

# NAPOLEON SOFTWARE



## First algorithmic crypto trading bots!

*Democratization of hedge funds techniques*

*Napoleon Software SAS is a French company led by world class team of traders  
and developers*



## **DISCLAIMER**

*This draft is for discussion and pre-information purposes only. The information contained herein is subject to changes. No part of this document is legally binding or enforceable, nor is it meant to be, until it has been discussed, reviewed and revised by Napoleon Software SAS board of directors, board of advisors and lawyers. Please do not copy or disseminate any part of this document without including this disclaimer.*

*The Napoleon Software project presented by Napoleon Software SAS (hereafter, the “Company”) is an unregulated activity. It poses several risks to buyers, in particular, the risk of losing all amounts traded.*

*In making a decision to use our Services, you acknowledge that you have considered your entire financial situation and understood that using our Services is highly speculative and you may sustain significant losses exceeding the amount used to trade.*

*You also acknowledge and agree that there are risks associated with purchasing, holding, and using NpX in connection with the Company’s product, services and platform developed for such products and/or services (hereafter, the “platform”), as explained in the Terms and Condition available at <https://napoleonx.ai/termandcondition>. By purchasing NPX, you expressly acknowledge and assume these risks.*

*Only people who are fully aware of these risks should use our Services.*

*You acknowledge and agree that you have read, understood and accept the Disclaimer and associated Terms of Use & Terms of Sale before using our Services.*

**Paris, May 23<sup>rd</sup>, 2019**



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## 1. Introduction

Napoleon Group launched an ICO (NapoleonX project) in order to create a regulated (French regulation) asset manager. The company is specialized in quantitative (algorithmic) investment solutions that give an exposure to crypto assets (currently BTC, ETH, EOS, LTC and XRP). Following the ICO, a dedicated platform ([www.napoleonx.ai](http://www.napoleonx.ai)) was launched in April 2018. It hosts all of our crypto strategies that we have developed. People who have bought and registered some NPX tokens can get access to the trading signals (buy, sell or neutral) derived from our strategies.

If our token holders want to implement these strategies, they have to open an account on one of the existing crypto exchanges and do the trade manually. Trading signals are generated at a specific timing so if they want to reduce slippage with our strategies, they need to implement the trading signals in a timely and very disciplined manner. We recognize that it might not be that easy and this is the reason why we have completely automated the execution for our customers and for our own needs.

In the last few months, a certain number of bots have appeared in the market. They are addressing a customer needs by allowing automated of trades. However, most of them only allow pre-programmed execution process but do not provide any trading signals. For that, customers are required either to provide them or to find an external provider. The signals can be generated either on a discretionary or systematic basis. Given the limited history of the crypto markets, it is difficult to have access to long term track record to have some comfort on the quality of the proposed strategy.

The kind of techniques described above have traditionally been only available to wealthy individuals or institutional investors. However, there is no reason why this kind of products should not be available to the individuals. Of course, the risk of trading cryptos is very important given the volatility of these assets. Once someone has taken this decision, having tools available to help them navigate these complex markets could be beneficial to them.

With Napoleon Software, we want to connect the dots to all what was exposed above.

- First, our trading signals have been live on our platform since April 2018 when we launched the platform. So we have started to accumulate some track record.
- Second, the techniques that we have included in our strategies are similar to the ones that one could get in the most sophisticated hedge funds.
- Third, the Software will allow to automatically get our trading signals and place orders related to the strategy you have selected. In this case, the customer money will never transit on our account and will be in the customer's hands at all time.

« Innovation is the only way to win »

Steve Jobs

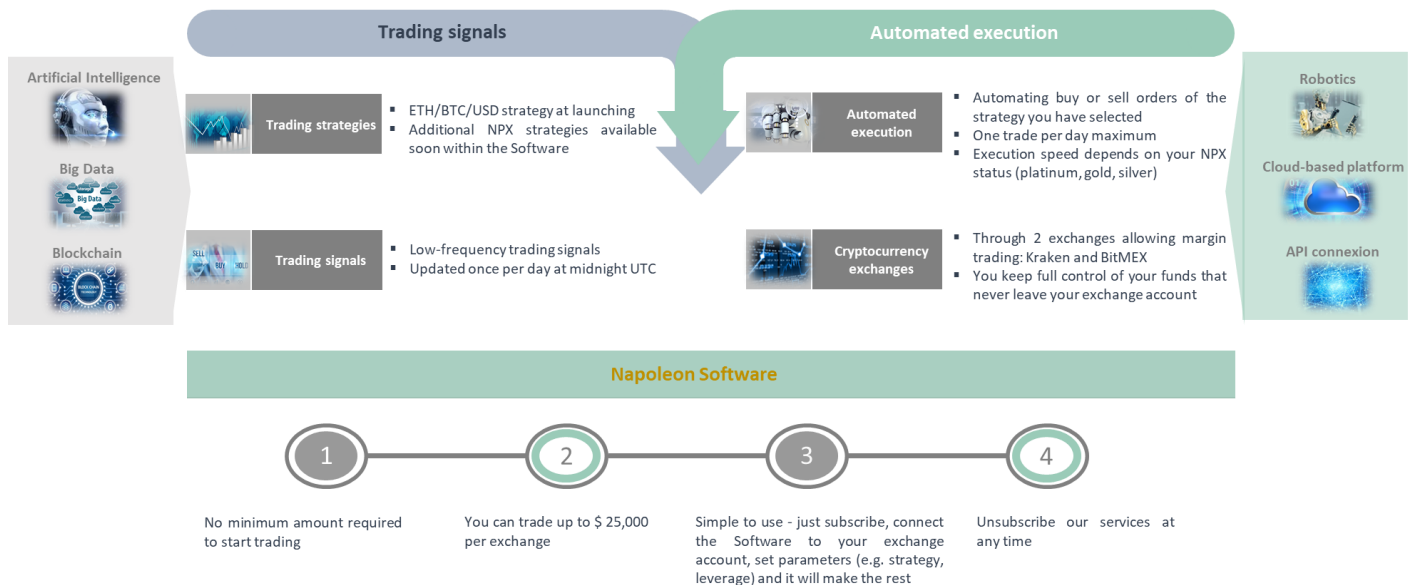




## 2. Our value proposition

Napoleon Software is a **100% algorithmic smart investing Software** dedicated to cryptocurrencies holders.

*Our value proposition combines Trading signals and Automated execution of these signals:*



### Trading bots

After nearly one year of delivering live trading signals, Napoleon is now offering you a **solution to automate the execution on a selection of our trading signals!**

Napoleon Software is designed to solve a problem facing NapoleonX users such as manual execution of our signals and therefore the necessity to stay awake late at night for European or Asian NPX holders. You can now keep sleeping at night or enjoy a night out! Rely on our **Software bots that will automatically execute selected trading strategies** without needing to be behind your computer after midnight.

The Software interacts with cryptocurrency exchanges and sends buy or sell orders related to the strategy you have selected. **You keep a full control of you funds** as your cryptocurrencies never leave your account on the exchange and **you can unsubscribe our services at any time.**

This service is currently available on **Kraken** and **BitMEX** exchanges, both **allowing Margin/Future trading.** More exchanges could be added in the future.



Execution limit – \$ 25,000 per exchange (including leverage)

Execution limit – \$ 25,000 per exchange (including leverage)

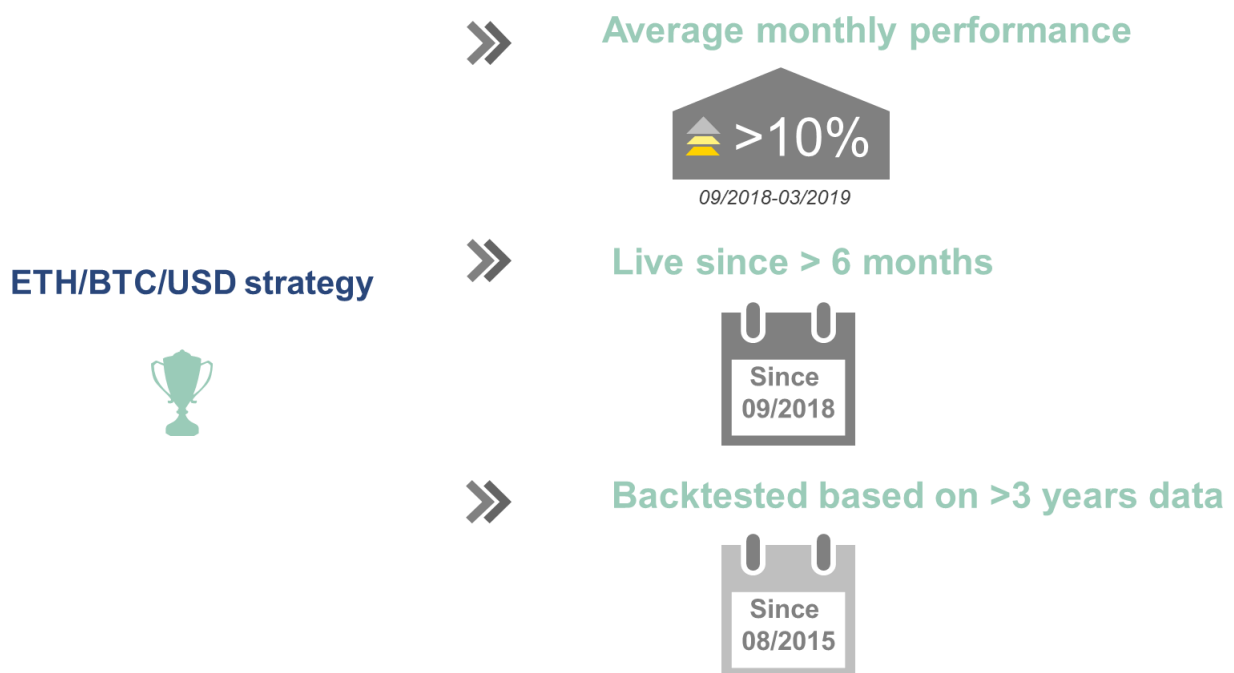


The traded amount (including leverage) is limited to \$ 25,000 per exchange which will allow you to trade up to \$ 50,000 on 2 exchanges combined.

No minimum amount required to start trading on our platform. However, a minimum daily charge will apply when using our service.

## Strategies

During the launch phase, we will offer our **ETH/BTC/USD strategy**. This strategy has been displayed on our napoleonx.ai platform since **September 18<sup>th</sup>, 2018** and has demonstrated **over 10% average monthly return** since that time.



We will progressively implement our extensive library of successful crypto trading strategies within the Software. Those strategies have been backtested since the launch of each crypto currency. First trading signals have been displayed since the launch of our platform (April 2018) and we have regularly communicated on new strategies or strategies' upgrade on our Medium channel <https://medium.com/napoleonx-ai>.

These strategies have been designed in-house by experienced quants with an extensive trading experience within Tier 1 banks. Our team has made available years of R&D experience at your service.

A full library of the existing strategies is available on our platform at <https://napoleonx.ai/strategies/library>.

You have access to in-depth reporting for all our strategies. Go on the Strategies tab and click on Details to access the statistics, KPIs and monthly performance distribution of the strategy of your choice.



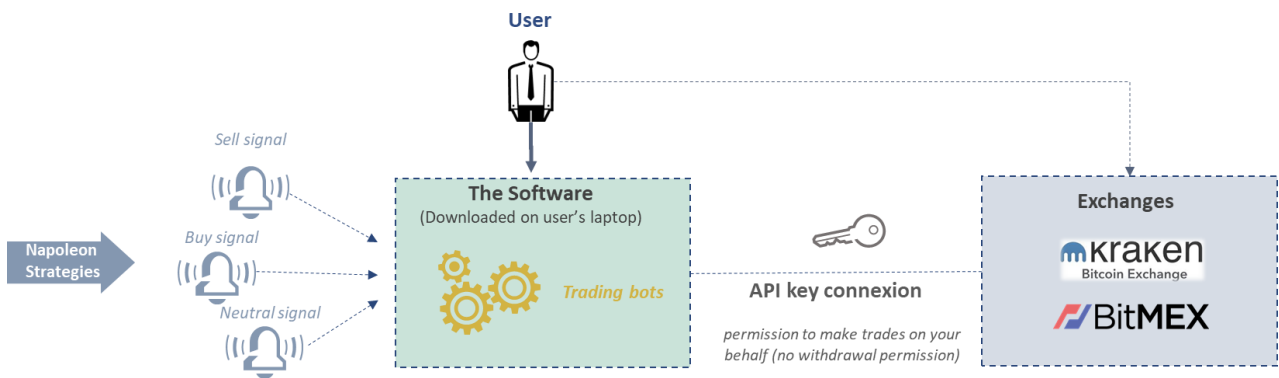
## **Low frequency**

We have specialized in low to medium frequency strategies. Our **trading signals are updated daily at UTC midnight close** (See [Appendix 1: "Trading signals"](#) for additional details). They thus generate one trade per day to allow for position adjustment.

However, the Software will execute several trades to spread execution over a certain period of time that will start at midnight UTC time. The aim is to minimize market impacts that are linked to limited liquidity for these assets.

A random selection process will be applied at the time of executing trades that starts a midnight UTC for all Software users.

*Illustration of strategies & signals execution via Napoleon Software*



## **Note:**

*The Software is hosted on your laptop. You can also opt for hosting it on your private cloud.*

*Connections to the exchanges are encrypted. API key and API Secret key are only stored on the user's side, neither Napoleon or anyone else has access to your API credentials, only the user.*



### 3. Why Napoleon Software?

The cryptocurrencies world offers an amazing opportunity for investors to invest in a new asset class due to an incredible boom on those markets.

In this context, a lot of people try to trade cryptocurrencies on their own but a lot of them struggle to make money. Indeed, these are highly volatile markets and given their youth, there are incredible challenges in predicting their direction.

To achieve regular performance, you need the right skills, years of experience, time and efficient trading tools. And even with all these attributes you still need to manage stress and emotions on a daily basis!

Our aim is to address the above pain points and provide an opportunity to any crypto investor, no matter the background or level of trading experience, to trade at another level.

We would like to remove the barriers and **democratize algorithmic trading**, previously reserved for high net worth individuals and hedge funds, allowing all types of capital and experience access to the best in class trading strategies and bots.

There are already a number of software bots on the market offering an automated execution. Their offer may also include the possibility to build your own strategies or may also rely on the external strategies & signals providers. However, you still need in depth trading knowledge and time to set-up your own strategies. You also need being able to challenge the external signals providers that are not all professional traders.

Napoleon solution is the first one on the market that offers **a unique combination of strategies and robust execution bots**.

#### Advantages



##### NapoleonX strategies

*Trade professionally relying on improved world-class traders' strategies*



##### Automated trading bots (The Software)

*Automate trading signals of the strategies you have selected*



##### Adjust risk level

*Possibility to execute trades on margin through a selected exchange*



##### Pay per use

*Trade like a pro for the price of a coffee per day*

- Allowing you to automatically trade our signals without logging in
- Relying on strategies designed by professional traders with significant experience within Tier 1 banks
- Total control of your funds
- Stay in control of you risk profile by adjusting leverage
- Opportunity to apply similar to hedge funds trading techniques for a democratic price and with no entry barriers (as no minimum capital required to start trading)



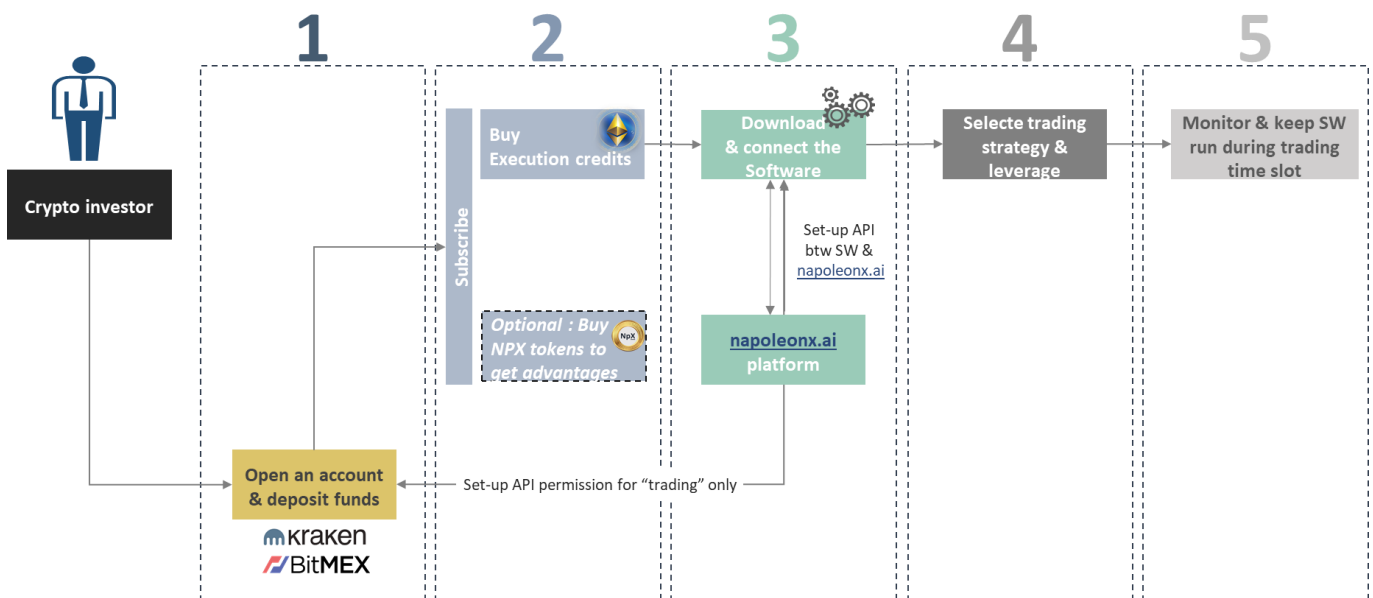


## 4. How does it work?

Our platform is easy to use and accessible to all customers. You do not need any programming or trading skills. You just need to subscribe to our services, connect the Software to your cryptocurrency exchange account & Napoleon web platform, set some parameters (select strategy, chose leverage) and it will make the rest.

The Software will handle multiple orders from all our users. In order to minimize market impact and to ensure a fairness amongst all the users, it has been decided that each individual order will be split into “atomic” random trading intentions. They will then be labelled and a random process will apply to determine the order of passage in the market. The time over which the trading intention are spread will depend on actual market liquidity and service subscription by all users on a particular date. Thus, the speed of passage will vary on a daily basis.

You just need to go through the following steps.



### **Step 1: Open an exchange account**

- Open an account on Kraken and/or BitMEX
- Deposit funds on your selected exchange account

*Note: BitMEX only accepts Bitcoin (BTC) as deposit. On Kraken, you can make a deposit in fiat and crypto currency/assets*

See [Appendix 2: “How to open an account and deposit funds on Kraken and/or BitMEX”](#) for additional details.



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## Step 2: Subscribe to Napoleon services

- Buy execution Credits by sending ETH from your registered wallet address to the Napoleon indicated ETH address. **Please DO NOT send ETH from your exchange account but from your wallet only.** The prevailing ETH.USD price will be applied to the ETH amount effectively received by Napoleon. In order to buy Credits, specify the number of Credits you wish to buy on our website <https://napoleonx.ai/bots/buy-credits>. It will calculate a number of ETH required to buy Credits based on live ETH.USD prices from CryptoCompare
- *Optional: If wish benefit from the advantages linked to NPX tokens holding, you may buy NPX tokens on a variety of exchanges. You need then register your NPX tokens on [napoleonx.ai](https://napoleonx.ai) platform*

See [Appendix 3: "How to subscribe"](#) for additional details.

## Step 3: Download & connect the Software

- Download our Software  
You can download the Software with Chrome and Safari web navigator, **except with Explorer**. To see the download link, you will need to connect to your napoleon account.

The Software is available for Windows only if you host it on your laptop. You can also download the Software on your own cloud solution whatever your laptop operating system.

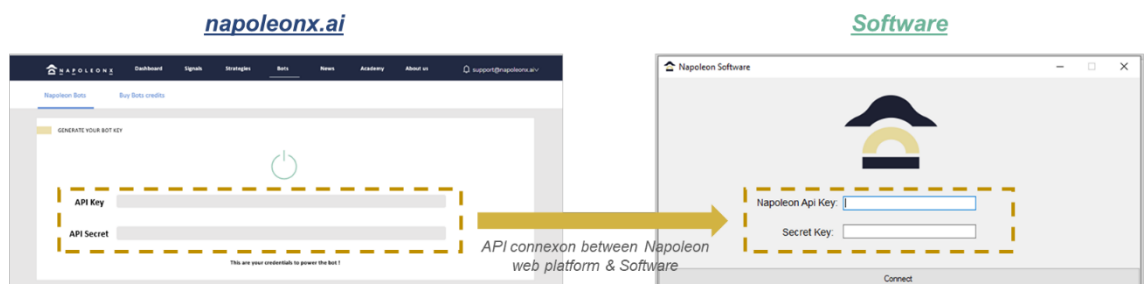
Hosting the Software on your own cloud will also allow you to not run the Software and keeping your laptop turned on daily during trading time slot.

You may, for example, rely on Amazon Web Services (AWS) - Elastic Compute Cloud solution (EC2) or any other private cloud solution you may have. AWS offer its cloud service for free during 12 months.

See [Appendix 4: "How to set-up Amazon Cloud"](#) for additional details.

*Note: We are currently in progress of obtaining code signing certificate for Napoleon Software. In a meantime warning message will display when you will try to install it. Click on additional info and force execution. Note that there is no risk if you download it from our web site.*

- Connect the Software with Napoleon web platform to access our services. For this purpose, you will need to generate your API Key and API Secret on our Napoleon web platform and then enter these credentials in the Software.



Please note that, for security reasons, **at each connection to the Software, you will need to specify API Key and API Secret credentials** (that you can get on [napoleonx.ai](https://napoleonx.ai) platform).



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**So, when you first set-up API connection, pay attention to put it down your and keep it in a safe place. In case you lose these credentials, you can generate new one on [napoleonx.ai](https://napoleonx.ai) platform.**

- You also need to **connect the Software to a selected crypto exchange** via an API. Although you will need to give the exchange platform permission to place orders related to the strategy you have selected. Please note that Napoleon Software has no access to your account where the execution is being made. You don't need to give permission to withdraw funds when setting up your API key. You keep full control over your funds and no one except you can withdraw from your account.

See [Appendix 5: "How to set up an API connection between the selected exchange\(s\) and the Software"](#) for additional details.

**Software**

API connexion between selected Exchange & Software

**Exchange**

*Illustration for Kraken*

**Note:** Connections to the exchanges are encrypted. API key and API Secret are only stored on the user's side, neither Napoleon nor anyone else has access to your API credentials, only the user.

## **Step 4: Select and run the strategy/signals in the Software**

Once you have connected the Software with the selected exchange and Napoleon web platform, you can then set some parameters in the Software. The user will be able to:

- Choose between strategies
- Select target leverage  
Please note that **the maximum allowed leverage in the Software is 1,5x.**  
See [Appendix 6: "Leverage set-up in the Software"](#) for additional details
- Subscribe or adjust leverage before 10pm for midnight execution - service tacitly reconducted on a daily basis
- You can unsubscribe at any time  
The 'unsubscribe' option available in the Software allows you to stop trading with our bots. However, if you want to close your position, you should do it from your exchange account. We plan to fix this and enhance the Software features in a close future.



Strategy	Exchange	Last Valo (\$)	Trading Hours	Leverage	Change Leverage	Credentials	Attach Credentials	Subscribe	Warning
BTC/ETH/USD	KRAKEN	37,6103	Between 23:00 UTC and 05:00 UTC	1	Change	Kraken	Attach credentials	<input checked="" type="checkbox"/>	

Choose your leverage [from 0,1 to 1,5]

Check the box to activate your subscription [Uncheck to unsubscribe]

You can change these setting at any time in your Software. You also will be able to monitor your options and parameters you have set from your dashboard [on napoleonx.ai](https://napoleonx.ai) in a close future. However, you won't be able to change them from there, only from the Software on your computer.

#### Step 5: Monitor your subscription

- Unless you downloaded the Software in your private cloud, you will need to make sure that the Software is turned on and run from at least 23:00 UTC to 4 a.m. UTC time slot on a daily basis.

*Note: We advise you to not run the bots on 2 laptops as this may affect its normal functioning.*

- Check out your dashboard to monitor the bot's set-up and your subscription status  
In a close future, we will implement a dashboard on our web platform that will allow you to monitor your subscriptions and settings. From your dashboard you will access the following information: selected strategy, leverage, signal, execution credits used, NPX account status, payment history, etc.

KRAKEN Account					BITMEX Account				
BOTS POSITION					BOTS POSITION				
	LEVERAGE	LAST SUBSCRIPTION	SUBSCRIPTION (Y/N)	CREDITS USED		LEVERAGE	LAST SUBSCRIPTION	SUBSCRIPTION (Y/N)	CREDITS USED
ETH/BTC/USD Strategy	1,5	20 <sup>th</sup> March 2019	YES	1	ETH/BTC/USD Strategy	-	-	NO	0

EXECUTION HISTORY					EXECUTION HISTORY				
DATE	STRATEGY	SIGNAL	LEVERAGE	CREDITS USED	DATE	STRATEGY	SIGNAL	LEVERAGE	CREDITS USED
20.03.19	ETH/BTC/USD Strategy	Pending (awaiting signal)	1,5	1	-	-	-	-	-
19.03.19	ETH/BTC/USD Strategy	Short	1,5	1					
7.03.19	ETH/BTC/USD Strategy	Neutral	1	1					



## 5. Pricing

Credits Pricing	Usage advantage for NPX tokens holders			Packages & Bonus			
1 Credit = \$ 0,99 per day for \$ 1,000 traded	Silver	Gold	Platinum	Credits packages	Price	Bonus	Nb. Credits (incl. bonus)
	5% discount on usage	10% discount on usage	20% discount on usage	30 credits	\$30	-	-
	0,95 Credits	0,9 Credits	0,8 Credits	≥100 credits (5% bonus)	\$99	5%	105
				≥250 credits (10% bonus)	\$248	10%	275

Silver: ≤ 999 NPX

Gold: From 1,000 to 9,999 NPX

Platinum: ≥ 10,000 NPX

Minimum package of 30 days  
Beyond this minimum package you are free to select  
the number of credits of your choice

### Pricing

**1 Credit = \$ 0,99 per day for \$ 1,000 traded amount.**

**Minimum Credits package – 30 Credits.** Those 30 Credits will allow you to execute up to \$ 1,000 amount trades during 30 days. In case the traded amount is lower than \$ 1,000, the 30 days Credits will allow you to trade more than 30 days.

The **price is adjusted based on a prorated calculation** of traded amount. If you trade \$ 700, the execution price per day would be ~ 0,7 Credit. However, please note that the **minimum price could not be lower than 0,5 Credit per day.**

Every time you use our service, **we will charge fees on a daily basis considering the traded amount.**

You can purchase a **maximum of 2,000 Credits in one single transaction.**

### Available packages & bonus

30 credits	100 credits (5% bonus)	250 credits (10% bonus)
------------	---------------------------	----------------------------

Please note that beyond minimum required package of 30 days, you are free to select the number of Credits you are willing to buy (it could be, for example 50 Credits).

A bonus is applied depending on the Credits package you buy in one transaction. For instance, for 100 Credits pack you get 5% bonus; for more than 250 Credits pack, you get 10% bonus.



#### Discount for NPX tokens holders

NPX token holders get a discount on the usage of credits.

So each time you use your credits, depending on your NPX status (Silver, Gold, Platinum), you benefit from 5%, 10% or 20% discount.

<b>Silver</b> ≥1 NPX < 1000 (5% discount)	<b>Gold</b> ≥1000 NPX <10000 (10% discount)	<b>Platinum</b> > 10000 NPX (20% discount)
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Please note that NPX tokens are never burnt while executing trades. You just need to stack them.

NPX tokens could be purchased on various exchanges – see the following link for additional information <https://napoleonx.ai/signals/tradingsignals>, then click on [Buy NPX token here](#).

As a reminder NPX is a utility token that encompasses 2 following rights:

- access to trading signals with different speed depending on the number of NPX tokens,
- benefit from DAF performance fees (once DAFs launched). Note that the investment in DAF is restricted to institutional investors only. NPX token holders will have the right to perceive the 85% of the performance fees related to the first 10 DAFs launched if they elect to it.

#### Payment method

At this stage we only accept ETH as payment method. We might open alternative payment methods in the future and we would communicate in due time should this happen.

The price of Credit is set in USD. An indicative exchange rate USD/ETH that will be used for conversion between ETH and USD will be provided by us at the time of Credits package selection. It is derived from CryptoCompare platform. We will use the exchange rate at the time of receiving your ETH on our account to determine your final number of Credits.

Considering the exchange rate fluctuation, we advise you to process payment in ETH as soon as possible after consultation of the Credits price on our website. **Please process to this payment no later than 1 hour after in order to limit as much as possible the potential change in USD/ETH rate** due to the time slot between the price posted on our website and the effective payment in ETH.

Unless otherwise required by law, we have no obligation to provide a refund or a credit. Due to the nature of the Service as a digital product, no refunds are granted without clear, justified and legitimate reasons.

#### Validity period

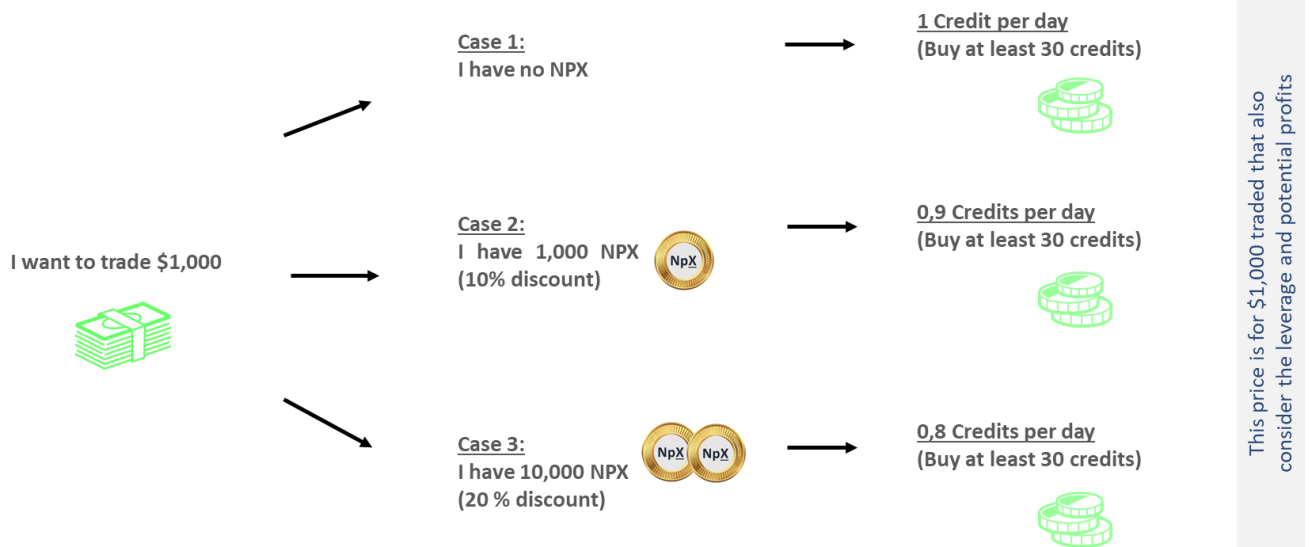
Execution credits have 1-year validity period. The expired Credits could be exchanged then up to 2 months after expiration. For instance, if you purchase execution Credits in 2019 and you do not use it in 2019, you should exchange them for execution Credits 2020 by the End of February 2020 at the latest.



### Disclaimer

We reserve the right to adjust our pricing in the future. We may apply different pricing scale depending on strategies that we will gradually implement within Napoleon Software bots.

Let's take an example: I want to trade \$1,000, how much should I pay for that?





## 6. Conditions

### ***Customer identification***

In order to access to Napoleon ecosystem and services, customers need to process with the identification process on NapoleonX platform.

For this purpose, you will need to specify the following information:

- First name
- Second name
- Address
- Email
- Chose password
- Agree the terms of use and the privacy policy

### ***Trading limits***

We apply the following trading limits:

- maximum traded amount is \$25,000 per exchange
- maximum \$50,000 for 2 accepted exchanges
- maximum allowed leverage 1,5x

### ***Execution credits utilization***

The **minimum price could not be lower than 0,5 Credit per day**. So, for example, if you want to trade \$ 300, we will charge 0,5 Credit per day (and not 0,3 Credit).

We do not require any minimum amount to start trading. But regardless of the traded amount, **you will need to buy at least 30 credits to start trading**.





## 7. Next steps

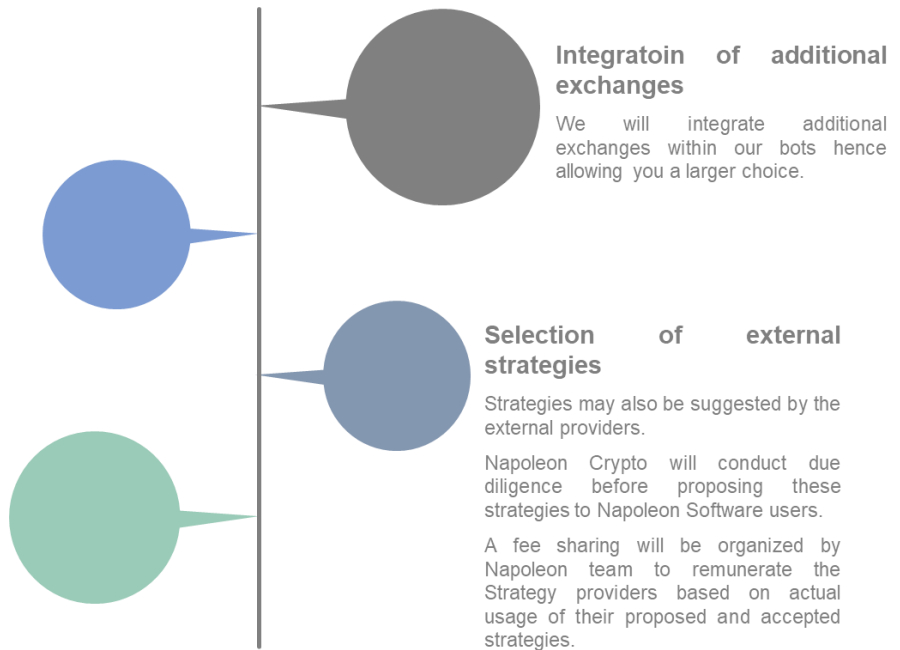
We plan to enhance our business and roll out additional features:

### Go live of additional existing Napoleon crypto strategies

Napoleon Crypto SAS has a number of strategies live since April 2018 and we will gradually suggest them on our Napoleon Software platform.

### Mobile app

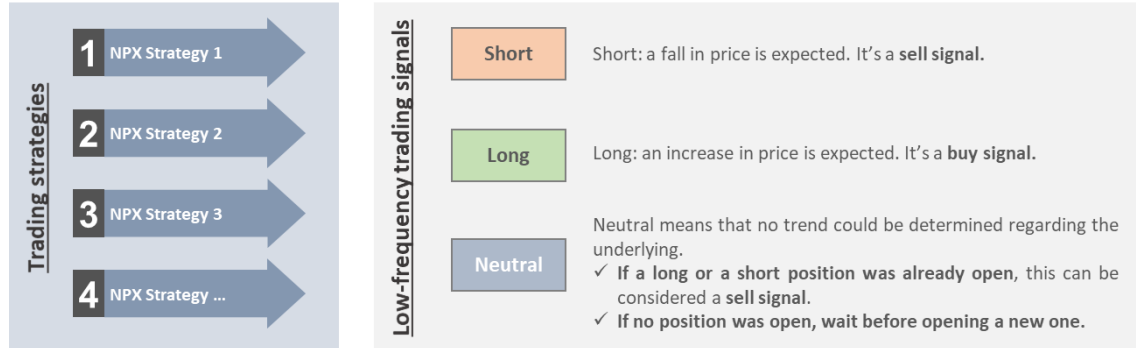
Development of mobile app encompassing features such as, for example, checking bots and changing settings (leverage...).





## APPENDIX 1: Trading signals

You will have access to 3 kinds of signals (Short, Long and Neutral) for each strategy.



For instance, if we look at the **ETH/USD strategy** and apply the above, we would:

- **Buy ETH when the signal is long.**
- **Sell ETH for USD / USD stable coin when the signal turns to neutral** if we had a long or short position previously opened; wait to open a new position if there were not.
- **Short sell ETH if the signal turns to short.** Short selling means to borrow ETH and sell it right away for fiat, wait for it to fall, buy it back at a lower price, then return the assets to the brokerage you borrowed them from, and pocket the difference. You will have to use a broker allowing margin trading to be able to short sell an asset.

For more information on Trading Signals follow this link <https://medium.com/napoleonx-ai/npx-platform-trading-signals-part-2-14bd744e8b29>

Trading signals are updated daily at market close. Crypto markets being open 24/7, **closing time is set at 00:00 (12:00 AM) UTC** for the crypto strategies (BTC/USD, ETH/USD, BTC/ETH).



## APPENDIX 2: How to open an account on Kraken and/or BitMEX and deposit funds

### Quick overview on how to open an account on Kraken and/or BitMEX and deposit funds

#### Exchange

#### Open an account

#### Deposit funds

Kraken



- Create an account at Kraken.com  
<https://www.kraken.com/sign-up>
- Go to the "Get Verified" tab.  
Depending on which verification tier you are looking for, you can be either verified instantly or it can take a couple of days (for tier 3 or higher).

- Go to "Funding" tab and click on the desired currency to deposit.  
<https://www.kraken.com/u/funding/deposit>
- You have the option of depositing fiat currency (USD, EUR, and CAD) and/or digital assets/cryptocurrencies. However, the availability of fiat deposit methods will depend on your residency and verification level.



BitMEX



- Create an account at Bitmex.com  
<https://www.bitmex.com/register>
- Complete a registration form : Email, Password, Country or Region of Residence, Name (First Name & Last Name)

- Go to "Account" tab and click on deposit.  
<https://www.bitmex.com/app/deposit>
- BitMEX only accepts Bitcoin (XBT) deposits.
- You will be shown your unique deposit address. Send funds to that address.



As some of the above-mentioned exchanges only accept crypto currencies and/or assets as deposit, you may start by purchasing some cryptocurrencies on Coinbase with a credit card and then transfer it to one of the suggested exchange: Kraken, BitMEX.





**When purchasing execution Credits, please DO NOT send ETH from your exchange account but from your wallet only (you should register your ETH related address on [napoleon.ai](https://napoleon.ai) platform).**

## **For additional information**

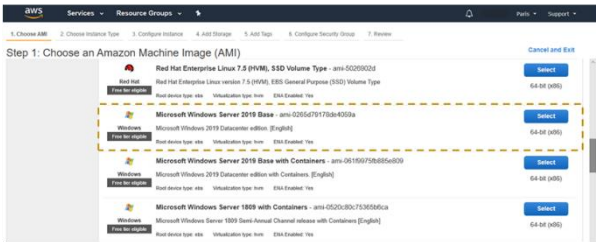
- Medium article “How to register your NPX address” <https://medium.com/napoleonx-ai/napoleonx-platform-how-to-validate-your-npx-addresses-2a525819abdd>
- Youtube tutorial “How to purchase NPX tokens on IDEX exchange and register on our platform” (French version) <https://www.youtube.com/watch?v=lwCZTtSFV8>



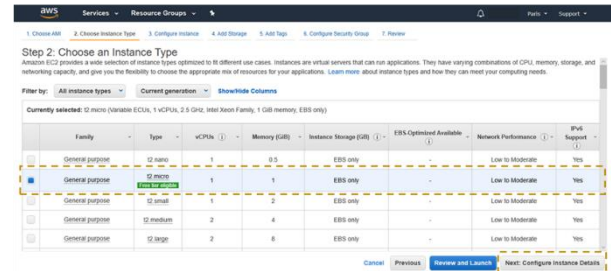
## APPENDIX 4: How to set-up Amazon Cloud

- In order to set-up Amazon Cloud, start by creating AWS account <https://aws.amazon.com/ec2/> Amazon offers 12 months free trial for its cloud services. Please note that you will need your credit card to activate your account on Amazon.
- Then choose EC2 Elastic Compute Cloud (Amazon EC2) and configure settings

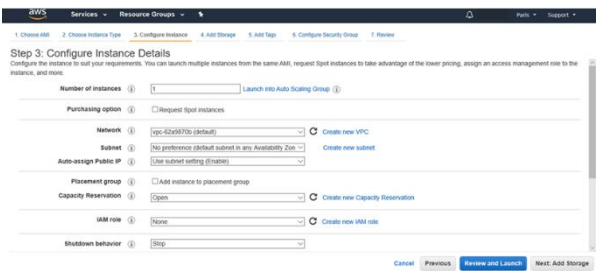
### Step 1: Choose an Amazon Machine Image (AMI) Select "Microsoft Windows Server 2019 Base"



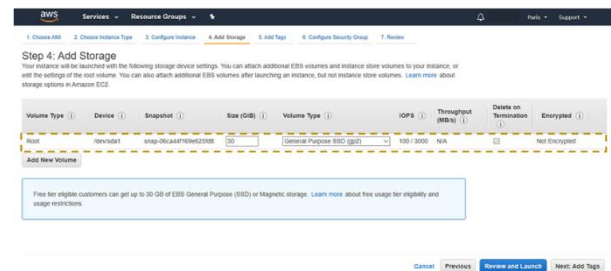
### Step 2: Choose an Instance Type Select "t2.micro - Free tier eligible"



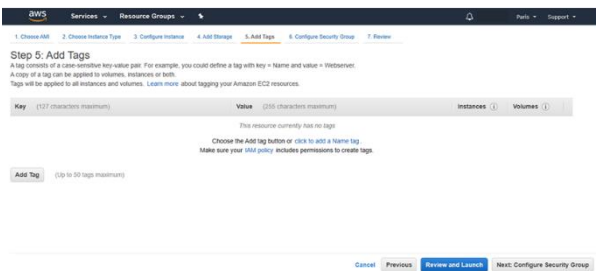
### Step 3: Configure Instance Details



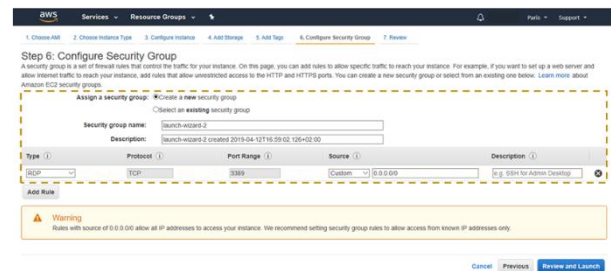
### Step 4: Add Storage



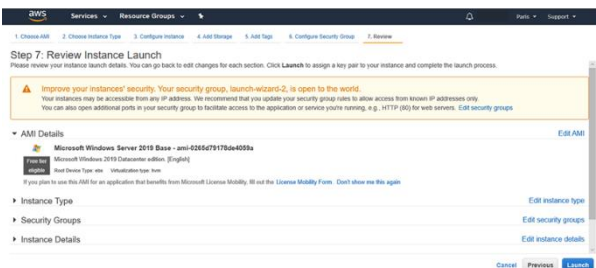
### Step 5: Add Tags



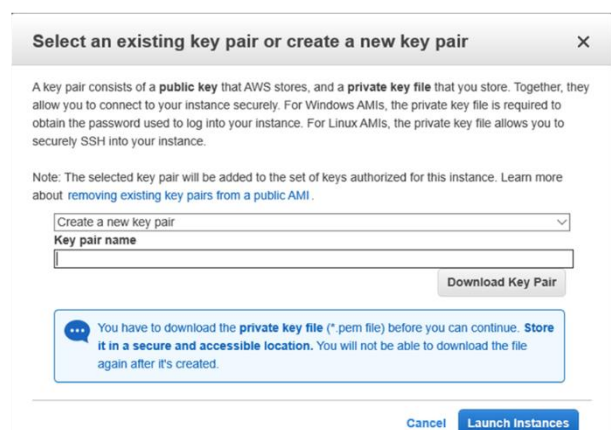
### Step 6: Configure Security Group



### Step 7: Review Instance Launch



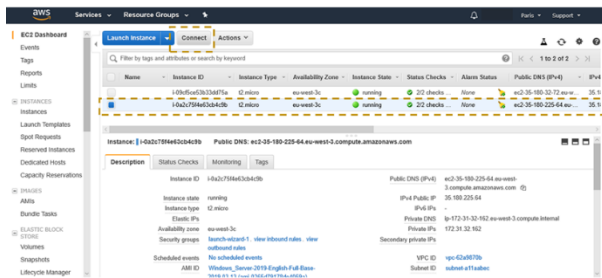
### Create a new key pair





- **Connect your instance**

Connect instance



Download File & Get Password

#### Connect To Your Instance

You can connect to your Windows instance using a remote desktop client of your choice, and by downloading and running the RDP shortcut file below:

Download Remote Desktop File

When prompted, connect to your instance using the following details:

**Public DNS** ec2-35-180-225-64.eu-west-3.compute.amazonaws.com

**User name** Administrator

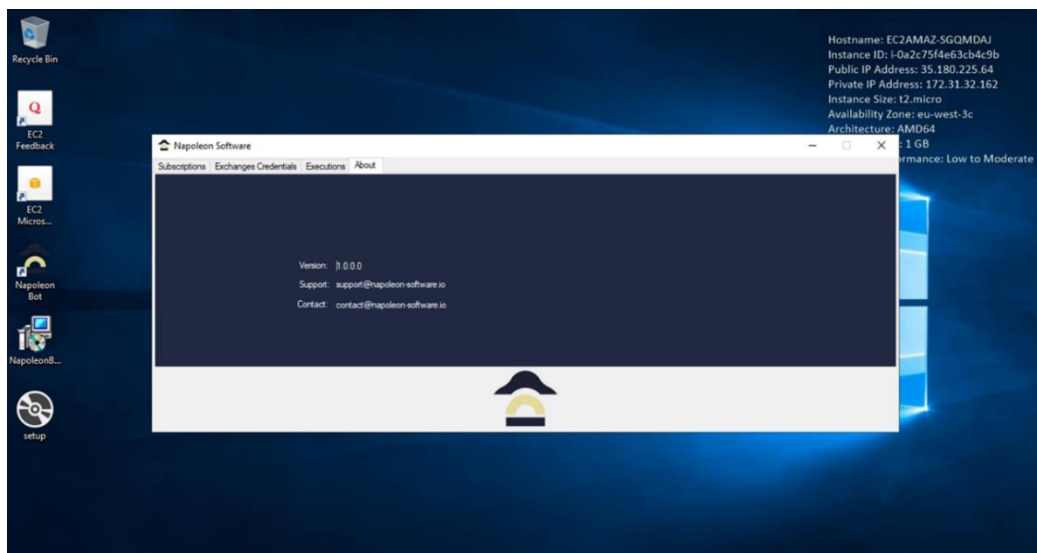
**Password** [Get Password](#)

If you've joined your instance to a directory, you can use your directory credentials to connect to your instance.

If you need any assistance connecting to your instance, please see our [connection documentation](#).

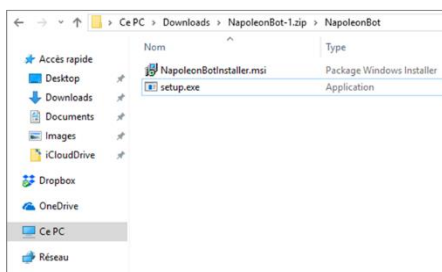
Close

- **Go to Remote connect on your laptop to upload previously saved File and enter previously saved Password (see connect your instance above). You need then click on "Connection"**

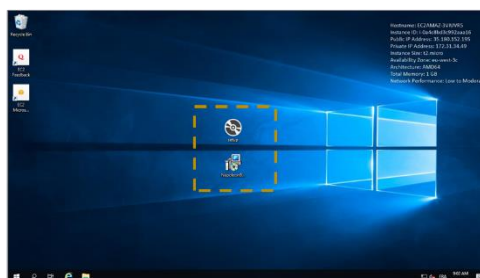


Once in cloud environment, you can copy the Software from your laptop to your cloud or install it directly on the cloud and that's it!

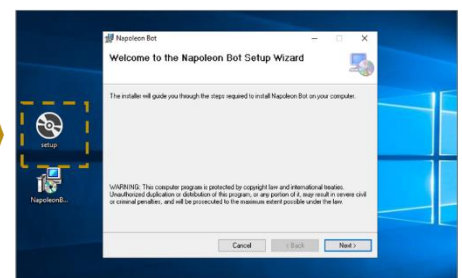
Copy 'installer' and 'setup.exe' files from your desktop



Paste these files in your cloud



Click on 'setup.exe' file and complete installation



**Pay attention to leave the Software open in your cloud. This does not prevent you from closing your cloud and turning off your laptop.**



## APPENDIX 5: How to set up an API connection between the selected exchange(s) and the Software

Our Software will be connected via API to the selected exchange(s) and will automatically execute trades following our strategies & signals via this API.

First, you should generate an API key on the selected exchange. API permission except “withdrawal of funds” should be enabled in your exchange, thus ensuring your currencies remain safely in your possession.

You need then input this API key in the Software.

### Quick overview on how to set-up API permission

The diagram illustrates the process of setting up API permissions for Kraken and BitMEX exchanges to connect with the Napoleon Software. On the left, a green cylinder labeled 'Software' is connected to two exchange boxes: 'Kraken' and 'BitMEX'. Arrows labeled 'API permission' point from the software to each exchange. The main part of the diagram is divided into two columns: 'Exchange' and 'API permission'.

**Exchange**

- Kraken**
- BitMEX**

**API permission**

- Kraken:**
  - Go to “Settings” tab, then to “API” tab and click on “Generate new key”  
<https://www.kraken.com/u/settings/api>
  - Select “Allowable actions” → check all “Orders & Trades” boxes and also “Query Funds” box only in “Funds” section
  - Do **not** check “Withdrawal” permission
  - Input generated **API key** and **Private Key** in the Software
- BitMEX:**
  - Go to “Account” tab and click on “API keys”.  
<https://www.bitmex.com/app/apiKeys>
  - Add “Order” permission upon creation to allow the placement and cancellation of orders.
  - Do **not** check the box “Withdraw”
  - Input generated API key – i.e. **ID** and **Secret** in the Software

**Key Permissions (Kraken):**

Funds	Orders & Trades	Ledger
<input checked="" type="checkbox"/> Query Funds	<input checked="" type="checkbox"/> Query Open Orders & Trades	<input type="checkbox"/> Query Ledger Entries
<input type="checkbox"/> Deposit Funds	<input checked="" type="checkbox"/> Query Closed Orders & Trades	
<input type="checkbox"/> Withdraw Funds	<input checked="" type="checkbox"/> Modify Orders	
	<input checked="" type="checkbox"/> Cancel/Close Orders	
<b>Other</b>		
<input type="checkbox"/> Export Data		

**Create an API Key (BitMEX):**

Name: [text input]  
Email: [text input]  
API Permissions: ☒ Order, ☐ Withdraw  
Create API Key

Please write down the secret key. It is shown temporarily until the secret key will no longer be available once you leave this page.

ID: [text input]  
Secret: [text input]





## APPENDIX 6: Leverage set-up in the Software

Possible leverages available in the Software is from 0,1 to 1,5.

- The leverage of 0,1 means that only 10% of the available funds on your exchange account would be placed in NPX strategy. For example, if on your exchange account you have \$ 1,000, then applying 0,1 leverage in the Software you will trade only \$ 100 following NPX strategy. The outstanding \$ 900 could be traded using any other user's personal strategies (not related to NPX).
- If you do not want to apply any leverage, meaning that you want to use the total available amount on your exchange account, therefore you need to choose the leverage of 1. In this case, the total available amount on your exchange account would be placed in NPX selected strategy, in our example, it would be \$ 1,000.
- The maximum available leverage within the Software is 1,5. In our example, this mean that you will then trade with \$ 1,500.
- **Please note that the leverage could be changed and disabled by the client at any time.**

### Leverage on the Exchange

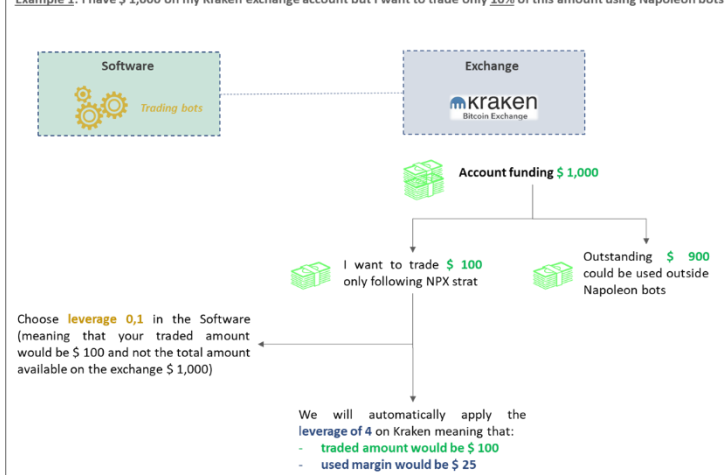
- There is another leverage on the exchange that should not be confounded with the leverage you set in the Software.
- At this stage we have configured the leverage of 4 on Kraken exchange meaning that the used margin represents  $\frac{1}{4}$  of traded amount. For example, if you want to invest \$ 1,000 in NPX strategies, only \$ 250 margin would be used to get \$ 1,000 position (i.e. traded amount). We may change this default leverage configuration in the future.
- On BitMEX, user should configure the leverage of his choice. The bots do not interfere on BitMEX leverage. However, we advise you to select "cross" leverage on ETH/USD and XBT/USD pairs in order to make sure you have enough margin to process trades. You should set this leverage on BitMEX exchange and not from the Software.

*Cross Margin on BitMEX is a margin method that utilises the full amount of funds in the Available Balance to avoid liquidations. Any Realised PNL from other positions can aid in adding margin on a losing position. Note that, by default all positions are initially set to "Cross Margin" on BitMEX. Check the following link for additional information: <https://www.bitmex.com/app/isolatedMargin>*

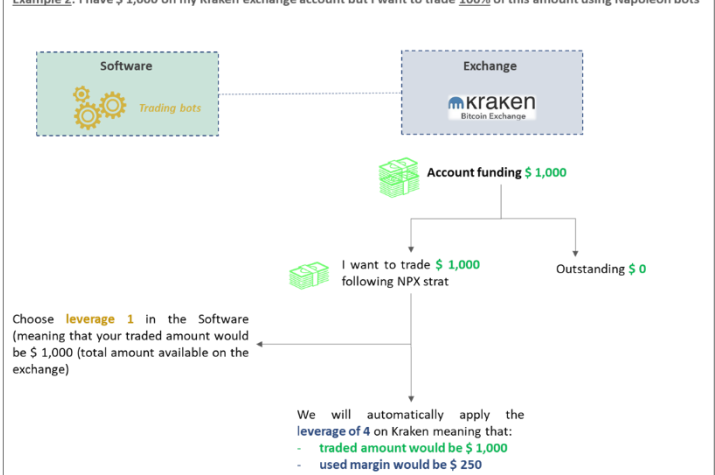
For additional information on margin trading on Kraken and BitMEX, see the following links:

- Kraken - Terms and concepts used in leveraged in margin trading  
<https://support.kraken.com/hc/en-us/sections/200560633-Terms-and-concepts-used-in-leveraged-and-margin-trading>
- Margin trading on BitMEX  
<https://www.bitmex.com/app/tradingOverview#Margin-Trading>

Example 1: I have \$ 1,000 on my Kraken exchange account but I want to trade only 10% of this amount using Napoleon bots



Example 2: I have \$ 1,000 on my Kraken exchange account but I want to trade 100% of this amount using Napoleon bots





## APPENDIX 7: Adjustment trades

**Please note that you may experience some adjustment trades. This is due to the consideration of P&L related to your trades and exchange fees that may impact your position. So those adjustments are used to maintain your leverage / position.**

### **1. This may occur if you use the leverage in the Software $\neq 1$ (i.e. from 0,1 to 0,9 and from 1,1 to 1,5)**

This is due to the reinvestment of the P&L from the leveraged part of the position. So the Software apply the selected leverage to your new position that takes into account profits & losses.

Let's take an example:

- If on a Day-1 you decide to allocate \$ 1,000 using leverage of 1,5 in the Software (meaning you trade \$ 1,500)
- On a Day-2 let's say you make \$ 200 profits thus your traded position is valued \$ 1,700 and your capital is \$ 1,200. Your leverage is therefore 1,42 ( $1700/1200$ ). So in order to maintain 1,5 leverage position – i.e. \$ 1,800 ( $1200 \times 1,5$ ), a buy order will be sent to your exchange for \$ 100 ( $1800 - 1700$ ).

### **2. This may also occur if you use your Free margin for your own trades**

The same rational apply when you trade on your own using free margin. So the Software will consider the P&L linked to your own trades in order to maintain the leverage.

### **3. Exchange fees**

Please note that Exchange fees are deducted from your position amount. Therefore, to maintain your balance (i.e. expected leverage and position) you may observe some small trades.