerable to cyber attacks and struggling with complex user interfaces and designs, creating an adverse user experience.

These factors, combined with the lack of transparency and proper regulations in the crypto space, are delaying broader adoption by the public. This outlines some of the biggest problems that cryptocurrency traders have observed in currently available exchanges.

The below statistic displays the most significant problems of cryptocurrency exchanges according to traders globally as of April 2020 (© Statista 2021).

45% SHARE OF RESPONDENTS



This following statistic presents the number of cryptocurrency exchanges that traders worldwide have signed up for as of 2018. In that year, 69 percent of people polled had signed up for three or more exchanges (© Statista 2019).



**STOLEN FUNDS IS A MAJOR ISSUE**

IT security remains a major risk factor for all crypto asset actors. Crypto asset holders are obvious targets for hackers and criminals as blockchain transactions are generally irreversible once the crypto asset leaves the intermediary.

**IDENTIFIED SECURITY BREACHES LEADING TO LOSS OF FUNDS**

EXCHANGES AND STORAGE PROVIDERS (EXCL. DAPPS)

CRYPTO ASSET FUNDS LOST  
\$1800 MILLION

NO. OF SECURITY BREACHES PER YEAR  
18

\$1600 MILLION

16

\$1400 MILLION

14

\$1200 MILLION

12

\$1000 MILLION

10

\$800 MILLION

8

\$600 MILLION

6

\$400 MILLION

4

\$200 MILLION

2

\$0

0

2016

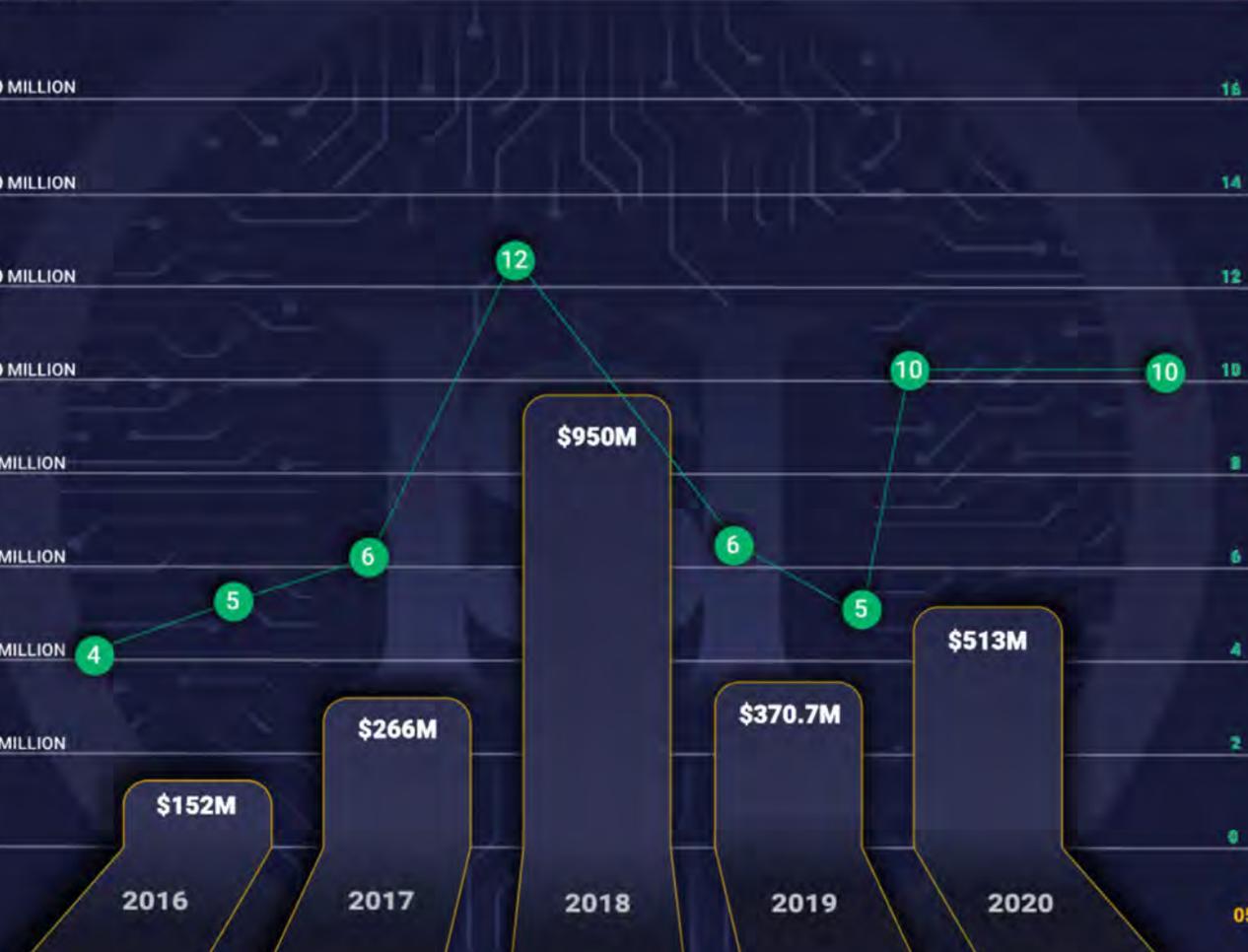
2017

2018

2019

2020

05



## The Himalaya Dollar

### A Financial Solution for the Digital Age.

This document provides details on the proposed issuance of the Himalaya Dollar, a new stablecoin pegged to the U.S. Dollar. Issued by Himalaya International Reserves Ltd (the "Issuer"), the Himalaya Dollar has been designed with the goal of providing an advanced payment solution combined with trading functionality structured with the aim of removing what we believe are some key obstacles to mass adoption.

It has been developed to operate within an infrastructure intended to enable low cost, fast and secure payment and trading options, with a trading platform developed with the objective of achieving enhanced liquidity and high security.

“ We believe it represents a **Revolutionary Financial Solution** for the **New Digital Age.** ”

## VISION

To Empower Everyone In The World To Take Control Of Their **Financial Freedom.**

## MISSION

To create **the best digital financial system** using blockchain technology to provide **affordable, secure, efficient and convenient products and services.**

Please read the sections of this White Paper entitled "**Important Notice**" and the section entitled "**Risk Factors**" at the end of this document.

This White Paper contains information based upon and/or obtained from third-party publicly available sources that we consider reliable. While such information has been accurately reproduced in this document, we have relied upon and assumed without independent verification the accuracy and completeness of such information and do not guarantee its accuracy, completeness, fairness or timeliness, and it should not be relied upon as such. Information which is based upon and/or obtained from third-party sources has been identified as such together with the source(s) of such information.

# The Himalaya Dollar Solution.

## AN OVERVIEW

Created to operate within an infrastructure developed to provide both payment processing and trading solutions, the Himalaya Dollar ("HDO" or "Himalaya Dollar") has been designed with the goal of addressing certain key deficiencies we view as inherent in many existing offerings and thus facilitating wider adoption. The Himalaya Dollar is a stablecoin, structured with the aim of maintaining its value 1-to-1 to the United States Dollar.

Participation in an issuance of Himalaya Dollar will only be available to Members of the Himalaya Exchange, a new digital asset exchange which is at the heart of our mission to create a new digital financial system (the "Himalaya Exchange").

Members of the Himalaya Exchange will be able to participate in an issuance of Himalaya Dollar through the purchase of HDO Credits through the Himalaya Exchange. To maximise convenience, Members will be able to access the Himalaya Exchange both via the website of the Himalaya Exchange and through the dedicated Himalaya Exchange App (the "Himalaya Exchange App"), which will allow mobile access to the Himalaya Exchange. The Himalaya Exchange App will be launched during Phase 3, as outlined on page 7 Roll-Out below.

The Himalaya Exchange is intended to provide high levels of liquidity both for HDO Credits and Credits traded on the platform corresponding to other crypto assets. To provide an additional layer of liquidity support for HDO Credits and a safeguard against price volatility, a reserve will be established by the Issuer consisting of U.S. Dollars and cash equivalent assets such as government securities deposited with regulated financial institutions (the "Reserve").

If the market for HDO Credits experiences significant liquidity shortfall, the Issuer will have the ability to use funds in the Reserve to provide liquidity support. The Reserve will be managed with the aim of maintaining its value at a level equal to the value of all HDO in circulation and will be subject to independent audit, with audit reports made public.

The result is a new cryptocurrency, designed with the object of creating a product which is structurally resistant to extreme price volatility with independent audits of Reserve assets providing transparency, thereby allowing Members to purchase and transact in HDO Credits with confidence. The Himalaya Ecosystem is being developed through partnerships with businesses who it is anticipated will provide access to a range of products and services. The creation and development of the Himalaya Ecosystem is intended to support the commercial value proposition of HDO and HDO Credits, incentivizing adoption and use.

In addition to the trading solution benefits, HDO Credits are also designed for use through the "Himalaya Pay App". The Himalaya Pay App, which will be launched during Phase 3, will allow Members to use HDO Credits to offer domestic and cross border payments to Merchants who accept payment for goods or services through Himalaya Pay within the Himalaya Ecosystem (the "Himalaya Ecosystem"). Members will also be able to make transfers of HDO Credits from their Himalaya Pay account to the Himalaya Pay accounts of other Members.

IMPORTANT: Holders of HDO or HDO Credits do not have recourse to funds in the Reserve. The Reserve may be used to provide liquidity support in respect of HDO Credits only and is not intended to provide support for HDO held outside the Himalaya Ecosystem. The Issuer is not obliged to use funds from the Reserve to buy back HDO Credits and holders of HDO Credits should not expect that the Issuer will always use funds in the Reserve to buy back their HDO Credits. The Issuer will not use funds in the Reserve to buy back or otherwise directly support HDO held outside the Himalaya Ecosystem. Prospective purchasers should note that HDOs and HDO Credits are not currently and are not intended to constitute regulated products in the jurisdictions in which they are offered.

The combined result is designed with the aim of providing a **strong trading solution through a low cost, secure and liquid exchange platform**. The Himalaya Ecosystem provides a **payment processing solution** which is intended to offer access to merchants, goods and services thus **maximizing utility**.

**ROLL-OUT**

The initial launch of the HDO and the roll-out of associated products and services is intended to be phased as below:



The anticipated schedule for the phased roll-out is:



\* THE PHASE 1 PERIOD MAY BE EXTENDED AT THE DISCRETION OF THE HIMALAYA EXCHANGE. WHERE THE PHASE 1 PERIOD IS EXTENDED, THE COMMENCEMENT DATES FOR PHASE 2 AND PHASE 3 WILL BE DELAYED BY THE SAME PERIOD. THE TIMING FOR LAUNCH OF ANY PHASE OR ANY PART OF ANY PHASE MAY BE DELAYED BY THE HIMALAYA EXCHANGE OR ANY OTHER PROVIDER WHERE IT DETERMINES SUCH DELAY IS NECESSARY AS A RESULT OF THE ONGOING IMPACT OF SARS-COV-2 AND/OR OVERWHELMING DEMAND FOR OUR OFFERING.

## STRUCTURAL CONSIDERATIONS

The operation of the Himalaya Exchange, the Himalaya Ecosystem and associated applications and infrastructure will be facilitated through the use of "Credits". Credits within the Himalaya Ecosystem will correspond to a particular type of crypto asset.

Members will initially be able to purchase Himalaya Dollar Credits from the Himalaya Exchange with U.S. Dollars and may purchase Credits corresponding to a particular type of crypto asset supported by the Himalaya Exchange by transferring corresponding crypto assets to the Himalaya Exchange wallet.

Credits can only be used on the Himalaya Exchange or within the Himalaya Ecosystem, representing a right to participate in trading on the Himalaya Exchange and do not carry any right to require their exchange for fiat currency or crypto-assets. A member may make a request to the Himalaya Exchange to exchange Credits on their account and receive a transfer of corresponding crypto assets to their external wallet address.

Additionally, a Member may make a request to the Himalaya Exchange to accept a transfer of Himalaya Dollar Credits in exchange for an equivalent payment in U.S. Dollars to be paid to the bank account of the Member. However, such exchanges are at the discretion of the Himalaya Exchange, and the Himalaya Exchange is not obliged to fulfil any such requests. References in this document to HCN (the Himalaya Coin, a new coin issued by Himalaya International Financial Group, "HCN" or "Himalaya Coin"), HDO or any other type of asset on an account at the Himalaya Exchange or through the Himalaya Pay App are references to Credits corresponding to that asset.



Prospective Members are advised that neither crypto assets or fiat currency may be held by Members within the Himalaya Ecosystem, and the Himalaya Ecosystem does not provide, and none of the Himalaya Exchange or any other entity within the Himalaya Ecosystem holds any necessary licences or authorizations to provide any type of custody or other arrangements to facilitate this. The Himalaya Exchange intends to hold in its own name and for its own account, crypto assets which it may elect to use at the request of a Member to complete an exchange of a Member's Credits for corresponding crypto assets and the Issuer intends to maintain a Reserve of United States Dollars or other currencies in cash and cash equivalents such as government securities which may be used to complete an exchange of a Member's HDO Credits for U.S. Dollars where such request from a member is approved by the Himalaya Exchange. Members do not have any direct or indirect claim on the Issuer.

**IMPORTANT:** Prospective purchasers should note that HDOs and HDO Credits are not currently and are not intended to constitute regulated products or financial instruments in the jurisdictions in which they are offered.

## The HDO Offering.

The Himalaya Dollar is an Ethereum-based ERC-1404 token that has backwards compatibility with the ERC-20 standard, issued by Himalaya International Reserves Ltd, a limited company incorporated in the British Virgin Islands.

HDO has been structured with the aim of maintaining its value 1-to-1 to the United States Dollar. Himalaya Dollar Credits benefit from potential liquidity support which may be provided through the Reserve which will be managed with the aim of maintaining its value at a level equal in value in U.S. Dollars to the value of Himalaya Dollars in circulation as described below.

The HDO has been developed to operate within a multifaceted infrastructure, designed with the intention of achieving maximum utility while ensuring stability, cost and transactional efficiency and high levels of security. HDO Credits will be sold through the Himalaya Exchange and, following the launch of the trading functionality in Phase 3, will be fully tradeable. Once a Member has completed registration and opened an account with the Himalaya Exchange, they will be able to participate in the offering by purchasing HDO Credits.

Following the launch of trading on the Himalaya Exchange and the Himalaya Exchange App, HDO Credits will be freely tradeable for Credits corresponding to other crypto assets on the Himalaya Exchange through the website of the Himalaya Exchange or on the move using a dedicated mobile application – the Himalaya Exchange App.

In addition, following the launch of the Himalaya Pay App, Members will be able to use HDO Credits to offer payments to Merchants who accept payment for goods and services through the Himalaya Pay App or make transfers of HDO Credits from their Himalaya Pay account to the Himalaya Pay accounts of other Members. When the planned infrastructure upgrade to a hybrid Ethereum and Quorum blockchain platform is completed, we believe that the Himalaya Pay App will provide significant benefits against peer offerings and represent a highly scalable solution.

### PRINCIPAL FUNCTIONALITIES



#### TRADING ON THE HIMALAYA EXCHANGE

On the Himalaya Exchange HDO Credits will be issued on, and fully transferable, through the Himalaya Exchange, enabling Members to freely trade HDO Credits for other cryptocurrency Credits available on the Himalaya Exchange.



#### HIMALAYA PAY APP

Members can use the Himalaya Pay App, a dedicated mobile payment application, to make fast and secure purchases using HDO Credits from Merchants in the Himalaya Ecosystem, including new and established brands, who it is anticipated will provide access to products and services to HDO Credit holders.



#### HIMALAYA EXCHANGE WEBSITE & APP

Through the Himalaya Exchange App Members will be able to access the Himalaya Exchange trading platform to purchase, exchange and trade HDO Credits.

### PRINCIPAL BENEFITS



#### LOW COST, FAST & SECURE

An offering utilising hybrid blockchain technology to provide low-cost, fast and secure transfer, payment and settlement 24/7.



#### AN ALTERNATIVE TO FIAT PAYMENT

Access to an ecosystem of Merchants accepting payment through Himalaya Pay and expected to provide access to products and services to HDO Credit holders.



#### VOLATILITY PROTECTION

A stable class of digital asset providing a safe haven for investors to hedge against volatility through its U.S. Dollar pegged value, thus eliminating cost and time implications of conversion to fiat.



#### TRANSPARENCY & SECURITY

A transparent asset benefitting from a liquidity reserve subject to regular independent audits.



#### LIQUIDITY

Access to a liquid market combined with potential liquidity reserve support to combat liquidity restraints and provide protection against external market events such as hyperinflation and financial market dislocation.

## The **Himalaya Reserve.**

The Issuer intends to create and hold in the Reserve a mix of United States dollars or other currencies in cash and cash equivalents such as government securities and will seek to manage the assets in the Reserve to maintain its value at a level equal to the face value of each HDO in circulation at any time.

### **LIQUIDITY SUPPORT**

The Himalaya Exchange will provide a market for buying or selling of HDO Credits in exchange for Credits corresponding to a range of other crypto assets. This allows Himalaya Exchange Members to trade HDO Credits in their accounts at the Himalaya Exchange with other Members thus providing liquidity in the market for HDO Credits.

While it is intended that the Himalaya Exchange should provide good levels of liquidity, the maintenance of the Reserve is intended to provide an additional layer of potential liquidity as a barrier to unexpected market events. It provides the Issuer with the discretionary ability to take action to support liquidity where it deems necessary.

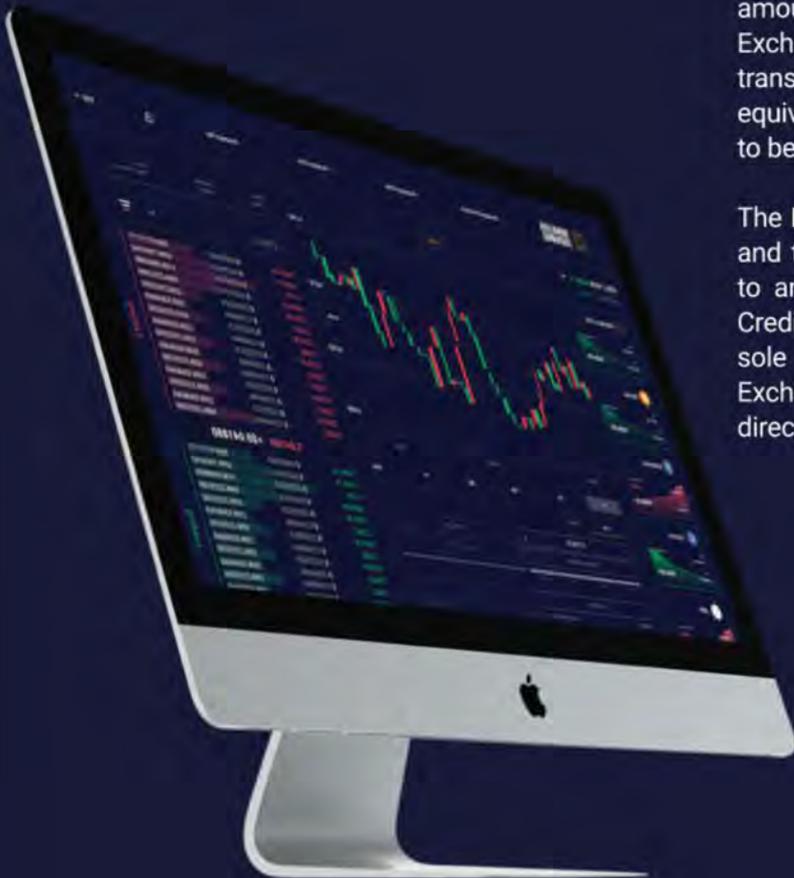
### **RESERVE TRANSPARENCY**

In order to establish market trust in HDO Credits, it is intended to make the Reserve transparent to the public. The Issuer intends to have the Reserve audited annually by independent auditors. The results of those audits will be made publicly available with details of the then-current composition of the Reserve and the market value of the assets as at the time of publication.

### **EXCHANGE OF HDO CREDITS**

A Member may make a request to the Himalaya Exchange to exchange HDO Credits for an equivalent amount in U.S. Dollars. Where the Himalaya Exchange accepts such a request, it will accept a transfer of such HDO Credits in exchange for an equivalent amount in U.S. Dollars from the Reserve to be paid to the bank account of the member.

The Issuer is not obliged to provide liquidity support and the Himalaya Exchange is not obliged to agree to any request from a Member to exchange HDO Credits for U.S. Dollars and such actions are at the sole discretion of the Issuer and the Himalaya Exchange respectively. Members do not have any direct or indirect claim on the Issuer or the Reserve.



## RESTRICTIONS ON TRANSFER & COMPLIANCE WITH LAWS

Following commencement of Phase 3 roll-out, Members will be able to make a request to exchange Credits to their Himalaya Exchange account for the corresponding crypto assets which, if approved by the Himalaya Exchange, would then be transferred to a Member's external wallet address.

Legal and regulatory developments and the approach of regulatory authorities create an existential threat to the longevity of different types of crypto assets and have, in the past, had a substantial negative impact on certain classes of existing crypto assets.

In some cases, changes in law or regulatory approach have resulted in sudden non viability of certain asset types in a given jurisdiction with significant negative consequences for holders. In other cases, the announcement of regulatory investigations has resulted in a rapid and substantial decline in value and utility and delisting of the asset from exchanges across the world.

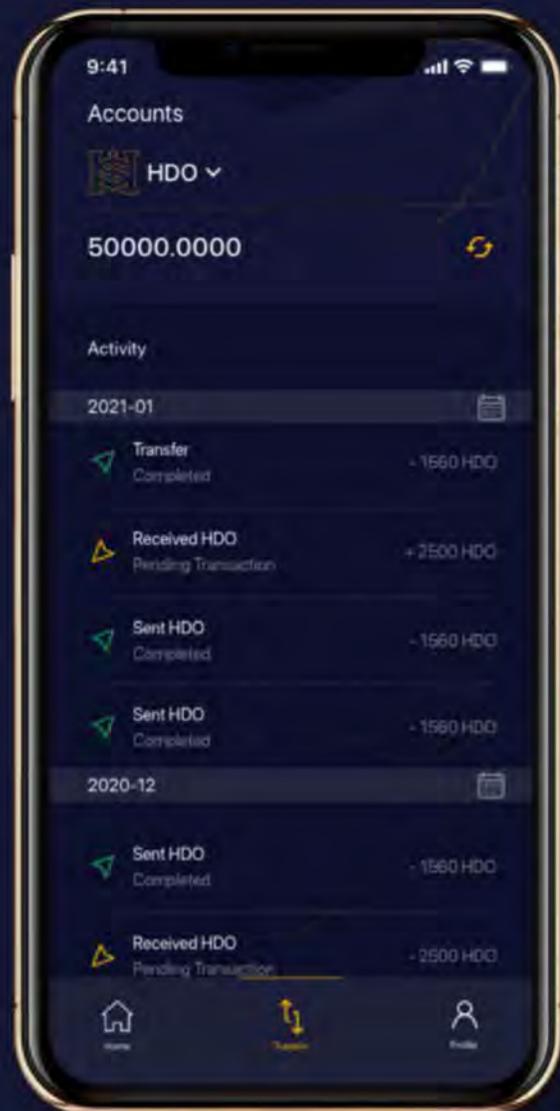
We are committed to developing a secure, sustainable and stable offering which will stand the test of time. In order to achieve longevity of HDO and value protection for Members, HDO have been developed to include a time lock feature which will automatically restrict a transfer of HDO from any external wallet address for a period of 366 days from the date and time it was transferred to such address, unless the relevant address has been verified by the Issuer, or a third-party authorized by the Issuer and "whitelisted".

This feature is intended to prevent unauthorized use of customers' wallet funds, as well as avoiding an inadvertent breach of certain securities laws, pioneering a future proof approach to a dynamic and global regulatory environment.

For further information on this feature, please see the section entitled "Compliance with Laws and Restricted Period" below.

In addition, it may be necessary from time to time, to implement restrictions within the HDO smart contract with the aim of avoiding breaches of existing or new laws or regulations.

We will always endeavour to use commercially reasonable efforts to provide prior notice of any upgrade of the smart contract and inform holders of HDO through official channels.



# Himalaya Dollar **Issuance.**

## PURCHASE ORDERS

Orders to purchase HDO Credits may only be placed after the Initial Issue Date. To participate, a prospective purchaser must be a registered Member with a Himalaya Exchange account and have completed all required registration and verification procedures required by the Himalaya Exchange.

Once registered, Members may purchase HDO Credits by paying the purchase price in U.S. Dollars. The purchased HDO Credits will be added to the Member's account.

## ONGOING ISSUANCES

The Issuer will issue HDO and the Himalaya Exchange will sell corresponding Credits to Members on demand, exclusively through the Himalaya Exchange. The capacity for the ongoing issuance of HDO and sale of corresponding HDO Credits is intended to facilitate growth as demand increases from customers and vendors, supporting our aim of achieving large scale adoption, while also enhancing the benefits of HDO and corresponding HDO Credits for Members through resulting increases in utility, value and liquidity.

The private sale of HDO Credits by the Himalaya Exchange is limited to Members and is not an offering to the public.



**TOKEN CREATION & TERMS OF ISSUE:**

Members of the Himalaya Exchange will be able to participate in the issuance of Himalaya Dollar through the purchase of HDO Credits through the Himalaya Exchange. The launch of HDO (the "Initial Issue Date") is scheduled for April 2021.

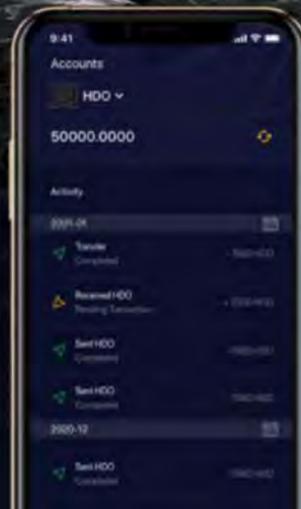
**AUDIT & ASSESSMENT:**

The ERC-1404 token is backwards compatible with the ERC-20 standard. Our smart contract was successfully audited by Certik.

<b>TOKEN NAME</b>	HIMALAYA DOLLAR
<b>TOKEN TICKER</b>	 HDO
<b>ISSUER JURISDICTION</b>	BRITISH VIRGIN ISLANDS
<b>ISSUANCE DATE</b>	26 APRIL 2021
<b>ISSUE PRICE (PER HDO)</b>	1 U.S. DOLLAR*
<b>ACCEPTED PAYMENT</b>	U.S. DOLLARS ONLY**
<b>TOTAL NUMBER OF COINS TO BE ISSUED</b>	UNLIMITED
<b>TYPE OF COIN</b>	STABLECOIN

\* The Himalaya Exchange may, in its discretion, allow purchases of HDO Credits using other Credit types.

\*\* Not available to persons in United States of America or U.S. Citizens.





## Our Technology.

### QUORUM BLOCKCHAIN

Blockchain is an organizational method to ensure the integrity of transaction data and is the core component of cryptocurrencies. The technology is used to maintain an online ledger of all transactions that have been conducted, thereby providing a very secure data structure for the ledger that can be shared to reach consensus. A copy of the ledger is maintained by the entire network or computer of a single node. Each new block generated must be verified by each node before being confirmed, making forging transaction history records almost impossible. Furthermore, each blockchain network can have unique features and algorithms, and can be classified as a public, private, or consortium chain based on who has access to the network.

Unfortunately, the computational resources required to verify transactions on Ethereum (ETH) or Bitcoin (BTC) are quite extensive. The immutability comes with a cost. Public blockchain transaction times are sometimes slow, and fees have been known to spike and become excessive. Following the infrastructure upgrade of the Himalaya Pay App, the Himalaya Ecosystem will utilise a hybrid blockchain that combines the Ethereum and Quorum Blockchain. This hybrid model enables low fee transactions for ecosystem Members.

Quorum is an advanced blockchain technology and enterprise focused version of Ethereum initially developed by JP Morgan. Using the Quorum permissioned blockchain, the technology provides high volume transactional capabilities with very low fees. Quorum is an Ethereum based distributed ledger protocol that has been developed to provide industries with a permissioned implementation of Ethereum that supports transaction and contract privacy. It is an open source blockchain platform that combines the support of the public Ethereum community with enhancement to meet enterprise needs.

It can:

- enable strong transaction privacy;
- offer consensus algorithm choices (RAFT, IBFT, or Clique POA);
- flexibly define how to onboard entities and users to enter the network by using Quorum's smart contract permission-based model;
- enable high speed and high throughput processing of private transactions with a permissioned group of known participants;
- allow any business to easily deploy Quorum across different cloud environments with quorum cloud; and
- provide deployment configurations in one versatile, scalable platform.

Our Quorum Blockchain framework will power instant buy, sell and transfer requests using HDO Credits across the Himalaya Pay network. Inexpensive counterparty transfers of HDO Credits between Himalaya Pay accounts is achieved via a permissioned chain. The confidential consortium is encrypted with military grade cybersecurity protocols to ensure digital asset protection and safeguard Member privacy. We are currently working towards gearing the Himalaya Pay App to utilise Quorum as part of our longer term initiative.

The Himalaya Pay App recovery functionality will give Members the peace of mind that in the event their mobile devices are lost or destroyed, they can easily access their accounts on new devices with a password.

### QUORUM IS TRUSTED BY LEADING ORGANIZATIONS:



Quorum is a blockchain platform designed for the financial sector based on Ethereum. The finance industry is one of the primary beneficiaries of blockchain technology. However, the financial sector has been slow to move to blockchain and the digital asset sector. Issues with the regulatory environment, lack of knowledge, mass adoption and trust are some of the key factors that have made the finance sector hesitant to integrate. Our ecosystem's infrastructure is designed with the goal of addressing these issues.

Few other blockchain networks have performed at the volume and scale of the Ethereum network. Our hybrid model of Quorum and Ethereum is designed to meet the rigid requirements for global adoption. A Member's private information will never be broadcast to the Himalaya Exchange, the Himalaya Pay App or Himalaya Exchange App Members. Private data will be encrypted and only shared directly with relevant parties involved in the transaction.

The distributed architecture and consensus mechanisms of our Himalaya Pay blockchain network will facilitate more efficient data coordination than paper based and centralized financial systems.

It is built on "Go Ethereum", the base code for Ethereum. There are four major improvements made to Ethereum that make Quorum the choice for institutional grade frameworks.

Firstly, Quorum is a permissioned blockchain. The network is not open to everyone. Our permissioned chain is available only between participants that are pre-approved. This provides an additional layer of security and transparency, as all the participants are verified. Secondly, our blockchain solution ensures data confidentiality, which is a crucial factor for working with financial institutions. In addition to its permissioned nature, it can execute on chain public and private transactions. These transactions are like those on the Ethereum network, whereas details of private transactions are not exposed to the public.

Another key aspect that sets Quorum apart from other blockchain technologies is Constellation. The Constellation mechanism encrypts specific messages in a protected enclave and stores information about previous transactions. A large majority of the cryptographic heavy lifting is accomplished inside the Constellation enclave, which is essentially a "virtual HSM" isolated from other components, making it safe and secure. Quorum transactions include Global Transaction Hash, Public State Root Hash, and the block maker's signature.

Lastly, we believe that a significant advantage to using the Himalaya Pay App blockchain ecosystem will be its high performance capabilities. The Himalaya Ecosystem is designed with the aim of achieving a much higher throughput than Bitcoin and Ethereum. The innovation behind these higher speeds is the consensus mechanism design.

With a goal of cross chain interoperability, the Himalaya Ecosystem is poised to elevate our financial technology capabilities as we remain steadfast in growing our global ecosystem.



## The Himalaya Exchange.

The Himalaya Exchange is a digital asset exchange. Trading products on the Himalaya Exchange which will be facilitated through the use of Credits corresponding to crypto assets are anticipated to include stablecoins, tokens and other cryptocurrencies. The range of supported assets may be expanded to include other crypto assets in the future. Supported assets will not include security tokens, asset tokens or any form of derivative.

Striving to be compliant across multiple jurisdictions, the Himalaya Exchange aims to be a global digital asset service provider. Designed with an institutional grade system architecture, it aims to tackle the evolving security risks prevalent in today's financial marketplace.

The Himalaya Exchange is part of an ecosystem designed to simplify and accelerate the process of cryptocurrency adoption while providing robust security and liquidity features.

The foundation of the Himalaya Exchange is a combination of advanced security practices, high level hardware and software infrastructure, around the clock monitoring, continuous support of our clients, and the ongoing development of our staff and community.

A high ratio of digital assets corresponding to Credits traded on the Himalaya Exchange (e.g., HDO, HCN, ETH and BTC) will be held in our offline wallet systems (cold storage) as well as with reputable liquidity providers and crypto custodians.

The offline wallet system (cold storage) provides a necessary security measure against hacking, theft or loss. Asset transfers from the Himalaya Exchange cold storage require actions of multiple employees. All private keys are sharded and stored in safe deposit boxes and geographically distributed vaults.



## Technical Level Security.

The Himalaya Exchange takes every necessary precaution to keep its Members personal information and digital transactions safe and secure in addition to ensuring the safety and security of its crypto assets. The Himalaya Exchange will employ high standards of cybersecurity, while assets are kept safe in a high-level secure environment and will introduce 3FA (3-Factor Authentication) for all Members and their operations in the future.

We are working with the world's leading technology partners to ensure the Intelligence Driven Authentication recognizes Members by combining deep learning insights derived across device, location, and behavioural data - with personalized and contextual customer journeys, which allows us to protect against Man-in-the-Middle attacks, Generic Padding Oracles and Remote OS Command Injection, and becoming the first crypto exchange to implement 3FA.

All Himalaya Exchange environments where data is created, stored and processed are protected with a minimum of AES 256 level encryption. The application components are hosted in private subnets and external communication is controlled through firewalls and whitelisting. Data in transit is protected by TLS1.3 encryption. Hardened servers host the application software with only the necessary ports for internal communications enabled.

Advanced registration and verification technologies, provided by world renowned partners, will also help prevent unauthorized access to our systems and services. Ongoing CHECK and CREST accredited industry leading third party penetration testing for the Himalaya Exchange provides constant stress testing. The Himalaya Exchange's private wallet keys are never stored in software or in databases on the platform. Access to our wallet is governed by a multi layer approach where no single entity has full access.

The Himalaya Exchange utilises a multi-layered approach to cybersecurity and has built in Security and Privacy by Design to ensure technical level security safeguards against advanced SQL injections, cross-site scripting, buffer overflow, denial of service (DDoS Attack), and LDAP injections. Protections against Heart Bleed OpenSSL Vulnerability, HSTS header presence, and clickjacking attacks are part of the platform's tools.



## Himalaya Exchange Policies & **System Level Security.**

The Himalaya Exchange will conduct regular independent security audits and tests of the applications, IT infrastructure and related services. We allocate resources to training and awareness raising in respect of personal security, starting from the top with our executive management team, and continuing down to the rest of our employees. We have developed strong cybersecurity and incident response controls, policies and plans.

Our databases are encrypted with backups in place to ensure high availability. An anti-phishing system for the organization has also been implemented.

API calls are wrapped with SSL encryption and cryptographically signed to prevent any phishing attacks. HWS cold and hot storage have been introduced for managing Himalaya Exchange assets.

Anti-APT (Advanced Persistent Threats) solutions are harnessed to improve security frameworks. Third-party security audits for platform and wallet infrastructure are frequently administered, along with internal operational procedure audits by third-party consultants which provide another layer of protection.

All our systems are aligned with industry-leading standards and regulations such as ISO27001, Cyber Essential, PCI DSS, GDPR and ISA3402E, among other compliance requirements.



## The Himalaya Exchange APP.

Having the flexibility to access the Himalaya Exchange market to purchase, exchange and trade HDO Credits and other crypto asset Credits wherever and whenever you like is key to providing a flexible and user friendly offering with maximum utility. Following commencement of Phase 3, the Himalaya Exchange App will provide Members with a dedicated mobile application for accessing the Himalaya Exchange on the move.

Similarly, Members will be able to access the Himalaya Exchange trading platform to purchase, exchange and trade HDO Credits and other crypto asset Credits through the Himalaya Exchange App.

The Himalaya Exchange App will be integrated with Himalaya Pay allowing Members to make transfers of Himalaya Coin Credits and Himalaya Dollar Credits between their Himalaya Exchange account and their Himalaya Pay account.



## The **Himalaya Coin.**

At the commencement of Phase 2, Himalaya International Financial Group, will undertake an initial issuance of the Himalaya Coin and the Himalaya Exchange will sell corresponding Credits. Credits in respect of the initial issuance will be sold by the Himalaya Exchange on a private placement basis to certain categories of Members only. Sales of Credits corresponding to further issuances of HCN may be made available to Members generally or to certain members of the Himalaya Exchange only, in accordance with the terms prescribed by the Himalaya Exchange in respect of each subsequent sale of HCN Credits. HCN Credits may be purchased by eligible Members using HDO Credits or U.S. Dollars. Purchases using U.S. Dollars may be subject to an additional fee.

### HCN OVERVIEW

The HCN is an Ethereum-based ERC-1404 token which we believe will yield advantages for both consumers and businesses transacting through the Himalaya Ecosystem or trading on the Himalaya Exchange.

Permitted Members will be able to use HCN Credits to offer payments to Merchants in the Himalaya Ecosystem who accept payment through Himalaya Pay using the Himalaya Pay App in the same way as with HDO Credits. HCN will not be pegged to the value of any fiat currency and so its value will be subject to supply and demand in the secondary market. Members will be able to trade HCN Credits on the Himalaya Exchange.

For further details on HCN, corresponding Credits and the terms of the initial issuance and subsequent issuances of HCN and corresponding sale of HCN Credits, please see the Himalaya Coin White Paper.

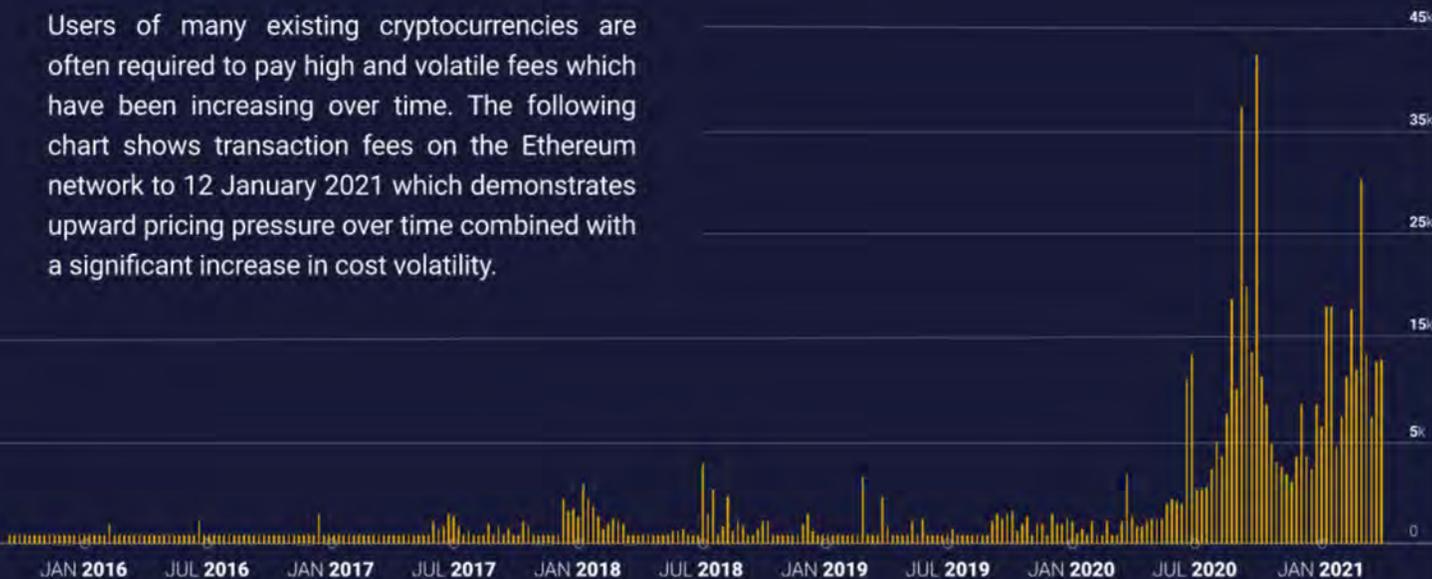


## The Himalaya Pay APP.

Securing, managing and spending digital assets from your mobile device should be simple, intuitive, cost efficient and secure, but with many cryptocurrencies like Bitcoin, Ethereum and other tokens built on Ethereum and other protocols, this is often not the case.

### THE CURRENT SITUATION

Users of many existing cryptocurrencies are often required to pay high and volatile fees which have been increasing over time. The following chart shows transaction fees on the Ethereum network to 12 January 2021 which demonstrates upward pricing pressure over time combined with a significant increase in cost volatility.



Source: Etherscan - Ethereum Network Transaction Fee Chart showing historical total number of Ether paid as transaction fee for the Ethereum network. Data as at 13 January 2021 published through Etherscan.io.

### THE SOLUTIONS

#### Existing Issues

#### Merchants

#### Customers

 <p><b>Infrastructural Inadequacies</b></p>	<p>Hybrid Ethereum and Quorum blockchain technology.</p>	<ul style="list-style-type: none"> <li>• High volume transaction capability</li> <li>• Low fees</li> <li>• Strong transactional privacy</li> <li>• Seamless and fast payments</li> </ul>
 <p><b>Transparency &amp; Structural Integrity</b></p>	<p>Market of verified Members and robust platform Trading Rules.</p>	<ul style="list-style-type: none"> <li>• Member trust and confidence</li> <li>• Comfort and certainty for global regulators</li> <li>• Reduced counterparty risk</li> </ul>
 <p><b>Ecosystem</b></p>	<p>Ecosystem combining a range of Merchants giving access to products and services.</p>	<ul style="list-style-type: none"> <li>• Global marketplace</li> <li>• Creation of independent value to retailers and investors</li> <li>• Exclusive products and services</li> </ul>
 <p><b>Supervision &amp; Security</b></p>	<p>Military grade cyber security protocols, dual transaction technology ensuring accurate and robust ledgers.</p>	<ul style="list-style-type: none"> <li>• Digital asset protection</li> <li>• Seamless asset recovery within ecosystem</li> <li>• Safeguarding of Members' private data</li> </ul>

## Blockchain fraud continues to vastly exceed hacks and thefts in 2020.

In addition to the negative impacts associated with transaction costs on public blockchains, users also face loss of their assets through theft or a loss of their wallet. During the first 5 months of 2020, it is estimated that crypto thefts, hacks and frauds totalled U.S.\$ 1.3 billion [1].

It is expected that crypto users will grow from 250 million to 400 million by 2022. The current level is at 106 million people. The total digital payments segment is expected to be \$5+ trillion USD by 2022, amongst which crypto payments could represent 2-3% of total payment volume.



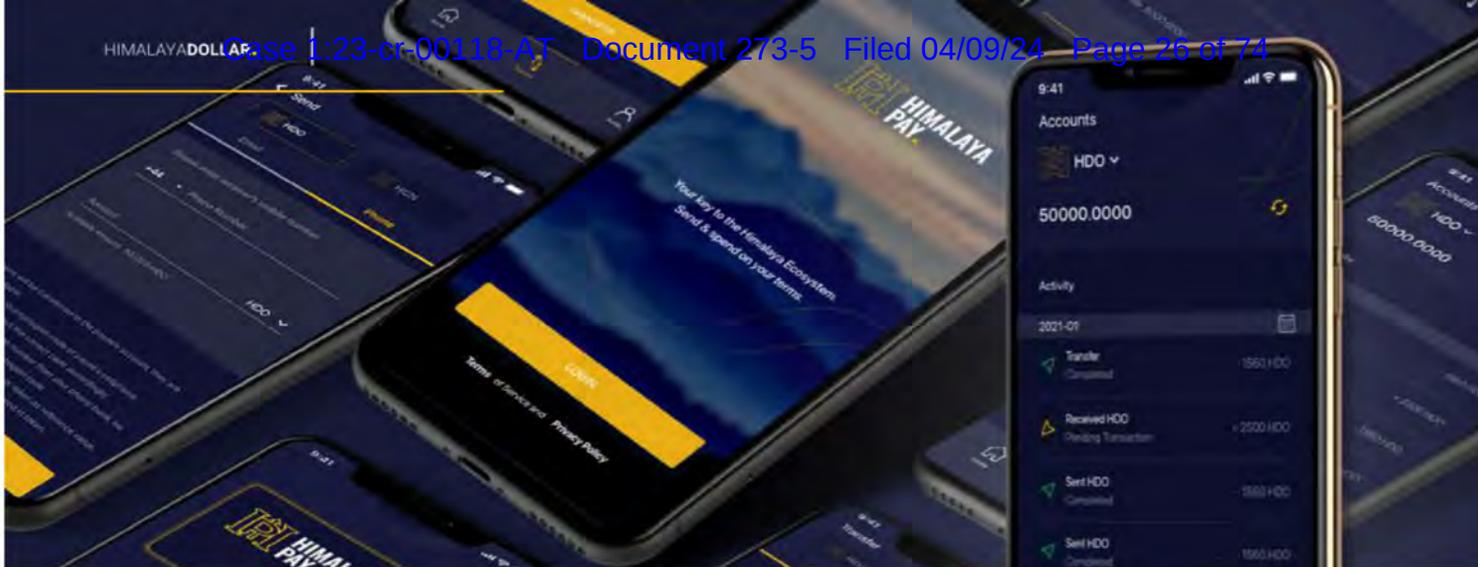
## Total Transaction Value in the Digital Payments Segment



### THE HIMALAYA PAY APP SOLUTION

The Himalaya Pay App has been designed with the aim of addressing these problems. The Himalaya Pay App, which is scheduled to be launched after the roll-out of all other products and services, is a dedicated mobile payment application designed to make fast and secure purchases and transfers using Himalaya Coin Credits and Himalaya Dollar Credits from within the iOS or Android App, while addressing the complexities which have traditionally restricted commercial crypto adoption.

By utilising an infrastructure geared towards seamless, secure and cost efficient transacting, the Himalaya Pay App is a payment and transfer solution designed with the aim of meeting the high-volume transactional demands of a robust ecosystem that continues to scale.



The Himalaya Pay App has been designed to provide a user friendly payment process. It will be integrated with the Himalaya Exchange, allowing Members to make transfers from their Himalaya Exchange account to their Himalaya Pay account and vice versa with ease. The user interface has been designed with simplicity and ease of use in mind. It includes Quick Response ("QR") code and Point of Sales ("POS") capability allowing Members to make purchases with their smartphone. Information such as the amount payable can automatically be inserted in the Himalaya Pay App.

The App will allow Members to use HDO Credits to offer domestic and cross border payments to participating Merchants in the Himalaya Ecosystem, as well as make transfers of HDO Credits to the Himalaya Pay account of other Members, 24 hours a day, with minimal transaction fees.

We believe that a significant benefit of Himalaya Pay App for Members is its security. The system is built with military-grade security control intended to safeguard Members' assets. Its innovative hybrid blockchain solution has been created with the objective of addressing certain security issues often considered inherent in many existing offerings.

We believe the advantages against many existing offerings include the following:

- with most crypto wallets, it is very easy to lose all your assets if the smartphone that holds the wallet is lost or stolen. Himalaya Pay does not have this problem, as any Member can get a new smartphone and access their assets by simply using their credentials (user ID and password);
- all Himalaya Pay App Members, individuals and merchants, are verified. This is intended to facilitate both security and transparency;
- should a Member's smartphone be compromised, and access gained to the Credits on their Himalaya Pay account, any transfers of corresponding assets to an address outside the Himalaya Ecosystem can only be completed through the Himalaya Exchange; and
- following the infrastructure upgrade, transactions on Himalaya Pay will be facilitated using Quorum blockchain technology. This technology has been designed with the aim of enabling high volume transactional capability with low fees and strong transactional privacy.

Members located in Australia and Hong Kong should note that the Himalaya Pay App and related services are currently unavailable in Australia and Hong Kong.

For further details of these security features, please see the section "Himalaya Exchange Policies and System Level Security" above.

“We are enabling transactions worldwide between **people and businesses.** This is Himalaya Pay.”

	Merchants	Customers
 <b>Cost</b>	Low Transaction Fees	Ability to spend HCN/HDO with our Merchants with low fees
 <b>Traffic</b>	New group of high value customers	Incentive to purchase curated products and services from established brands
 <b>Experience</b>	Easy integration into existing systems, Merchant dashboard to track transactions	Smooth QR code mobile payment with Himalaya Pay App
 <b>Speed</b>	Instant Transaction settlement	Instant payment confirmation

- ▲ The customer pays in Himalaya Coin or Himalaya Dollar by choosing 'Himalaya Pay' on the checkout page on the Merchant's platform.
- ▲ The customer is presented with a QR code and scans to pay with the Himalaya Pay App.
- ▲ The customer's account is debited. The Merchant receives payment instantly in their business account.



## The Himalaya **Ecosystem.**

Himalaya Exchange is partnering with world leading brands to create a new payment landscape that goes beyond, and pushes past the stratosphere reaching new and exciting heights. The Himalaya Ecosystem is an innovative network that empowers you to make payments, shop securely, transfer funds, and exchange cryptocurrencies. Our digital coin is different as it provides both value and utility to our Members.

Our payment processing solution is aimed at offering direct access to global markets, while supporting commerce and blockchain interactions. Himalaya Pay simplifies the buying and selling process compared to traditional payment methods. Our ecosystem provides the platform for instant settlement and security, while giving our Members access to global Merchants. Himalaya Pay equips forward thinking businesses with the technology they need to scale and stay current.

Himalaya Pay is a quick and secure solution for accepting cryptocurrency payments for your products or services. Our app provides the Himalaya Ecosystem Merchants with a robust online payment infrastructure that is built to easily integrated into your business, with an enjoyable and flexible customer experience.

### COMING SOON

1

**Himalaya Dollar** allows you to shop online at global retailers to find unique and curated products with a seamless and simple checkout, just add to your basket and pay using HDO.

2

Within the **Himalaya Ecosystem** you can buy your groceries or treat yourself and your friends to a meal at your favourite restaurant. Use your HDO to settle the bill. The Himalaya Pay App was designed to facilitate easy everyday spending.

3

**HDO** is a convenient payment option for airfare, hotels and holiday activities, without the need to exchange currencies for every vacation. Himalaya Dollar crosses borders and breaks down barriers.

4

With **Himalaya Dollar**, our platform is built to enable business owners to streamline processes and settle invoices instantly. All transactions are monitored and tracked on the dashboard accessible to all our Merchants.

5

A digital ecosystem architected to support your digital life. Top up your mobile subscription, purchase a VPN, or invest in the latest high street tech at one of the **Himalaya Merchants** and fund your digital activity with **Himalaya Dollar**.

## The **Himalaya** Ecosystem



## The Himalaya Ecosystem.

A critical component to achieving mass acceptance, adoption and sustainability of any cryptocurrency while enhancing value and utility is the development of an ecosystem sufficient to give intrinsic value to the currency and incentivize adoption and use. The issuer and its affiliates are working to develop the Himalaya Ecosystem through partnerships with businesses and with the aim of expanding this over time.

By establishing and developing the Himalaya Ecosystem the goal is to onboard established brands and high volume partnerships, as well as, boost start ups within the ecosystem.

Investment has been made in Point of Sale hardware with the ultimate aim of allowing Merchants to accept our credits around the globe with low fees and instant settlement processing systems.

The Himalaya Ecosystem of initial partners and affiliates is currently scheduled to go live following the roll-out of all other products and services and Members will be notified in advance of the launch date. The Himalaya Ecosystem will give eligible Members access to our global Merchants.

	Roles in the ecosystem	Incentives
<b>Customer</b>	To make cryptocurrency payments	<ul style="list-style-type: none"> <li>▲ Access: exclusive access to unique products and services</li> <li>▲ Access: ability to spend HCN/HDO at our ecosystem Merchants</li> </ul>
<b>Merchant</b>	To provide cryptocurrency as a payment option	<ul style="list-style-type: none"> <li>▲ Cost: low processing fees</li> <li>▲ Growth: acquire a new base of high-quality customers</li> </ul>

# The Taxonomy Of Himalaya Dollar & Himalaya Coin



COMING SOON



ted Here:

CAFFEE TULLANO  
MILANO, ITALIA

HIMALAYA  
COIN.

“ Much like the internet has forever altered how we live and work, crypto currencies like **Himalaya Coin** and **Himalaya Dollar** have the potential to change how people participate in global markets. ”

## Closing **Summary.**



The **Himalaya Dollar** was conceived to offer a safe haven for Members and traders across the cryptocurrency landscape. As the native stablecoin of the **Himalaya Ecosystem** it holds the potential to be the next generation of digital currency. Its inherent immunity to market volatility opens a world of opportunities that goes beyond a store of value and presents its Members with the possibility to confidently trade and transact crypto.

Our mission is to build an exclusive global platform that enables individuals and businesses to live out their digital activities with new functionality, with drastically lower costs and on a secure infrastructure. The **Himalaya Dollar** is a unique and scalable cryptocurrency within a connected ecosystem that empowers billions of people and fosters financial inclusion for all.

# New World. **New Currency.**

## Compliance with Laws and **Restricted Period.**

### **RESTRICTED PERIOD**

Laws around digital assets are nascent, complex, rapidly evolving and vary across jurisdictions. Potential liability can arise as a result of transfers to citizens or residents of countries whose laws prohibit or restrict the transfer, purchase or use of such assets. The United States is one jurisdiction which places restrictions on transfers of classes of digital assets to its citizens and residents. To protect against potential liability, HDO has been developed to include a revolutionary time-lock feature which will automatically restrict a transfer of HDO from any non-whitelisted Ethereum address for a period of 366 days from the date and time it was received in such address (the "Restricted Period") unless the relevant Ethereum address has been verified and "whitelisted".

### **WHITELISTING ADDRESSES**

- Members may request a removal of the Restricted Period restriction by registering their Ethereum address with the Issuer or another entity authorised to do so. Once registered, any HCN or HDO received by the registered address will not be subject to the Restricted Period. An address may only be accepted for registration at the discretion of the Issuer or the HDO Issuer as the case may be, or a third-party authorized by the Issuer or the HDO Issuer, if it is determined that such registration and subsequent transfer will not breach applicable laws.
- A simple whitelisting procedure (verification of identity and Ethereum address) will be made available through the Issuer's website. A nominal fee will be charged for each whitelisting.
- Once whitelisted, the Restricted Period feature will not be applied to the whitelisted address.

### **EXCEPTIONS**

- The Restricted Period feature is not applicable to transfers of HDO Credits made within Himalaya Exchange or Himalaya Pay network. The restricted period only applies to transfers between Ethereum addresses outside the Himalaya Ecosystem which are not whitelisted.
- The Restricted Period feature is applicable only to Himalaya Dollar and Himalaya Coin, not to any other tokens in your Ethereum address.

### **TERMS & CONDITIONS**

HDO Credits and the use of the Himalaya Exchange, Himalaya Pay and other associated features, products and services in addition to the use of HDO, will be governed by the Terms and Conditions and Terms of Use which will be made available on the Himalaya Exchange website, before the launch date of the relevant product or service.

## Important Notice.

### UNITED STATES

THE HIMALAYA DOLLAR, HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. CONSEQUENTLY, NEITHER THE HIMALAYA DOLLAR OR HIMALAYA DOLLAR CREDITS MAY BE OFFERED, SOLD, ASSIGNED, PLEDGED, DELIVERED OR TRANSFERRED WITHIN THE UNITED STATES OR ANY TERRITORY, POSSESSION OR AREA SUBJECT TO THE JURISDICTION OF THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF ANY US PERSONS AS SUCH TERM IS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT OR TO ANY U.S. CITIZENS (AS DEFINED IN 8 U.S.C. SUBCHAPTER III) OR ANY U.S. PERSONS (AS DEFINED IN 17 C.F.R. §230.902(k)).

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### HONG KONG

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IN THE EVENT THAT SCA DOES NOT APPROVE THE LISTING OF A CRYPTO ASSET ON A CRYPTO ASSET EXCHANGE IN THE UAE, THE CRYPTO ASSETS ARE NOT AVAILABLE ON ANY EXCHANGE IN THE UAE AND, AS A RESULT, THE CRYPTO ASSETS ARE NOT TRADABLE AND/OR SUBJECT TO RESTRICTIONS ON THEIR RESALE IN THE UAE.

## SWITZERLAND

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THE ISSUER OF HDO / HDO CREDITS WILL NOT MANAGE HDO / HDO CREDITS ON YOUR BEHALF. HDO / HDO CREDITS SHALL IN NO WAY BE CONSIDERED BY INVESTORS AS A COLLECTIVE INVESTMENT SCHEME, AS THERE IS NO MANAGEMENT OF THEIR FUNDS BY THE ISSUER OR THE HIMALAYA EXCHANGE.

NEITHER THIS DOCUMENT NOR ANY OTHER INFORMATION OR MATERIAL RELATING TO THE HDO / HDO CREDITS SHALL BE DEEMED AS A PROSPECTUS OR CONSIDERED TO HAVE BEEN FILED WITH OR APPROVED BY FINMA.

ANY SALE OR MARKETING OF HDO / HDO CREDITS IN SWITZERLAND WILL HOWEVER BE DONE IN COMPLIANCE WITH THE RULES APPLICABLE UNDER THE FEDERAL ACT ON FINANCIAL SERVICES (RS 950.1) AND ITS ORDINANCE (950.11), IF AND WHEN APPLICABLE.

HDO / HDO CREDITS DOES NOT QUALIFY AS SECURITY / ASSET TOKENS UNDER THE FINMA GUIDELINES FOR ENQUIRIES REGARDING THE REGULATORY FRAMEWORK FOR INITIAL COIN OFFERINGS (ICOS) PUBLISHED ON FEBRUARY 16, 2018 AND UNDER THE FINMA SUPPLEMENT TO THE GUIDELINES FOR ENQUIRIES REGARDING THE REGULATORY FRAMEWORK FOR INITIAL COIN OFFERINGS (ICOS) PUBLISHED ON SEPTEMBER 11, 2019.

THE HIMALAYA DOLLAR DOES QUALIFY AS A STABLE COIN UNDER THE FINMA SUPPLEMENT TO THE GUIDELINES FOR ENQUIRIES REGARDING THE REGULATORY FRAMEWORK FOR INITIAL COIN OFFERINGS (ICOS) PUBLISHED ON SEPTEMBER 11, 2019 AND HIMALAYA COIN DOES QUALIFY AS A PAYMENT TOKEN UNDER THE FINMA GUIDELINES FOR ENQUIRIES REGARDING THE REGULATORY FRAMEWORK FOR INITIAL COIN OFFERINGS (ICOS) PUBLISHED ON FEBRUARY 16, 2018. NO DIRECT OR INDIRECT REDEMPTION OF THE FUNDS IS PERMITTED AND MEMBERS DO NOT HAVE ANY DIRECT OR INDIRECT CLAIM ON THE ISSUER.

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PROSPECTIVE PURCHASERS SHOULD NOTE THAT THE VALUE OF HDO CREDITS IS INDEPENDENT FROM THE VALUE OF ANY OTHER ASSET OR TOKEN.

## TAXATION

THE TAX TREATMENT OF CRYPTO ASSETS AND CREDITS MAY BE UNCERTAIN AND MAY RESULT IN ADVERSE TAX CONSEQUENCES. THE USE OF CREDITS TO MAKE PURCHASES MAY EXPOSE MEMBERS TO TAX CONSEQUENCES THAT WOULD NOT HAVE RESULTED HAD THEIR PURCHASES BEEN MADE IN A FIAT CURRENCY AND THE PURCHASE AND USE OF CRYPTO CURRENCIES AND CORRESPONDING CREDITS MAY HAVE ADVERSE TAX CONSEQUENCES INCLUDING WITHHOLDING TAX, INCOME TAXES AND TAX REPORTING REQUIREMENTS. MEMBERS MUST SEEK THEIR OWN TAX ADVICE.

## PRIVATE SALE

THE PRIVATE SALE OF HDO CREDITS BY THE HIMALAYA EXCHANGE IS LIMITED TO MEMBERS OF THE HIMALAYA EXCHANGE AND IS NOT A PUBLIC OFFERING TO THE PUBLIC.

## FORWARD LOOKING STATEMENTS

THIS DOCUMENT MAY CONTAIN FORWARD LOOKING STATEMENTS INCLUDING STATEMENTS OF INTENT, BELIEF OR CURRENT EXPECTATIONS WITH RESPECT TO THE HDO, HDO CREDITS AND THE HIMALAYA EXCHANGE. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THESE FORWARD LOOKING STATEMENTS. NEITHER THE ISSUER OR THE HIMALAYA EXCHANGE UNDERTAKE ANY OBLIGATION TO PUBLICLY RELEASE THE RESULT OF ANY REVISIONS TO THESE FORWARD LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER THE DATE HEREOF TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS. WHILE DUE CARE HAS BEEN USED IN THE PREPARATION OF FORWARD LOOKING STATEMENTS, FUTURE CIRCUMSTANCES MAY VARY IN A MATERIALLY POSITIVE OR NEGATIVE MANNER. FORWARD LOOKING STATEMENTS OR ANTICIPATED FUTURE ACTIONS OR DEVELOPMENTS ARE SUBJECT TO UNCERTAINTY AND CONTINGENCIES OUTSIDE THE ISSUERS AND THE HIMALAYA EXCHANGE'S CONTROL.

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- you are not investing or otherwise acting for the account or benefit of a US Person or a resident of the United States or any other Restricted Jurisdiction;
- you are not domiciled or located in the PRC when accessing or trading HCN or HCN Credits; any related trading activities (including trading through the Himalaya Exchange App) must not be conducted within the PRC; and neither this document or any other related marketing materials may be copied or redistributed within the PRC for any other purpose;
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## RISK FACTORS

Purchasing and investing in HDO and/or HDO Credits will involve certain risks. It is important that prospective purchasers and/or investors in HDO and/or HDO Credits understand such risks before making any relevant decision. A non-exhaustive description of certain key risk are set out at Schedule 7 "Risk Factor Disclosure" of the Terms and Conditions (which can be found on the website of the Himalaya Exchange) which any prospective purchaser and/or investor should read and understand before making any purchase or investment decision or otherwise, accessing, using or purchasing any products or services available through the Himalaya Exchange or the Himalaya Ecosystem. Prospective purchasers should conduct their own due diligence before investing and consult a certified financial adviser if any terms of the documentation are not fully understood. By purchasing and investing in HDO and/or HDO Credits or otherwise using related products or services you acknowledge that you have read and understood such risks. In particular, prospective purchasers and/or investors note that:

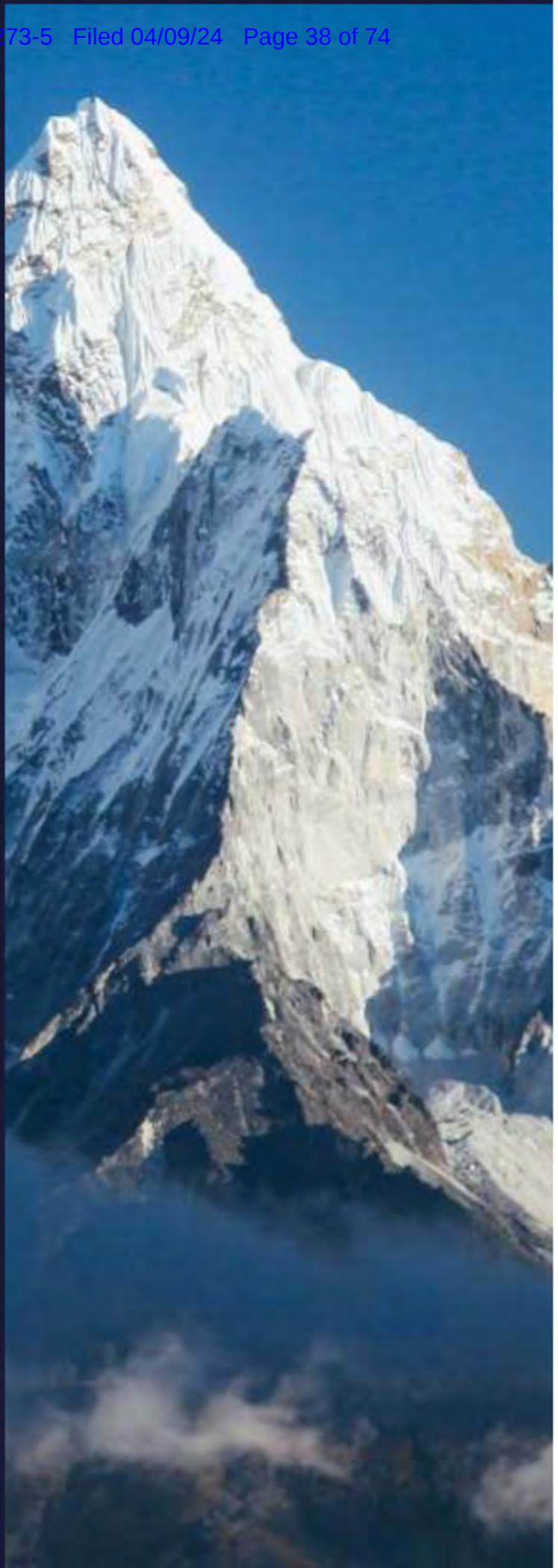
- HDO and/or HDO Credits are not intended to be securities or regulated financial products and may not be purchased in any jurisdiction where, under applicable laws they constitute securities or regulated financial products and are not therefore afforded any protections under such laws;
- HDO and/or HDO Credits are not legal tender and are not backed by any government;
- Credits can only be used on the Himalaya Exchange or within the Himalaya Ecosystem and once purchased, you have no automatic right to receive fiat currency or crypto-assets in respect of such Credits.
- the nature of crypto assets may lead to an increased risk of fraud or cybercrimes;
- transactions related to crypto assets may be irreversible, and, accordingly, losses resulting from fraudulent or accidental transactions may not be recoverable;
- the volatility and unpredictability of the price of crypto assets and consequently, corresponding Credits may result in significant loss over a short period; and
- investors in crypto assets in general, must be willing to lose the entirety of their invested capital and accept that they may have no recourse in the event that purported rights or benefits of any crypto asset is not received, any relevant project does not proceed, or other investors in the market become unwilling to exchange fiat currency for such crypto asset. Negative events in respect of a particular crypto asset are likely to have a corresponding negative impact on any Credits corresponding to such crypto asset.

Whitepaper

# Himalaya Coin

April 2021 | Version 1.0

ENABLING ACCESS FOR THE MASSES.  
A TRUE, OPEN WORLD ECONOMY.  
FOR **EVERYONE.**



# The **Himalaya Coin.**

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# Whitepaper Glossary.

## 0-9

### 3 FACTOR AUTHENTICATION (3FA)

3Factor Authentication is a triple layer security measure. Himalaya Exchange is the only cryptocurrency exchange to implement this. Members must input their credentials, password, and behavioural identification.

## A

### ADVANCED PERSISTENT THREATS (APT)

Advanced Persistent Threat (APT) is an adversary with sophisticated levels of expertise and significant resources, allowing it through the use of multiple different attack vectors to generate opportunities to achieve its objectives.

### AES-256 ENCRYPTION

Short for Advanced Encryption Standard, it's a symmetric block cipher used by the American government to encrypt sensitive data.

### ANTI-MONEY LAUNDERING (AML)

A set of international laws enacted to curtail criminal organisations or individuals laundering money through cryptocurrencies into real-world cash.

## B

### BUFFER OVERFLOW

A buffer overflow occurs when the volume of data exceeds the storage capacity of the memory buffer. As a result, the program attempting to write the data to the buffer overwrites adjacent memory locations.

## C

### CHECK

CHECK is an umbrella term for the National Cyber Security Centre (NCSC) approved penetration test companies and the methodology used to conduct a penetration test.

### CLICKJACKING ATTACK

Clickjacking is an attack that tricks a user into clicking a webpage element which is invisible or disguised as another element.

### CLIQUE POA

Proof of Authority means that only approved signers can seal the blocks.

### COUNCIL FOR REGISTERED ETHICAL SECURITY TESTERS (CREST)

CREST is an international not for profit accreditation and certification body that represents and supports the technical information security market.

### CROSS-SITE SCRIPTING

Cross-Site Scripting (XSS) is a security vulnerability found in web applications. A XSS attack enables attackers to inject scripts into webpages viewed by others.

### CRYPTO ASSET

An asset occurring in a digital format that utilises cryptography.

### CYBER ESSENTIALS

Cyber Essentials is a simple but effective, Government backed scheme that helps protect individuals and organisations against a whole range of the most common cyber attacks.

## D

### DENIAL OF SERVICE ATTACK (DDOS)

A DDoS attack is a cyberattack on a server, service, website, or network that floods it with Internet traffic. The aim is to overwhelm the website or service with more traffic than the server or network can accommodate.

## G

### GENERAL PADDING ORACLES

In cryptography, a padding oracle attack is an attack which uses the padding validation of a cryptographic message to decrypt the ciphertext.

## H

### HARDWARE WALLETS (HWS)

A physical device for cryptocurrencies that stores private keys which enables users to securely store crypto assets.

### HARDWARE SECURITY MODEL (HSM)

A dedicated crypto processor that is specifically designed for the protection of the crypto key lifecycle.

### HASH

Hashing is an algorithm performed on data such as a file or message to produce a number called a hash. The hash is used to verify that data is not modified, tampered with, or corrupted.

### HCN ALLOCATION AMOUNT

Refers to the maximum amount of Himalaya Coin Credits that invited Members are entitled to purchase.

### HDO OR HCN CREDITS

Means the credit in a Member's account on the Himalaya Exchange that corresponds to a crypto asset, which entitles the Member to trade on the Himalaya Exchange platform.

### HEARTBLEED OPEN SSL VULNERABILITY

Heartbleed is a security vulnerability in OpenSSL (secure communications over computer networks) that enables attackers to steal sensitive data like login credentials, personal data or even decryption keys.

### HIMALAYA COIN (HCN)

The official coin issued and managed by Himalaya International Financial Group.

### HIMALAYA DOLLAR (HDO)

The stablecoin that aims to maintain a fixed value to the U.S. Dollar, issued and managed by Himalaya International Reserves Limited.

### HIMALAYA ECOSYSTEM

The network through which HDO Credits, HCN Credits and tokens can be used, held, traded, transferred or spent.

### HIMALAYA EXCHANGE

The crypto asset exchange on which Members can buy, sell and trade their crypto assets.

### HIMALAYA EXCHANGE APP

The trading application that enables Members access to the Himalaya Exchange platform where they can purchase and trade cryptocurrencies on the move.

### HIMALAYA PAY APP

The payment solution app that fuels the Himalaya ecosystem, connecting Merchants and Members. Members of the ecosystem can exchange their HDO and HCN for goods and services.

### HSTS HEADER PRESENCE

Hyper Text Transfer Protocol (HTTP) Strict Transport Security (HSTS) is a web page header that convey details to the browser to enforce security settings.

## I

### INITIAL ISSUANCE

This means the first issuance of HCN by the relevant Issuer.

### ISAE 3402

International Standard on Assurance Engagements (ISAE) 3402 is an assurance standard to report on risk management, the controls and services provided to customers by service organisations.

### ISO27001

International Organisation for Standardisation (ISO) 27001 is an international standard on how to manage information security.

### ISSUER

Meaning, in respect of the HDO, Himalaya International Reserves Ltd and in respect of HCN Himalaya International Financial Group Ltd.

## Whitepaper Glossary.

### K

#### KNOW YOUR CUSTOMER (KYC)

'Know Your Customer' refers to a financial institution's obligation to verify the identity of a customer in line with AML laws.

### L

#### LIGHTWEIGHT DIRECTORY ACCESS PROTOCOL INJECTION (LDAP)

A code injection technique used to exploit web applications which could reveal sensitive user information or modify information represented in the LDAP data stores

#### LIQUIDITY SUPPORT

Means the ability of the Reserve to use its funds to provide liquidity if needed.

### M

#### MAN-IN-THE-MIDDLE ATTACKS

A cyberattack where the attacker secretly relays and possibly alters the communications between two parties who believe that they are directly communicating with each other.

#### MEMBERS

This term refers to a person or entity who registers and creates an account with the Himalaya Exchange.

#### MERCHANTS

Any retailer approved by Himalaya Pay who accepts HDO Credits or HCN Credits as a means of payment for goods or services.

### P

#### PAYMENT CARD INDUSTRY DATA SECURITY STANDARD (PCI DSS)

PCI DSS is a set of requirements which explain how to protect organisations and customers when taking payments.

#### POINT OF SALES (POS)

Refers to the physical or virtual location of a customer's purchase of an item, or the actual physical point-of-sale device.

#### PRIVATE OFFERING

The private sale of the Himalaya Coin, which is offered to certain Members of the Himalaya Exchange on an invite only basis.

#### PRIVATE PLACEMENT PARTICIPANTS

Means all individuals who have been formally notified by the Himalaya Exchange inviting them to participate in the initial sale of Himalaya Coin by purchasing Himalaya Coin Credits up to a maximum amount.

#### PURCHASE ORDERS

Orders submitted by Members to purchase HDO Credits on the Himalaya Exchange.

### Q

#### QUICK RESPONSE CODE (QR)

QR code is a square bar code which allows Members to instantly access information on a product or service.

#### QUORUM

Quorum is an open-source blockchain protocol specially designed for use in a private blockchain network or consortium blockchain network, where multiple members each own a portion of the network. It is the backbone of Himalaya Pay.

### R

#### (RELIABLE, REPLICATED, REDUNDANT AND FAULT TOLERANT) RAFT

A consensus algorithm that is designed to be easy to understand.

#### REMOTE OS COMMAND INJECTION

This is an attack is an injection attack through which an attacker can execute any malicious commands on the host operating system via the application

#### RESERVE

Pool of assets managed by the HDO Issuer to maintain the value of HDO.

#### RESTRICTED JURISDICTION

Means any country with respect to which investments in crypto or other transactions in crypto are in any way restricted.

#### RESTRICTED PERIOD

A period in which transactions outside the Himalaya ecosystem are restricted.

### S

#### STABLECOIN

Refers to the Himalaya Dollar which is structured with the aim to maintain its value 1-to-1 to the United States Dollar.

#### SUBSEQUENT ISSUANCES

Any issuance that occurs after the initial offering.

### T

#### TLS 1.3 ENCRYPTION

The latest version of the internet's most deployed security protocol, which encrypts data to provide a secure communication channel between two endpoints.

### U

#### UTILITY

This is the commercial value proposition of the Himalaya Dollar.

#### USERS

Anyone who accesses or uses the Himalaya Exchange App or the Himalaya Pay App.

### W

#### WHITELISTED

Ethereum addresses or other blockchain addresses that have been verified and registered with the Himalaya Exchange or the Issuer.

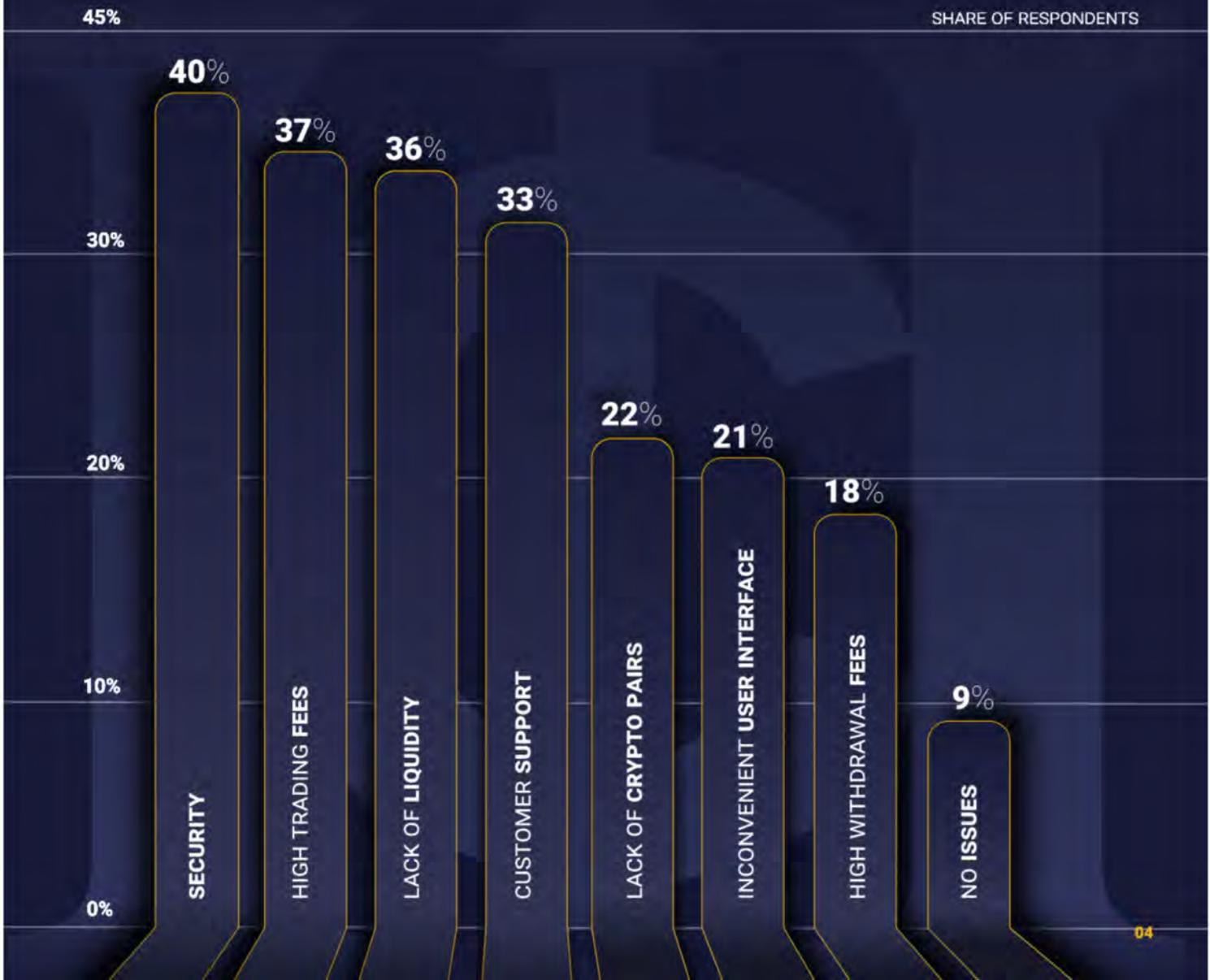
## The Big Problem.

Today’s cryptocurrency and other digital assets landscape is still evolving and presents many exciting opportunities, as well as challenges. Factors like the lack of liquidity and education, poor security and customer support, high volatility, and poor on-boarding infrastructure, fill the average consumer with FUD (fear, uncertainty & doubt).

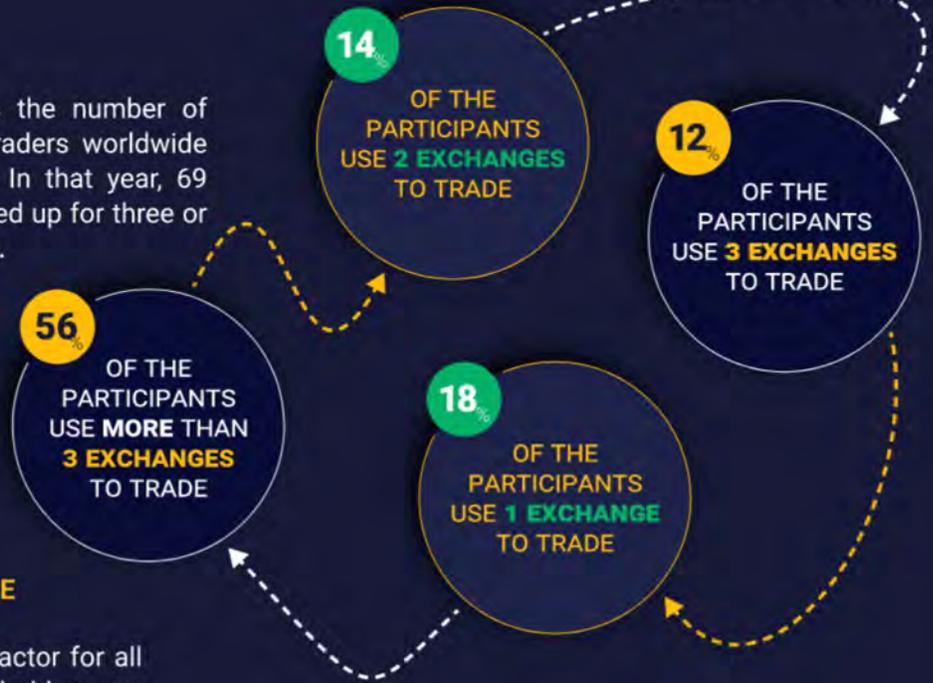
Many crypto exchanges are built for experienced investors who understand the intricacies of wallet security and complexities of cryptocurrencies. These exchanges have also faced security issues mainly due to inadequate use of “hot and cold storage” strategies and poorly written software, leaving most of their users vulnerable to cyber attacks and struggling with complex user interfaces and designs, creating an adverse user experience.

These factors, combined with the lack of transparency and proper regulations in the crypto space, are delaying broader adoption by the public. This outlines some of the biggest problems that cryptocurrency traders have observed in currently available exchanges.

The below statistic displays the most significant problems of cryptocurrency exchanges according to traders globally as of April 2020. (© Statista 2021)



This following statistic presents the number of cryptocurrency exchanges that traders worldwide have signed up for as of 2018. In that year, 69 percent of people polled had signed up for three or more exchanges (© Statista 2019).



**STOLEN FUNDS IS A MAJOR ISSUE**

IT security remains a major risk factor for all cryptoasset actors. Cryptoasset holders are obvious targets for hackers and criminals as blockchain transactions are generally irreversible once the cryptoasset leaves the intermediary.

**IDENTIFIED SECURITY BREACHES LEADING TO LOSS OF FUNDS**

EXCHANGES AND STORAGE PROVIDERS (EXCL. DAPPS)

CRYPTO ASSET FUNDS LOST

\$1800 MILLION

\$1600 MILLION

\$1400 MILLION

\$1200 MILLION

\$1000 MILLION

\$800 MILLION

\$600 MILLION

\$400 MILLION

\$200 MILLION

\$0

2016

2017

2018

2019

2020

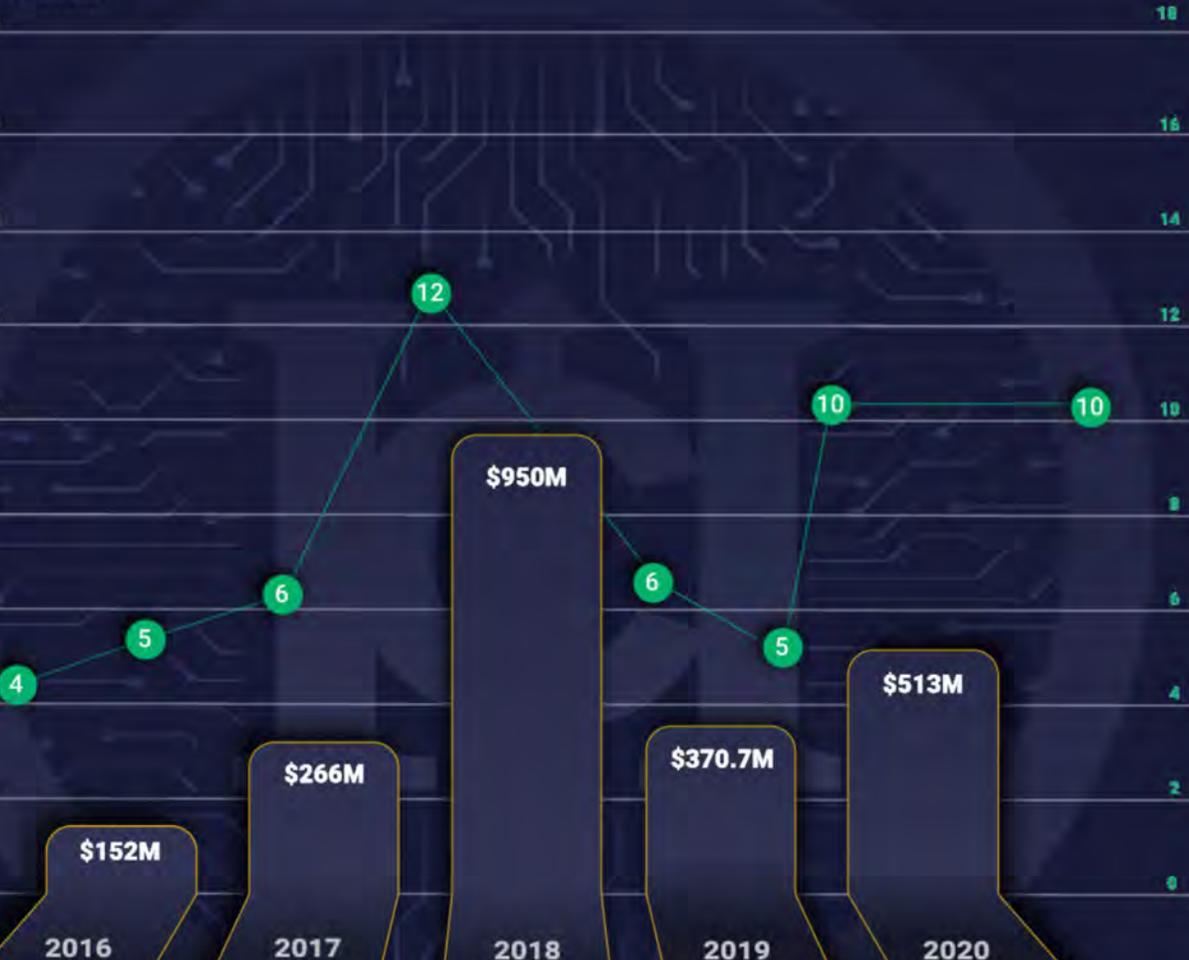
\$152M

\$266M

\$950M

\$370.7M

\$513M



## The Himalaya Coin

### A Trading & Payment Solution for the Digital Age.

This document provides details on the proposed issuance of the Himalaya Coin, a new cryptocurrency. Issued by Himalaya International Financial Group (the "Issuer"), the Himalaya Coin has been designed with the goal of providing an advanced trading solution combined with a payment solution structured with the aim of removing what we believe are some key obstacles to mass adoption.

It has been developed to operate within an infrastructure intended to enable low cost, fast and secure payment and trading options, with a trading platform developed with the objective of achieving enhanced liquidity and high security.

“ We believe it represents a **Revolutionary Financial Solution** for the **New Digital Age**. ”

## VISION

To Empower Everyone In The World To Take Control Of Their **Financial Freedom**.

## MISSION

To create **the best digital financial system** using blockchain technology to provide **affordable, secure, efficient and convenient products and services**.

Please read the sections of this White Paper entitled "**Important Notice**" and the section entitled "**Risk Factors**" at the end of this document.

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## The Himalaya Coin Solution.

### AN OVERVIEW

Created to operate within an infrastructure developed to provide both payment processing and trading solutions, the Himalaya Coin ("HCN" or "Himalaya Coin") has been designed with the goal of addressing certain key deficiencies we view as inherent in many existing offerings and thus facilitating wider adoption.

Participation in the issuance of Himalaya Coins will only be available to certain Members of the Himalaya Exchange, a new digital asset exchange which is at the heart of our mission to create a new digital financial system (the "Himalaya Exchange"). The operation of the Himalaya Exchange and associated applications and infrastructure will be facilitated through the use of "Credits". Credits within the system will correspond to a particular type of crypto asset. Please see the section entitled "*Structural Considerations*" below for a further description of Credits.

The first issuance of HCN (the "Initial Issuance") and the sale of corresponding HCN Credits is being undertaken on a private placement basis and will be available to Private Placement Participants only (as described further below). Further issuances of HCN (each a "Subsequent Issuance") and the sale of corresponding HCN Credits may be made available to Members generally or to certain members of the Himalaya Exchange only in accordance with the terms prescribed by the Himalaya Exchange in respect of each Subsequent Issuance and sale. Please see the section entitled "*Initial Issuance*" below for further information.

On the Initial Issuance, Private Placement Participants who are Members of the Himalaya Exchange and, in respect of each Subsequent Issuance, Members of the Himalaya Exchange in accordance with the terms applicable to a Subsequent Issuance, will be able to participate in an issuance of Himalaya Coin through the purchase of HCN Credits through the Himalaya Exchange.

The Himalaya Exchange is intended to provide high levels of liquidity both for HCN Credits and Credits traded on the platform corresponding to other crypto assets. To maximise convenience, Members will be able to access the Himalaya Exchange both via the website of the Himalaya Exchange and through the dedicated Himalaya Exchange App (the "Himalaya Exchange App") which will allow mobile access to the Himalaya Exchange.

In addition to the trading solution benefits, HCN Credits are also designed for use through the "Himalaya Pay App". The Himalaya Exchange App will be launched during Phase 3, as outlined on the Roll-Out on page 9 below and will allow Members to use HCN Credits to offer domestic and cross border payments to Merchants who accept payment for goods or services through Himalaya Pay within the Himalaya Ecosystem (the "Himalaya Ecosystem"). Members will also be able to make transfers of HCN Credits from their Himalaya Pay account to the Himalaya Pay accounts of other Members.

The Himalaya Ecosystem is being developed through partnerships with businesses who it is anticipated will provide access to their products and services. The creation and development of the Himalaya Ecosystem is intended to support the commercial value proposition of HCN and HCN Credits, incentivizing adoption and use. If the expansion of the Himalaya Ecosystem results in an increase in demand for HCN Credits in the secondary market, or HCN held outside the Himalaya Ecosystem, Members will also be able to benefit from any such increase in demand, such as the potential for price appreciation of HCN Credits.

**The combined result is a cryptocurrency designed with the aim of providing a strong trading solution through a low cost, secure and liquid exchange platform. The Himalaya Ecosystem provides a payment processing solution which is intended to offer access to Merchants, goods and services thus maximizing utility.**

## Himalaya Coin **Solution.**

Himalaya Coin is on a mission to revolutionize the blockchain payment industry. The concept driving the HCN is to help alleviate the current issues existing within the crypto industry. By establishing a liquid marketplace, the Himalaya Coin will:

- reduce lock up of capital and mobilize capital by improving its velocity;
- open different asset classes to a broader global investor base represented by both institutions and individuals;
- enhance transparency and competitiveness in the private capital industry; and
- as a result, improve the availability of capital for entrepreneurs.

With secondary market liquidity, the Himalaya Coin is introducing a new "Digital Asset Class". This advanced category has a better risk and yield profile compared to direct investments in start-ups or Venture Capital funds, as in a traditional limited partner model.



**ROLL-OUT**

The initial launch of the HDO and the roll-out of associated products and services is intended to be phased as below:



\* PRIOR TO THE START OF PHASE 3, THE HIMALAYA EXCHANGE WILL ONLY BE AVAILABLE TO PRE-NOTIFIED PERSONS ("PRIVATE PLACEMENT PARTICIPANTS"). THE PHASE 1 PERIOD MAY BE EXTENDED AT THE DISCRETION OF THE HIMALAYA EXCHANGE. WHERE THE PHASE 1 PERIOD IS EXTENDED, THE COMMENCEMENT DATES FOR PHASE 2 AND PHASE 3 WILL BE DELAYED BY THE SAME PERIOD. THE TIMING FOR LAUNCH OF ANY PHASE OR ANY PART OF ANY PHASE MAY BE DELAYED BY THE HIMALAYA EXCHANGE OR ANY OTHER PROVIDER WHERE IT DETERMINES SUCH DELAY IS NECESSARY AS A RESULT OF THE ONGOING IMPACT OF SARS-COV-2 AND/OR OVERWHELMING DEMAND FOR OUR OFFERING.

## STRUCTURAL CONSIDERATIONS

The operation of the Himalaya Exchange, Ecosystem and associated applications and infrastructure will be facilitated through the use of "Credits". Credits within the Himalaya Ecosystem will correspond to a particular type of crypto asset.

Members will initially be able to purchase Himalaya Dollar Credits from the Himalaya Exchange with U.S. Dollars and may purchase Credits corresponding to a particular type of crypto asset supported by the Himalaya Exchange by transferring corresponding crypto assets to the Himalaya Exchange wallet.

Credits can only be used on the Himalaya Exchange or within the Himalaya Ecosystem, representing a right to participate in trading on the Himalaya Exchange and do not carry any right to require their exchange for fiat currency or crypto-assets. A member may make a request to the Himalaya Exchange to exchange Credits on their account and receive a transfer of corresponding crypto assets to their external wallet address.

Additionally, a Member may make a request to the Himalaya Exchange to accept a transfer of Himalaya Dollar Credits corresponding to the Himalaya Dollar (the U.S. Dollar stablecoin issued by Himalaya International Reserves Limited (the "HDO Issuer"), "HDO" or "Himalaya Dollar") in exchange for an equivalent payment in U.S. Dollars to be paid to the bank account of the Member. However, such exchanges are at the discretion of the Himalaya Exchange, and the Himalaya Exchange is not obliged to fulfil any such requests. References in this document to HCN, HDO or any other type of asset on an account at the Himalaya Exchange or through the Himalaya Pay App are references to Credits corresponding to that asset.

Prospective Members are advised that neither crypto assets or fiat currency may be held by Members within the Himalaya Ecosystem, and the Himalaya Ecosystem does not provide, and none of the Himalaya Exchange or any other entity within the Himalaya Ecosystem holds any necessary licences or authorizations to provide any type of custody or other arrangements to facilitate this. The Himalaya Exchange intends to hold in its own name and for its own account, crypto assets which it may elect to use at the request of a Member to complete an exchange of a Member's Credits for corresponding crypto assets and the HDO Issuer intends to maintain a reserve of United States Dollars or other currencies in cash and cash equivalents such as government securities which may be used to complete an exchange of a Member's HDO Credits for U.S. Dollars where such request from a Member is approved by the Himalaya Exchange. Members do not have any direct or indirect claim on HDO Issuer.

## INITIAL ISSUANCE

The Initial Issuance of HCN will be made available to Members of the Himalaya Exchange on a private placement basis as follows:

- All persons who have been formally notified by the Himalaya Exchange, prior to the start of, or during Phase 1, that they may participate in the Initial Issuance up to a maximum amount (the "Allocation Amount") specified in such notice (each a "Private Placement Participant").
- The availability period during which Private Placement Participants may purchase HCN Credits as part of the Initial Issuance will expire on the date of commencement of Phase 3.

**The private sale of HCN Credits by the Himalaya Exchange is limited to Members of the Himalaya Exchange and is not an offering to the public.**

For further details on the terms of the Initial Issuance, please see the section entitled "Himalaya Coin Issuance" below.

**IMPORTANT:** Prospective purchasers should note that HCN and HCN Credits are not currently and are not intended to constitute regulated products or financial instruments in the jurisdictions in which they are offered.

## The HCN Offering.

The Himalaya Coin is an Ethereum-based ERC-1404 token that has backward compatibility to the ERC-20 standard, issued by Himalaya International Financial Group Limited, a limited company incorporated in the British Virgin Islands.

The HCN has been developed to operate within a multifaceted infrastructure, designed with the intention of achieving maximum utility while ensuring cost and transactional efficiency and high levels of security. HCN Credits will be sold through the Himalaya Exchange, and, following the launch of the trading functionality in Phase 3, will be fully tradeable.

On the Initial Issuance, Private Placement Participants who are Members of the Himalaya Exchange and, in respect of each Subsequent Issuance, Members of the Himalaya Exchange who are eligible in accordance with the terms of such Subsequent Issuance, will be able to participate in offerings by purchasing HCN Credits with Himalaya Dollar Credits or U.S. Dollars through their Himalaya Exchange account. Following the launch of trading on the Himalaya Exchange and the Himalaya Exchange App, HCN Credits will be freely tradable for Credits corresponding to other crypto assets on the Himalaya Exchange through the website of the Himalaya Exchange or on the move using a dedicated mobile application – the Himalaya Exchange App.

HCN Credits may be purchased as part of the Initial Issuance or a Subsequent Issuance using either HDO Credits or using U.S. Dollars. Members who purchase HCN Credits using HDO Credits rather than U.S. Dollars will benefit from no fees being charged in respect of the purchase.

In addition, following the launch of the Himalaya Pay App, all Members will be able to use HCN Credits to offer payments to Merchants who accept payment for goods and services through the Himalaya Pay App or make transfers of HCN Credits from their Himalaya Pay account to the Himalaya Pay accounts of other Members. When the planned infrastructure upgrade to a hybrid Ethereum and Quorum blockchain platform is completed, we believe that the Himalaya Pay App will provide significant benefits against peer offerings and represent a highly scalable solution.

### PRINCIPAL FUNCTIONALITIES



#### TRADING ON THE HIMALAYA EXCHANGE

On the Himalaya Exchange HCN Credits will be issued on, and fully transferable, through the Himalaya Exchange, enabling Members to freely trade HCN Credits for other cryptocurrency Credits available on the Himalaya Exchange.



#### HIMALAYA PAY APP

Members can use the Himalaya Pay App, a dedicated mobile payment application, to make fast and secure purchases using HCN Credits from Merchants in the Himalaya Ecosystem, including new and established brands, who it is anticipated will provide access to products and services to HCN Credit holders.



#### HIMALAYA EXCHANGE WEBSITE & APP

Through the Himalaya Exchange App Members will be able to access the Himalaya Exchange trading platform to purchase, exchange and trade HCN Credits.

### PRINCIPAL BENEFITS



#### LOW COST, FAST & SECURE

An offering utilising hybrid blockchain technology to provide low-cost, fast and secure transfer, payment and settlement 24/7.



#### AN ALTERNATIVE TO FIAT PAYMENT

Access to an ecosystem of Merchants accepting payment through Himalaya Pay and expected to provide access to products and services to HCN Credit holders.



#### PRICE VALUE PROTECTION

An issuance cap with restrictions on frequency, size and price of further issues to preserve value and support price appreciations.



#### TRANSPARENCY & SECURITY

A transparent asset benefitting from a robust and secure platform.



#### LIQUIDITY

Access to a liquid market with Credits corresponding to a range of digital assets.

## RESTRICTIONS ON TRANSFER & COMPLIANCE WITH LAWS

Following commencement of Phase 3 roll-out, Members will be able to make a request to exchange Credits to their Himalaya Exchange account for the corresponding crypto assets which, if approved by the Himalaya Exchange, would then be transferred to a Member's external wallet address.

Legal and regulatory developments and the approach of regulatory authorities create an existential threat to the longevity of different types of crypto assets and have, in the past, had a substantial negative impact on certain classes of existing crypto assets.

In some cases, changes in law or regulatory approach have resulted in sudden non viability of certain asset types in a given jurisdiction with significant negative consequences for holders. In other cases, the announcement of regulatory investigations has resulted in a rapid and substantial decline in value and utility and delisting of the asset from exchanges across the world.

We are committed to developing a secure, sustainable and stable offering which will stand the test of time. In order to achieve longevity of HCN and value protection for Members, HCN has been developed to include a time lock feature which will automatically restrict a transfer of HCN from any external wallet address for a period of 366 days from the date it was transferred to such address, unless the relevant address has been verified by the Issuer, or a third party authorized by the Issuer and "whitelisted".

This feature is intended to prevent unauthorized use of customers' wallet funds, as well as avoiding an inadvertent breach of certain securities laws, pioneering a future proof approach to a dynamic and global regulatory environment.

For further information on this feature, please see the section entitled "Compliance with Laws and Restricted Period" below.

In addition, it may be necessary from time to time, to implement restrictions within the HCN smart contract with the aim of avoiding breaches of existing or new laws or regulations. We will always endeavour to use commercially reasonable efforts to provide prior notice of any upgrade of the smart contract and inform holders of HCN through official channels.



## Himalaya Coin **Issuance.**

### INITIAL ISSUANCE

The Initial Issuance is being undertaken on a private placement basis and will only be available to Private Placement Participants who have opened an account with the Himalaya Exchange.

Private Placement Participants who wish to participate in the Initial Issuance must complete registration and verification procedures and open an account with the Himalaya Exchange. Following the opening of their account, participants may purchase HDO Credits by making payment to the bank account of the Himalaya Exchange.

Following the commencement of Phase 2, but prior to the start of Phase 3, Private Placement Participants may place orders to purchase HCN Credits through their account at the Himalaya Exchange and may elect to pay in U.S. Dollars or using HDO Credits on their Exchange account. To purchase HCN Credits with HDO Credits, Private Placement Participants must first purchase HDO Credits with U.S. Dollars before placing an order for HCN Credits. Private Placement Participants who elect to purchase HCN Credits with U.S. Dollars rather than HDO Credits will incur an additional fee which can be found in the Fee Schedule available on Himalaya Exchange website. An order may not exceed their Allocation Amount.

### INITIAL ISSUANCE **AVAILABILITY PERIOD**

Immediately following the end of Phase 2 the Initial Issuance will be complete and no further HCN Credits will be available for purchase from the Himalaya Exchange as part of the Initial Issuance.

### PURCHASE ORDERS – **INITIAL ISSUANCE**

Orders to purchase HCN Credits in the Initial Issuance may only be placed on or after the Initial Issuance Date. To participate, a Private Placement Participant:

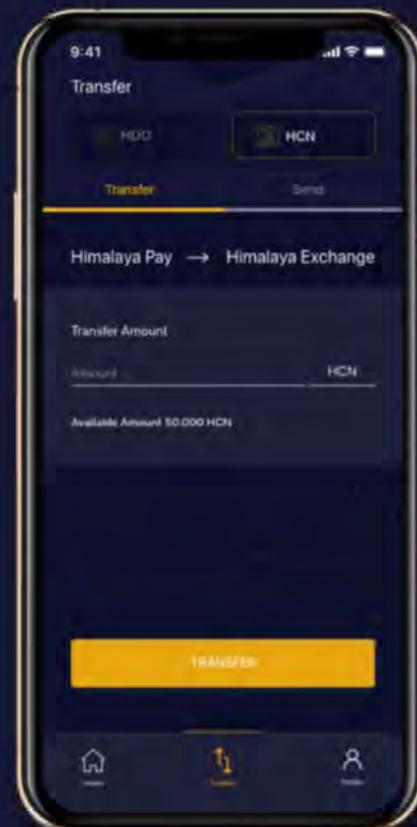
- must be a registered Member with a Himalaya Exchange account and have completed all required KYC/AML procedures required by the Himalaya Exchange;

and

- where they elect to pay using HDO Credits, must have a sufficient number of HDO Credits in their Himalaya Exchange account necessary to cover the cost of their HCN Credit purchase;

or

- where they elect to pay using U.S. Dollars, must pay the purchase price in U.S. Dollars plus an amount necessary to cover the cost of the applicable fees.



**TOKEN CREATION & INITIAL ISSUANCE:**

Further details relating to the Initial Issuance will be made available on the Himalaya Exchange website at <https://himalaya.exchange>.

**AUDIT & ASSESSMENT:**

The ERC-1404 token is backwards compatible with the ERC-20 standard. Our smart contract was successfully audited by Certik.

<b>TOKEN NAME</b>	<b>HIMALAYA COIN</b>
<b>TOKEN TICKER</b>	 <b>HCN</b>
<b>ISSUER JURISDICTION</b>	<b>BRITISH VIRGIN ISLANDS</b>
<b>INITIAL ISSUE DATE</b>	<b>26 APRIL 2021</b>
<b>INITIAL ISSUE PRICE</b>	<b>0.10 HIMALAYA DOLLAR CREDIT = 0.10 U.S. DOLLARS</b>
<b>ACCEPTED PAYMENT</b>	<b>U.S. DOLLARS ONLY OR HIMALAYA DOLLAR CREDITS *</b>
<b>TOTAL HCN INITIAL ISSUANCE</b>	<b>1,000,000,000 TOKENS</b>

\* Not available to persons in United States of America or U.S. Citizens.



## SUBSEQUENT ISSUANCES

Following completion of the Initial Issuance and as the Himalaya Ecosystem expands, the Issuer may issue further HCN and the Himalaya Exchange may sell corresponding Credits to Members or certain groups of Members through the Himalaya Exchange. The capacity for the issuance of further HCN and sale of corresponding HCN credits is intended to facilitate growth as demand increases from customers and Merchants, supporting our aim of achieving large scale adoption, while also enhancing the benefits of HCN and corresponding HCN Credits for Members through resulting increases in utility, value and liquidity.

To preserve the market demand for, and support value appreciation of, HCN and corresponding Credits as the Himalaya Ecosystem and the Himalaya Exchange platform expand and demand increases, the maximum number of HCN which may be issued is capped at 100,000,000,000 (the "Issuance Cap") with a maximum of 4 issuances per annum and a maximum annual cap of 1,000,000,000 (plus any unissued amounts from previous years) permitted to be issued in any 12-month period.

Any future increase of the Issuance Cap will only be made where we believe it is necessary or desirable to achieve our vision and mission as outlined at the start of this document. Any future determination regarding an increase in the Issuance Cap will be made in consultation with independent advisors for the protection and benefit of all Members.

To preserve the value of HCN already in circulation and corresponding Credits at the time of a Subsequent Issuance, the issue price of each future issuance will be determined as follows:

(a) The issue price for each future issuance (the "Issue Price") will be calculated in U.S. Dollars based on the weighted average price paid per HCN Credit in respect of all HCN Credit trades settled on the Himalaya Exchange in the immediately preceding 30 days prior to the date on which an announcement of a further issuance of HCN is made (the "Weighted Average Price"). The U.S. Dollar price of each trade used to calculate the Weighted Average Price will be calculated based on the spot price for exchange of the Credit type traded for the HCN Credits to HDO Credits on the Himalaya Exchange at or around the time at which the relevant trade was executed with the value of each HDO Credit being deemed to be 1 U.S. Dollar.

(b) The Issue Price per HCN Credit will be set by the Issuer, subject to paragraph (c) below, and must not be greater than 115 percent of the Weighted Average Price or less than 85 percent of the Weighted Average Price.

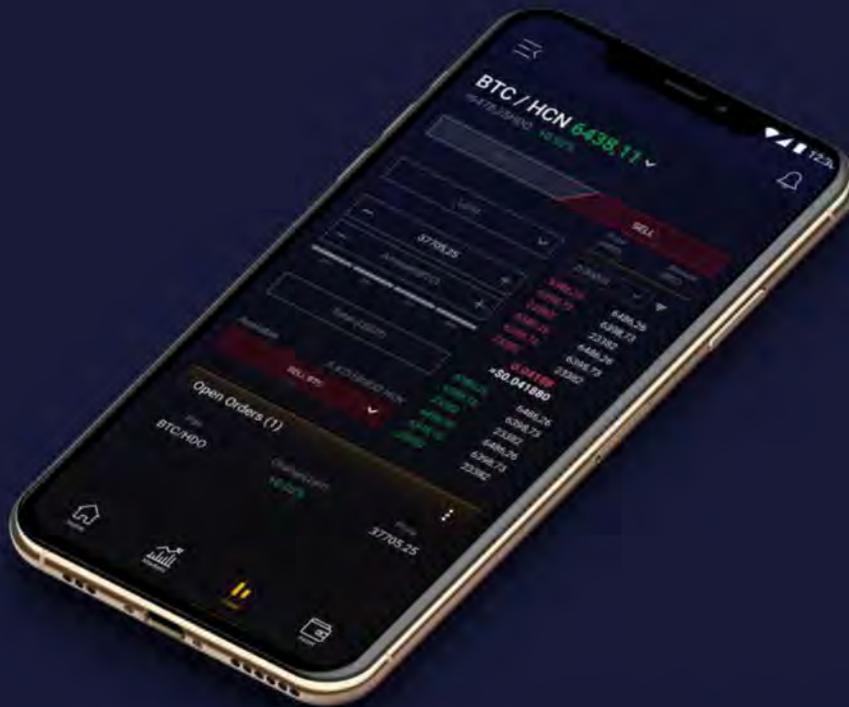
(c) Notwithstanding paragraph (b) above, where the Issuer determines, in its sole and absolute discretion, that an Issue Price could not practicably be calculated in accordance with the foregoing or the Issue Price so calculated does not constitute a fair market price, it shall be entitled to make such adjustments in the calculation of the Issue Price as it deems necessary in order to achieve an Issue Price which it deems to be a fair market price. In making such a determination, the Issuer may consider all information which it deems relevant including, without limitation, the occurrence of a significant trade or series of trades where the price paid per HCN Credit was substantially different than the price paid in respect of other trades used to calculate the Weighted Average Price.

Members should note that the value of HCN Credits is independent from the value of any other assets, including HCN tokens.

TERMS OF **SUBSEQUENT ISSUANCES**

<b>NUMBER OF FUTURE ISSUANCES PER 12 MONTHS PERIOD</b>	0 - 4
<b>ACCEPTED PAYMENT FOR HCN CREDITS</b>	U.S. DOLLARS ONLY OR HIMALAYA DOLLAR CREDITS *
<b>MAXIMUM SIZE OF EACH SUBSEQUENT ISSUANCE:</b>	<b>MAX 1,000,000,000 (HCN) Per Annum</b> (plus any unissued amounts from previous issuance)
<b>ISSUE PRICE</b>	BETWEEN 85% TO 115% OF THE WEIGHTED AVERAGE PRICE OF HCN CREDIT TRADES OVER PRECEDING 30 DAY PERIOD SUBJECT TO ADJUSTMENT PROVISIONS

Our smart contract was successfully audited by Certik:



Further details relating to any Subsequent Issuances will be made available on the Himalaya Exchange website at <https://himalaya.exchange>, and on the Himalaya Exchange App.

\* The Himalaya Exchange may, in its discretion, allow purchases of HCN Credits using other Credit Types.

The private sale of HCN Credits by the Himalaya Exchange is limited to Members of the Himalaya Exchange and is not an offering to the public.

## Our Technology.



### QUORUM BLOCKCHAIN

Blockchain is an organizational method to ensure the integrity of transaction data and is the core component of cryptocurrencies. The technology is used to maintain an online ledger of all transactions that have been conducted, thereby providing a very secure data structure for the ledger that can be shared to reach consensus. A copy of the ledger is maintained by the entire network or computer of a single node. Each new block generated must be verified by each node before being confirmed, making forging transaction history records almost impossible. Furthermore, each blockchain network can have unique features and algorithms, and can be classified as a public, private, or consortium chain based on who has access to the network.

Unfortunately, the computational resources required to verify transactions on Ethereum (ETH) or Bitcoin (BTC) are quite extensive. The immutability comes with a cost. Public blockchain transaction times are sometimes slow, and fees have been known to spike and become excessive. Following the infrastructure upgrade of the Himalaya Pay App, the Himalaya Ecosystem will utilise a hybrid blockchain that combines the Ethereum and Quorum Blockchain. This hybrid model enables low fee transactions for ecosystem Members.

Quorum is an advanced blockchain technology and enterprise focused version of Ethereum initially developed by JP Morgan. Using the Quorum permissioned blockchain, the technology provides high volume transactional capabilities with very low fees. Quorum is an Ethereum based distributed ledger protocol that has been developed to provide industries with a permissioned implementation of Ethereum that supports transaction and contract privacy. It is an open source blockchain platform that combines the support of the public Ethereum community with enhancement to meet enterprise needs.

It can:

- enable strong transaction privacy;
- offer consensus algorithm choices (RAFT, IBFT, or Clique POA);
- flexibly define how to onboard entities and users to enter the network by using Quorum's smart contract permission-based model;
- enable high speed and high throughput processing of private transactions with a permissioned group of known participants;
- allow any business to easily deploy Quorum across different cloud environments with quorum cloud; and
- provide deployment configurations in one versatile, scalable platform.

Our Quorum Blockchain framework will power instant buy, sell and transfer requests using HCN Credits across the Himalaya Pay network. Inexpensive counterparty transfers of HCN Credits between Himalaya Pay accounts is achieved via a permissioned chain. The confidential consortium is encrypted with military grade cybersecurity protocols to ensure digital asset protection and safeguard Member privacy.

The Himalaya Pay App recovery functionality will give Members the peace of mind that in the event their mobile devices are lost or destroyed, they can easily access their accounts on new devices with a password.

### QUORUM IS TRUSTED BY LEADING ORGANIZATIONS:



Quorum is a blockchain platform designed for the financial sector based on Ethereum. The finance industry is one of the primary beneficiaries of blockchain technology. However, the financial sector has been slow to move to blockchain and the digital asset sector. Issues with the regulatory environment, lack of knowledge, mass adoption and trust are some of the key factors that have made the finance sector hesitant to integrate. Our ecosystem's infrastructure is designed with the goal of addressing these issues.

Few other blockchain networks have performed at the volume and scale of the Ethereum network. Our hybrid model of Quorum and Ethereum is designed to meet the rigid requirements for global adoption. A Member's private information will never be broadcast to the Himalaya Exchange, the Himalaya Pay App or Himalaya Exchange App Members. Private data will be encrypted and only shared directly with relevant parties involved in the transaction.

The distributed architecture and consensus mechanisms of our Himalaya Pay blockchain network will facilitate more efficient data coordination than paper based and centralized financial systems. It is built on "Go Ethereum", the base code for Ethereum. There are four major improvements made to Ethereum that make Quorum the choice for institutional grade frameworks.

Firstly, Quorum is a permissioned blockchain. The network is not open to everyone. Our permissioned chain is available only between participants that are pre-approved. This provides an additional layer of security and transparency, as all the participants are verified. Secondly, our blockchain solution ensures data confidentiality, which is a crucial factor for working with financial institutions. In addition to its permissioned nature, it can execute on chain public and private transactions. These transactions are like those on the Ethereum network, whereas details of private transactions are not exposed to the public.

Another key aspect that sets Quorum apart from other blockchain technologies is Constellation. The Constellation mechanism encrypts specific messages in a protected enclave and stores information about previous transactions. A large majority of the cryptographic heavy lifting is accomplished inside the Constellation enclave, which is essentially a "virtual HSM" isolated from other components, making it safe and secure. Quorum transactions include Global Transaction Hash, Public State Root Hash, and the block maker's signature.

Lastly, we believe that a significant advantage to using the Himalaya Pay App blockchain ecosystem will be its high performance capabilities. The Himalaya Pay Ecosystem is designed with the aim of achieving a much higher throughput than Bitcoin and Ethereum. The innovation behind these higher speeds is the consensus mechanism design.

With a goal of cross chain interoperability, the Himalaya Ecosystem is poised to elevate our financial technology capabilities as we remain steadfast in growing our global ecosystem.



## The Himalaya Exchange.

The Himalaya Exchange is a digital asset exchange. Trading products on the Himalaya Exchange which will be facilitated through the use of Credits corresponding to crypto assets are anticipated to include stablecoins, tokens and other cryptocurrencies. The range of supported assets may be expanded to include other crypto assets in the future. Supported assets will not include security tokens, asset tokens or any form of derivative.

Striving to be compliant across multiple jurisdictions, the Himalaya Exchange aims to be a global digital asset service provider. Designed with an institutional grade system architecture, it aims to tackle the evolving security risks prevalent in today's financial marketplace.

The Himalaya Exchange is part of an ecosystem designed to simplify and accelerate the process of cryptocurrency adoption while providing robust security and liquidity features. The foundation of the Himalaya Exchange is a combination of advanced security practices, high level hardware and software infrastructure, around the clock monitoring, continuous support of our clients, and the ongoing development of our staff and community.

A high ratio of digital assets corresponding to Credits traded on the Himalaya Exchange (e.g., HDO, HCN, ETH and BTC) will be held in our offline wallet systems (cold storage) as well as with reputable liquidity providers and crypto custodians. The offline wallet system (cold storage) provides a necessary security measure against hacking, theft or loss. Asset transfers from the Himalaya Exchange cold storage require actions of multiple employees. All private keys are sharded and stored in safe deposit boxes and geographically distributed vaults.



## Technical Level Security.

The Himalaya Exchange takes every necessary precaution to keep its Members' personal information and digital transactions safe and secure in addition to ensuring the safety and security of its crypto assets. The Himalaya Exchange will employ high standards of cybersecurity, while assets are kept safe in a high-level secure environment and will introduce 3FA (3-Factor Authentication) for all Members and their operations in the future.

We are working with the world's leading technology partners to ensure the Intelligence Driven Authentication recognizes Members by combining deep learning insights derived across device, location, and behavioural data - with personalized and contextual customer journeys, which allows us to protect against Man-in-the-Middle attacks, Generic Padding Oracles and Remote OS Command Injection, and becoming the first crypto exchange to implement 3FA.

All Himalaya Exchange environments where data is created, stored and processed are protected with a minimum of AES 256 level encryption. The application components are hosted in private subnets and external communication is controlled through firewalls and whitelisting. Data in transit is protected by TLS1.3 encryption. Hardened servers host the application software with only the necessary ports for internal communications enabled.

Advanced registration and verification technologies, provided by world renowned partners, will also help prevent unauthorized access to our systems and services.

Ongoing CHECK and CREST accredited industry leading third party penetration testing for the Himalaya Exchange provides constant stress testing. The Himalaya Exchange's private wallet keys are never stored in software or in databases on the platform. Access to our wallet is governed by a multi layer approach where no single entity has full access.

The Himalaya Exchange utilises a multi-layered approach to cybersecurity and has built in Security and Privacy by Design to ensure technical level security safeguards against advanced SQL injections, cross-site scripting, buffer overflow, denial of service (DDoS Attack), and LDAP injections. Protections against Heart Bleed OpenSSL Vulnerability, HSTS header presence, and clickjacking attacks are part of the platform's tools.



## Himalaya Exchange Policies & **System Level Security.**

The Himalaya Exchange will conduct regular independent security audits and tests of the applications, IT infrastructure and related services. We allocate resources to training and awareness raising in respect of personal security, starting from the top with our executive management team, and continuing down to the rest of our employees. We have developed strong cybersecurity and incident response controls, policies and plans.

Our databases are encrypted with backups in place to ensure high availability. An anti-phishing system for the organization has also been implemented.

API calls are wrapped with SSL encryption and cryptographically signed to prevent any phishing attacks. HWS cold and hot storage have been introduced for managing Himalaya Exchange assets.

Anti-APT (Advanced Persistent Threats) solutions are harnessed to improve security frameworks. Third-party security audits for platform and wallet infrastructure are frequently administered, along with internal operational procedure audits by third-party consultants which provide another layer of protection.

All our systems are aligned with industry-leading standards and regulations such as ISO27001, Cyber Essential, PCI DSS, GDPR and ISA3402E, among other compliance requirements.



## The Himalaya Exchange APP.

Having the flexibility to access the Himalaya Exchange market to purchase, exchange and trade HCN Credits and other crypto asset Credits wherever and whenever you like is key to providing a flexible and user friendly offering with maximum utility. Following commencement of Phase 3, the Himalaya Exchange App will provide Members with a dedicated mobile application for accessing the Himalaya Exchange on the move.

Similarly, Members will be able to access the Himalaya Exchange trading platform to purchase, exchange and trade HCN Credits and other crypto asset Credits through the Himalaya Exchange App.

The Himalaya Exchange App will be integrated with Himalaya Pay allowing Members to make transfers of Himalaya Coin Credits and Himalaya Dollar Credits between their Himalaya Exchange account and their Himalaya Pay account.

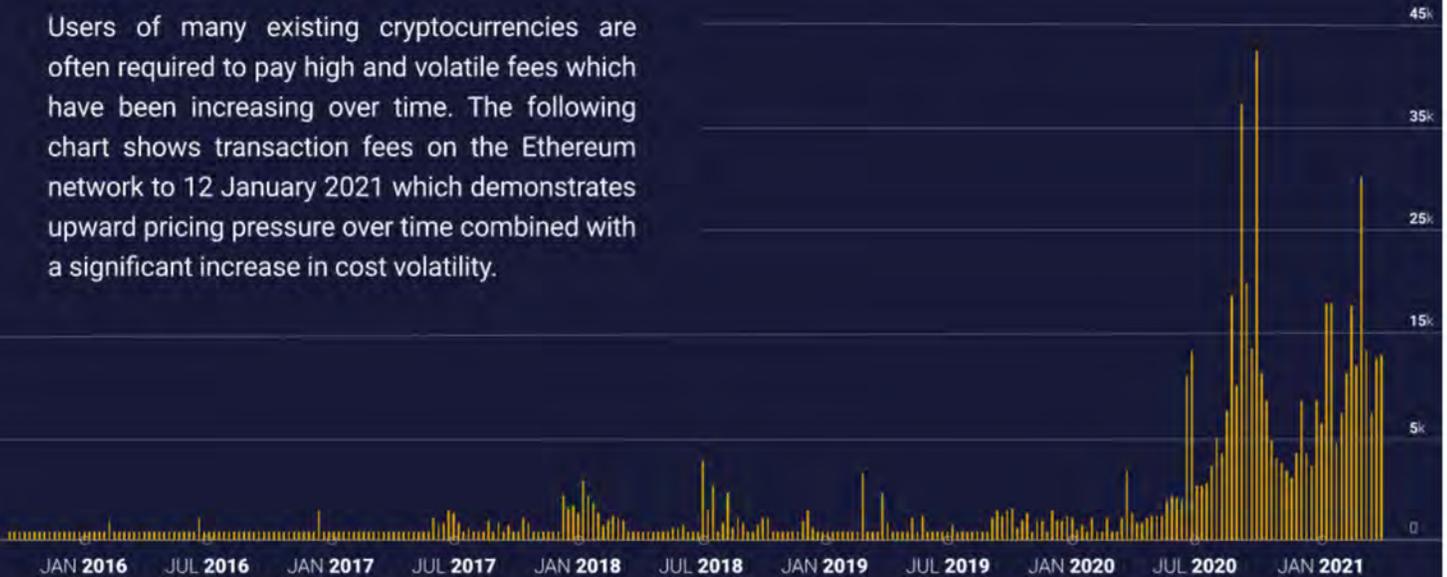


## The Himalaya Pay APP.

Securing, managing and spending digital assets from your mobile device should be simple, intuitive, cost efficient and secure, but with many cryptocurrencies like Bitcoin, Ethereum and other tokens built on Ethereum and other protocols, this is often not the case.

### THE CURRENT SITUATION

Users of many existing cryptocurrencies are often required to pay high and volatile fees which have been increasing over time. The following chart shows transaction fees on the Ethereum network to 12 January 2021 which demonstrates upward pricing pressure over time combined with a significant increase in cost volatility.



Source: Etherscan - Ethereum Network Transaction Fee Chart showing historical total number of Ether paid as transaction fee for the Ethereum network. Data as at 13 January 2021 published through Etherscan.io.

### THE SOLUTIONS

#### Existing Issues

#### Merchants

#### Customers



**Infrastructural Inadequacies**

Hybrid Ethereum and Quorum blockchain technology.

- High volume transaction capability
- Low fees
- Strong transactional privacy
- Seamless and fast payments



**Transparency & Structural Integrity**

Market of verified Members and robust platform Trading Rules.

- Member trust and confidence
- Comfort and certainty for global regulators
- Reduced counterparty risk



**Ecosystem**

Ecosystem combining a range of Merchants giving access to products and services.

- Global marketplace
- Creation of independent value to retailers and investors
- Exclusive products and services



**Supervision & Security**

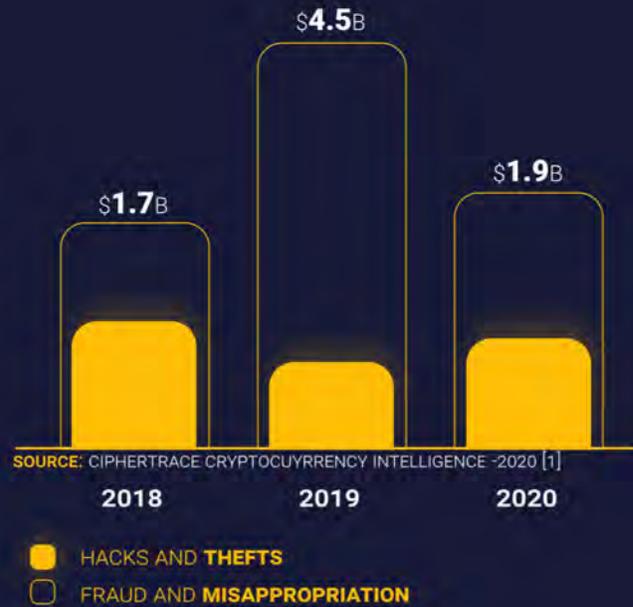
Military grade cyber security protocols, dual-transaction technology ensuring accurate and robust ledgers.

- Digital asset protection
- Seamless asset recovery within ecosystem
- Safeguarding of Members' private data

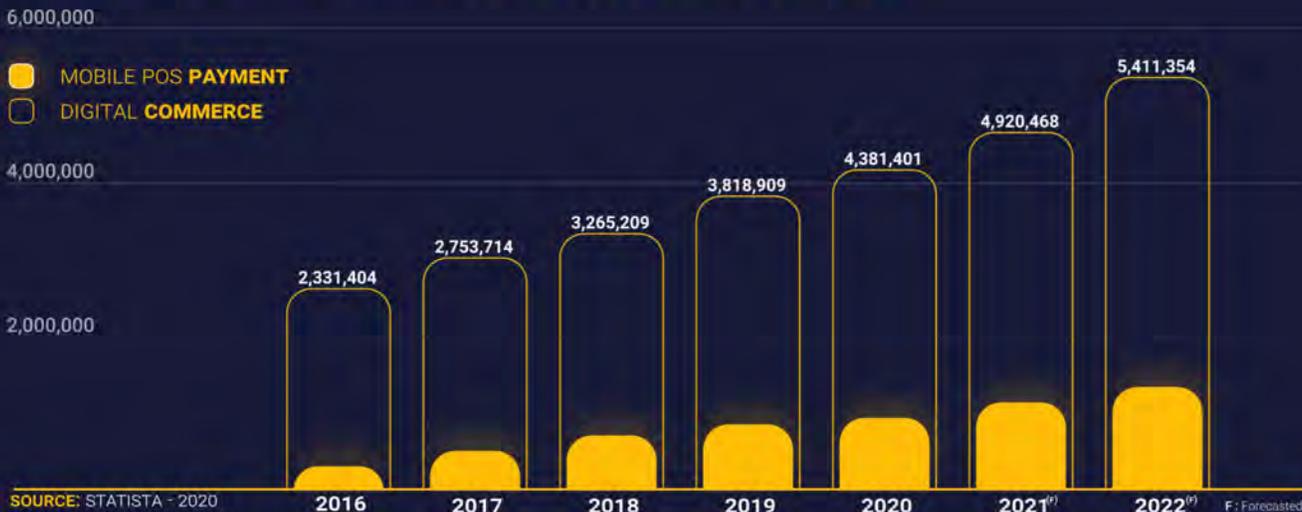
## Blockchain fraud continues to vastly exceed hacks and thefts in 2020.

In addition to the negative impacts associated with transaction costs on public blockchains, users also face loss of their assets through theft or a loss of their wallet. During the first 5 months of 2020, it is estimated that crypto thefts, hacks and frauds totalled U.S.\$ 1.3 billion [1].

It is expected that crypto users will grow from 250 million to 400 million by 2022. The current level is at 106 million people. The total digital payments segment is expected to be \$5+ trillion USD by 2022, amongst which crypto payments could represent 2-3% of total payment volume.



## Total Transaction Value in the Digital Payments Segment



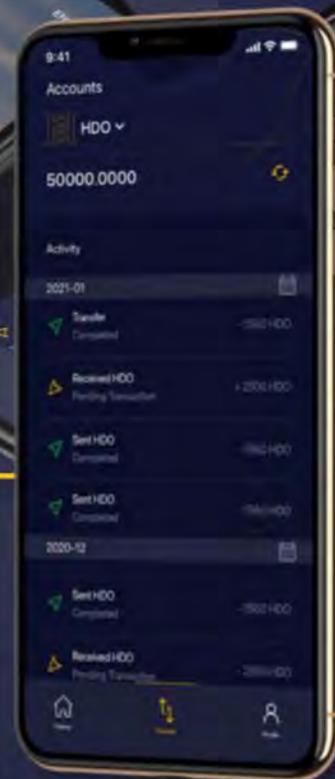
### THE HIMALAYA PAY APP SOLUTION

The Himalaya Pay App has been designed with the aim of addressing these problems. The Himalaya Pay App, which is scheduled to be launched after the roll-out of all other products and services, is a dedicated mobile payment application designed to make fast and secure purchases and transfers using Himalaya Coin Credits and Himalaya Dollar Credits from within the iOS or Android App, while addressing the complexities which have traditionally restricted commercial crypto adoption.

By utilising an infrastructure geared towards seamless, secure and cost efficient transacting, the Himalaya Pay App is a payment and transfer solution designed with the aim of meeting the high-volume transactional demands of a robust ecosystem that continues to scale.



The Himalaya Pay App has been designed to provide a user friendly payment process. It will be integrated with the Himalaya Exchange, allowing Members to make transfers from their Himalaya Exchange account to their Himalaya Pay account and vice versa with ease. The user interface has been designed with simplicity and ease of use in mind. It includes Quick Response ("QR") code and Point of Sales ("POS") capability allowing Members to make purchases with their smartphone. Information such as the amount payable can automatically be inserted in the Himalaya Pay App.



The App will allow Members to use HCN Credits to offer domestic and cross border payments to participating Merchants in the Himalaya Ecosystem, as well as make transfers of HCN Credits to the Himalaya Pay account of other Members, 24 hours a day, with minimal transaction fees.

We believe that a significant benefit of Himalaya Pay App for Members is its security. The system is built with military grade security control intended to safeguard Members' assets. Its innovative hybrid blockchain solution has been created with the objective of addressing certain security issues often considered inherent in many existing offerings.

We believe the advantages against many existing offerings include the following:

- with most crypto wallets, it is very easy to lose all your assets if the smartphone that holds the wallet is lost or stolen. Himalaya Pay does not have this problem, as any Member can get a new smartphone and access their assets by simply using their credentials (user ID and password);
- all Himalaya Pay App Members, individuals and Merchants, are verified. This is intended to facilitate both security and transparency;
- should a Member's smartphone be compromised, and access gained to the Credits on their Himalaya Pay account, any transfers of corresponding assets to an address outside the Himalaya Ecosystem can only be completed through the Himalaya Exchange; and
- following the infrastructure upgrade, transactions on Himalaya Pay will be facilitated using Quorum blockchain technology. This technology has been designed with the aim of enabling high volume transactional capability with low fees and strong transactional privacy.

Members located in Australia and Hong Kong should note that the Himalaya Pay App and related services are currently unavailable in Australia and Hong Kong.

For further details of these security features, please see the section "Himalaya Exchange Policies and System Level Security" above.

“We are enabling transactions worldwide between **people and businesses.** This is Himalaya Pay.”

	Merchants	Customers
 <b>Cost</b>	Low Transaction Fees	Ability to spend HCN/HDO with our Merchants with low fees
 <b>Traffic</b>	New group of high value customers	Incentive to purchase curated products and services from established brands
 <b>Experience</b>	Easy integration into existing systems, Merchant dashboard to track transactions	Smooth QR code mobile payment with Himalaya Pay App
 <b>Speed</b>	Instant Transaction settlement	Instant payment confirmation

- ▲ The customer pays in Himalaya Coin or Himalaya Dollar by choosing 'Himalaya Pay' on the checkout page on the Merchant's platform.
- ▲ The customer is presented with a QR code and scans to pay with the Himalaya Pay App.
- ▲ The customer's account is debited. The Merchant receives payment instantly in their business account.



## The Himalaya Ecosystem.

Himalaya Exchange is partnering with world leading brands to create a new payment landscape that goes beyond, and pushes past the stratosphere reaching new and exciting heights. The Himalaya Ecosystem is an innovative network that empowers you to make payments, shop securely, transfer funds, and exchange cryptocurrencies. Our digital coin is different as it provides both value and utility to our Members.

Our payment processing solution is aimed at offering direct access to global markets, while supporting commerce and blockchain interactions. Himalaya Pay simplifies the buying and selling process compared to traditional payment methods. Our ecosystem provides the platform for instant settlement and security, while giving our Members access to global Merchants. Himalaya Pay equips forward-thinking businesses with the technology they need to scale and stay current.

Himalaya Pay is a quick and secure solution for accepting cryptocurrency payments for your products or services. Our app provides the Himalaya Ecosystem Merchants with a robust online payment infrastructure that is built to easily integrated into your business, with an enjoyable and flexible customer experience.

### COMING SOON

**1** **Himalaya Coin** allows you to shop online at global retailers to find unique and curated products with a seamless and simple checkout, just add to your basket and pay using HCN.

**2** Within the **Himalaya Ecosystem** you can buy your groceries or treat yourself and your friends to a meal at your favourite restaurant. Use your HCN to settle the bill. The Himalaya Pay App was designed to facilitate easy everyday spending.

**3** **HCN** is a convenient payment option for airfare, hotels and holiday activities, without the need to exchange currencies for every vacation. Himalaya Coin crosses borders and breaks down barriers.

**4** With **Himalaya Coin**, our platform is built to enable business owners to streamline processes and settle invoices instantly. All transactions are monitored and tracked on the dashboard accessible to all our Merchants.

**5** A digital ecosystem architected to support your digital life. Top up your mobile subscription, purchase a VPN, or invest in the latest high street tech at one of the **Himalaya Merchants** and fund your digital activity with **Himalaya Coin**.

## The Himalaya Ecosystem



## The Himalaya **Ecosystem.**

A critical component to achieving mass acceptance, adoption and sustainability of any cryptocurrency while enhancing value and utility is the development of an ecosystem sufficient to give intrinsic value to the currency and incentivize adoption and use. The issuer and its affiliates are working to develop the Himalaya Ecosystem through partnerships with businesses and with the aim of expanding this over time.

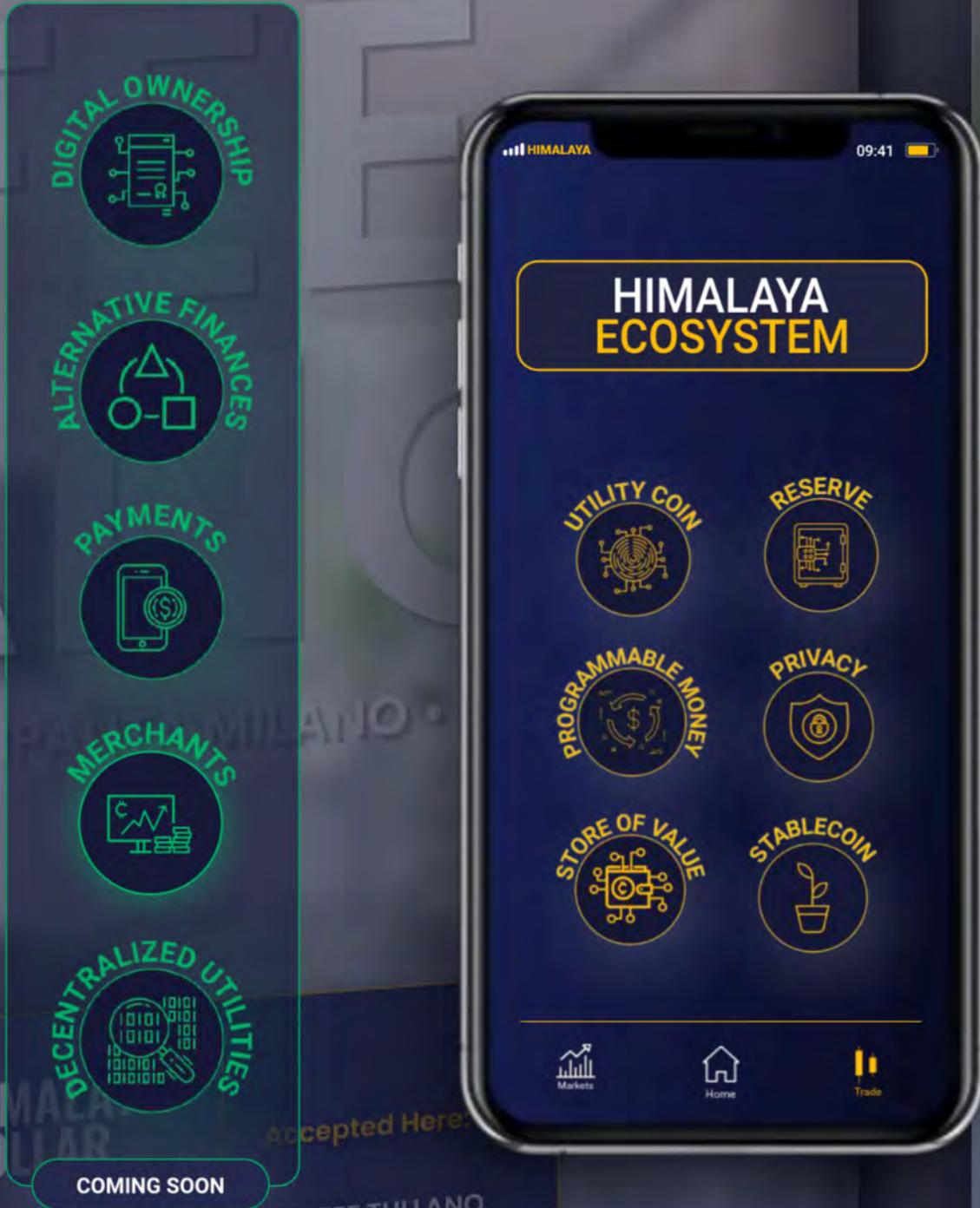
By establishing and developing the Himalaya Ecosystem the goal is to onboard established brands and high volume partnerships, as well as, boost start ups within the ecosystem.

Investment has been made in Point of Sale hardware with the ultimate aim of allowing Merchants to accept our credits around the globe with low fees and instant settlement processing systems.

The Himalaya Ecosystem of initial partners and affiliates is currently scheduled to go live following the roll-out of all other products and services and Members will be notified in advance of the launch date. The Himalaya Ecosystem will give eligible Members access to our global Merchants.

	Roles in the <b>ecosystem</b>	<b>Incentives</b>
<b>Customer</b>	To make cryptocurrency payments	<ul style="list-style-type: none"> <li>▲ Access: exclusive access to unique products and services</li> <li>▲ Access: ability to spend HCN/HDO at our ecosystem Merchants</li> </ul>
<b>Merchant</b>	To provide cryptocurrency as a payment option	<ul style="list-style-type: none"> <li>▲ Cost: low processing fees</li> <li>▲ Growth: acquire a new base of high-quality customers</li> </ul>

# The Taxonomy Of Himalaya Dollar & Himalaya Coin



“ Much like the internet has forever altered how we live and work, crypto currencies like **Himalaya Coin** and **Himalaya Dollar** have the potential to change how people participate in global markets. ”

## Closing **Summary.**



As outlined in this whitepaper, the **Himalaya Coin** offers a new kind of digital currency that goes beyond the store of wealth to provide utility. As the native coin of the **Himalaya Ecosystem** it holds the potential to be the next wave of cryptocurrency. One that is accessible, instant, borderless and secure. Its role in the **Himalaya Ecosystem** opens a world of opportunities that links Merchants and customers, to present its Members with the possibility to confidently live on **cryptocurrency**.

At **Himalaya**, we are driven by our vision to break down the barriers to create an inclusive and secure crypto ecosystem. The **Himalaya Coin** is part of our seamless crypto landscape, built on state-of-the-art **blockchain technology** that empowers Members to control their wealth, data and destiny. Architected for the future but available now, **Himalaya Coin** provides a convenient, swift and secure solution for the **cryptocurrency market**.

# New World **New Currency.**

## Compliance with Laws and **Restricted Period.**

### RESTRICTED **PERIOD**

Laws around digital assets are nascent, complex, rapidly evolving and vary across jurisdictions. Potential liability can arise as a result of transfers to citizens or residents of countries whose laws prohibit or restrict the transfer, purchase or use of such assets. The United States is one jurisdiction which places restrictions on transfers of classes of digital assets to its citizens and residents. To protect against potential liability, HCN has been developed to include a revolutionary time-lock feature which will automatically restrict a transfer of HCN from any non-whitelisted Ethereum address for a period of 366 days from the date and time it was received in such address (the "Restricted Period") unless the relevant Ethereum address has been verified and "**whitelisted**".

### WHITELISTING **ADDRESSES**

- Members may request a removal of the Restricted Period restriction by registering their Ethereum address with the Issuer or another entity authorised to do so. Once registered, any HCN or HDO received by the registered address will not be subject to the Restricted Period. An address may only be accepted for registration at the discretion of the Issuer or the HDO Issuer as the case may be, or a third-party authorized by the Issuer or the HDO Issuer, if it is determined that such registration and subsequent transfer will not breach applicable laws.
- A simple whitelisting procedure (verification of identity and Ethereum address) will be made available through the Issuer's website. A nominal fee will be charged for each whitelisting.
- Once whitelisted, the Restricted Period feature will not be applied to the whitelisted address.

### **EXCEPTIONS**

- The Restricted Period feature is not applicable to transfers of HCN Credits made within Himalaya Exchange or Himalaya Pay network. The restricted period only applies to transfers between Ethereum addresses outside the Himalaya Ecosystem which are not whitelisted.
- The Restricted Period feature is applicable only to Himalaya Dollar and Himalaya Coin, not to any other tokens in your Ethereum address.

### TERMS & **CONDITIONS**

HCN, HCN Credits and the use of the Himalaya Exchange, the Himalaya Pay App and other associated features, products and services will be governed by the Terms and Conditions and Terms of Use which will be made available on the Himalaya Exchange website before the launch date of the relevant product or service.

## Important Notice.

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THE HIMALAYA EXCHANGE DOES NOT ALLOW THE TRADING OF SECURITY / ASSET TOKENS UNDER THE FINMA GUIDELINES FOR ENQUIRIES REGARDING THE REGULATORY FRAMEWORK FOR INITIAL COIN OFFERINGS (ICOS) PUBLISHED ON FEBRUARY 16, 2018 AND UNDER THE FINMA SUPPLEMENT TO THE GUIDELINES FOR ENQUIRIES REGARDING THE REGULATORY FRAMEWORK FOR INITIAL COIN OFFERINGS (ICOS) PUBLISHED ON SEPTEMBER 11, 2019.

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- HCN and/or HCN Credits are not intended to be securities or regulated financial products and may not be purchased in any jurisdiction where, under applicable laws they constitute securities or regulated financial products and are not therefore afforded any protections under such laws;
- HCN and/or HCN Credits are not legal tender and are not backed by any government;
- Credits can only be used on the Himalaya Exchange or within the Himalaya Ecosystem and once purchased, you have no automatic right to receive fiat currency or crypto-assets in respect of such Credits.
- The nature of crypto assets may lead to an increased risk of fraud or cybercrimes;
- Transactions related to crypto assets may be irreversible, and, accordingly, losses resulting from fraudulent or accidental transactions may not be recoverable;
- The volatility and unpredictability of the price of crypto assets and consequently, corresponding Credits may result in significant loss over a short period; and
- Investors in crypto assets in general, must be willing to lose the entirety of their invested capital and accept that they may have no recourse in the event that purported rights or benefits of any crypto asset is not received, any relevant project does not proceed, or other investors in the market become unwilling to exchange fiat currency for such crypto asset. Negative events in respect of a particular crypto asset are likely to have a corresponding negative impact on any Credits corresponding to such crypto asset.