

PECUN.IO

# whitepaper

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## 1. WELCOME TO PECUN.IO

### **Pecun.io is the world's first fully decentralized investment platform.**

We open the hyper-dynamic cryptocurrency and ICO markets to everybody, democratizing blockchain investments and allowing everyone to participate in the New Economy.

### **Building trust - protecting the community**

We help protecting the Blockchain community and building public trust, by investigating and uncovering fraud schemes, riding on the Blockchain wave.

## 2. WHAT IS PECUN.IO?

### **Democratizing blockchain investment - Our mission**

Pecun.io's mission is to open the vibrant cryptocurrency market to everybody, fostering adoption of blockchain technology and democratizing ownership of cryptocurrencies. We make it possible to own and transfer cryptocurrencies like bitcoin & co., allowing the average individual to participate in the New Economy. Usually, the economic fruits of technological innovation are enjoyed by insider investors, with deep pockets and insider capabilities.

We believe in the philosophical mission established by Satoshi Nakamoto, the creator of the blockchain idea.

By creating a fund universe that is accessible and affordable to the average person, we put the power back in the hands of the people – where it belongs.

### **Bringing the world's first fully decentralized investment platform - Our vision (Re-invent VC investment)**

The world of Pecun.io covers the whole life cycle of blockchain innovation, from Angel & Venture Capital Investments, to Initial Coin Offerings, to exchange traded currencies and tokens. **The leverage for Pecun.io's early bird investors is much higher** than with any other existing investment solution.



Therefore, we are actively scanning the market for blockchain start-ups with unique value proposition and high growth potential. We use our proprietary scoring and due diligence process and our team's expertise in the field of alternative investments to find the best talent and technologies. With our long-standing marketing and legal experience, we can multiply the chances for a successful ICO. For this valuable service, **Pecun.io receives a significant profit share of the ICO proceeds.**

Our token holders will benefit in every stage and from very early on. Pecun.io's tokens receive proceeds from three sources: The management-, the performance-, and the ICO fees. Pecun.io will earn millions in commission earnings in a very short time frame, **making it a true blue chip investment for its token holders.**

In the old economy, elite capitalists monopolized such investment opportunities, leaving the public behind closed doors. Pecun.io democratizes blockchain investments, so now everyone can join.

Unlike traditional Angel & VC investments, Pecun.io token holders can sell at any time. Bringing liquidity to Angel & VC investments is **the most significant innovation over recent decades.**

### 3. WHY BLOCKCHAIN INVESTMENTS

**"We have elected to put our money and faith in a mathematical framework that is free of politics and human error."**

*Tyler Winklevoss, Co-creator of Facebook, top investor in Bitcoin*

#### The concept of Blockchain technology

"Satoshi Nakamoto" introduced the world to the concept and structure of a "blockchain" in late 2008 in the white paper for "Bitcoin: A Peer-to-Peer Electronic Cash System". A core technological breakthrough described was the design of a public database illustrating the full history of the ledger, continually updated and distributed amongst users incentivized to cooperate, grow, and form consensus on the state of the network using a built-in currency & issuance system.

In the following years, the innovative & disruptive vision proposed in the paper inspired many to contribute to the open-source codebase – and many to start working on their own extensions and alternative versions of the software.



The idea of a decentralized, global payment network with low cost and settlement time has profound implications across the world-wide financial system in areas like crossborder remittance, transaction processing fees, and securities settlement. Abstracting away from solely the financial sector, the transparency and integrity of data on a blockchain may transform broad industries and standards in areas like record keeping, law, identity management, auditing, application development, and much, much more.

Fundraising, corporate formation & governance, asset representation, contract & agreement structuring, and the traditional thought processes associated with each are rapidly being challenged, questioned, re-thought, re-approached, and re-structured because of the spark ignited by the concept of a blockchain, and we are now at the forefront of a huge new wave of resulting innovation.

## **The business world is rapidly adopting blockchain technology**

Today, around 80% of banks are developing their own blockchain technology. In September 2016, Barclays Bank (UK) carried out the world's first trade transaction using blockchain. Barclays cut a process that normally takes 7–10 days down to less than four hours.

IBM is working with the government of Dubai to develop smart contracts that can facilitate all trade that passes through its port. This is huge, given that \$344 billion worth of goods passed through the port in 2016. Dubai's government said it plans to shift all transactions to blockchain by 2020.

Nasdaq is also heavily engaged in blockchain technology. The real value of blockchain is that it renders intermediaries completely obsolete. They make a living off of being a third party that establishes “trust” between parties unknown to each other. Blockchain replaces these middlemen.

This is one of the main reasons the world's biggest firms are investing in blockchain. They are trying to become the disruptor, not the disrupted. Blockchain is a foundational technology like the Internet—a big system upon which you can build applications. A series of industries will become seriously disrupted, first and foremost:

## **Financial Services (Banks, Clearing houses, Money Transfer)**

*Banks are essentially secure storehouses and transfer hubs for money. Blockchain's secure, decentralized, and tamper-proof ledger addresses this function—at a fraction of the cost. A company called Thought Machine has already created a “blockchain bank.” Clearing houses and stockbrokers are also in the firing line, for the same reason. Companies like Western Union and MoneyGram have always dominated money Transfer Services. But blockchain start-ups are trying to make the scenario competitive by offering different forms of money transfer services.*

## Real Estate

*When most people think of buying and selling property, they think copious amounts of paperwork, a long, drawn-out process, and high agent fees. Using blockchain, anyone can manage, track, and transfer land titles and property deeds—no need for intermediaries. A firm called Ubitquity is providing this service right now.*



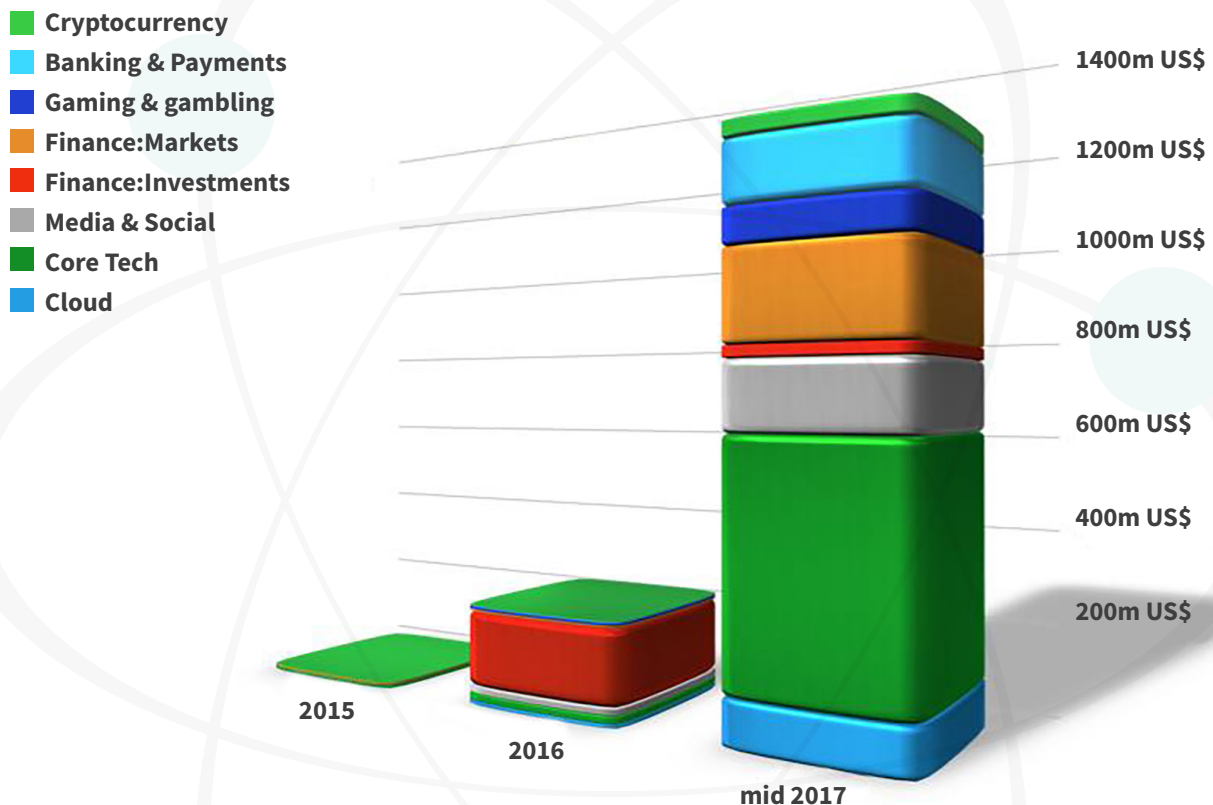
## Music Streaming

*Music streaming is great—well, maybe not for the musicians. It's estimated that artists lose up to 86% of the proceeds from their music because of illegal downloading. Blockchain is making it possible for artists to earn royalties on their music without going through a record label. Grammy Award Winner Imogen Heap has created a blockchain-based streaming platform called MYCELIA that is facilitating this.*



## 4. THE MARKET OPPORTUNITY

**In only 30 months, ICO market activity has exploded from a mere 14 million US\$ to a whopping 2,6 billion US \$ (annualized)**



Source: Pitchbook ICO analysis, July 2017. Pecun.io analysis






Within the last 30 months, the ICO market grew from a mere 14 million US \$ to a whopping 2.6 billion US \$.

Finance & Investments is still heavily underrepresented as a category, due to a lack in innovation and true decentralization.

With its unique business proposition, Pecun.io is expected to capture a significant market share in overall ICO proceeds.



## Successful ICOs can multiply your investment

	NAME	CHANGE (%)	ICO DATE	ICO PRICE	CURR. PRICE
	Stratis <small>Buy Instantly</small>	+79609%	06/20/16	\$ 0.007	\$ 5.797
	Ethereum <small>Buy Instantly</small>	+72163%	07/22/14	\$ 0.311	\$ 225.042
	IOTA	+66129%	11/25/15	\$ 0.000	\$ 0.288
	Antshares	+24866%	10/01/15	\$ 0.032	\$ 7.939
	Spectrecoin	+18466%	11/20/16	\$ 0.001	\$ 0.151
	Etheroll	+7784%	02/13/17	\$ 0.069	\$ 5.449
	Ark	+5978%	11/07/16	\$ 0.010	\$ 0.605
	Storj <small>Buy Instantly</small>	+4304%	07/18/14	\$ 0.009	\$ 0.397
	Beyond the Void	+3909%	11/01/16	\$ 0.004	\$ 0.160
	Augur <small>Buy Instantly</small>	+2904%	08/01/15	\$ 0.602	\$ 18.091

Starting with the incredibly successful Ethereum ICO in July 2014, a new investment era has dawned. Imagine you put in two thousand dollars in ETH. Right now in 2017, in less than three years, those two thousand dollars would be worth over 1 million US \$. Same with Stratis: only 12 month after its ICO, tokenholders have multiplied their investment by factor 600.

If done well, ICOs are the most rewarding investments ever.





## 5. INDUSTRY THREADS

Despite Bitcoin's impressive annualized returns since its inception in 2009, the reality is that Blockchain technology is still in its infancy and no one knows whether it will really become globally accepted or whether it will eventually disappear. This uncertainty surrounding Blockchain and Bitcoin's future is reflected in the price volatility of crypto currencies. When it comes to investing in crypto currencies and ICOs, there are a few risks investors need to be aware of and mitigate:

### **Regulatory Risk**

Probably the biggest risk to the future success of Bitcoin as both a currency and as an investment class is regulatory risk. If China, for example, decides to ban its citizens from holding bitcoin, the price of the digital currency would crash. China is by far the largest market for bitcoin trading, with over 90 percent of trading occurring in the People's Republic. Hence, any negative regulatory changes would have a direct impact on the world's bitcoin investment.

The same goes for leading Bitcoin start-up hubs like the U.S. and the U.K. Should any large economy ban Bitcoin the price will collapse and struggle to recover.

### **Large-Scale Hacks on Bitcoin Companies**

The potential of large Bitcoin companies and digital currency exchanges suffering losses from cyber attacks are a viable risk that has proven to have a strong impact on the price of bitcoin in the past. The hack of Mt. Gox in 2014 and the Bitfinex hack in August 2016 have both pushed down the price of the digital currency.

Research has shown that since the inception of Bitcoin in 2009, about one-third of bitcoin exchanges have been hacked. Despite efforts to improve cyber security at exchanges and Bitcoin startups, the risk of large-scale hacks is real and one that will most likely occur again in the future.





## 51 Percent Attack

One risk that not every investor is aware of is the potential for a so-called 51 percent attack. A 51 percent attack refers to one centralized Bitcoin mining operation gaining over 50 percent control of the Blockchain, at which point it could reverse transactions, which would make the entire Blockchain unusable as no trust would be left in the network. At this point in time, mining operations are spread out across the world and the Bitcoin network is fully decentralized. However, should one mining operation gain a significant amount of control over the Blockchain close to 50 percent, the future of Bitcoin's existence could be at stake.

## ICO Scams

Many ICOs/token launches lack legitimacy for one of the following reasons:

1. Some ICOs are outright scams. Their founders are simply cashing in on the absurd amount of dumb money people are throwing into token launches. (The “investors” are often people who missed the boat on bitcoin and ether, and they don't truly understand the differences between different cryptocurrencies, particularly when it comes to value.)
2. Some ICOs are illegitimate because they are essentially a solution without a problem — not everything needs a decentralized application with its own currency. Because of these risks, a significant set of due diligence questions have to be asked before buying into an ICO.

## 6. COMPETITIVE ANALYSIS

### Investment features

Market players	Company fully tokenized	Invest in Bitcoin	Invest in Altcoin	Invest in ICO	Invest in BC start-ups	active management	full 3-level decentralization
Digital Developers Fund	✗	✗	✗	✗	✗	✓	✗
Blockchain Capital III	✗	✗	✗	✗	✓	✓	✗
ICOMOMI	✓	✓	✓	✗	✗	✗	✗
NapoleonX	✓	✓	✓	✗	✗	✓	✗
Greyscale Investment Trust	✗	✓	✗	✗	✗	✗	✗
Xapo Wallet	✗	✓	✓	✗	✗	✗	✗
Exodus Wallet	✗	✓	✓	✗	✗	✗	✗
ATM and kiosk solutions	✗	✓	✗	✗	✗	✗	✗
Cryptocurrency retailers	✗	✓	✓	✗	✗	✗	✗
Pecun.io	✓	✓	✓	✓	✓	✓	✓



## 7. OUR PRODUCTS AND SERVICES

The Pecun.io opens a cryptocurrency investment universe, which is easily accessible, highly secure and perfectly affordable for everybody. All our fund products are tokenized, which provides instant liquidity for all investors. Our target investments are exclusively Blockchain investments.

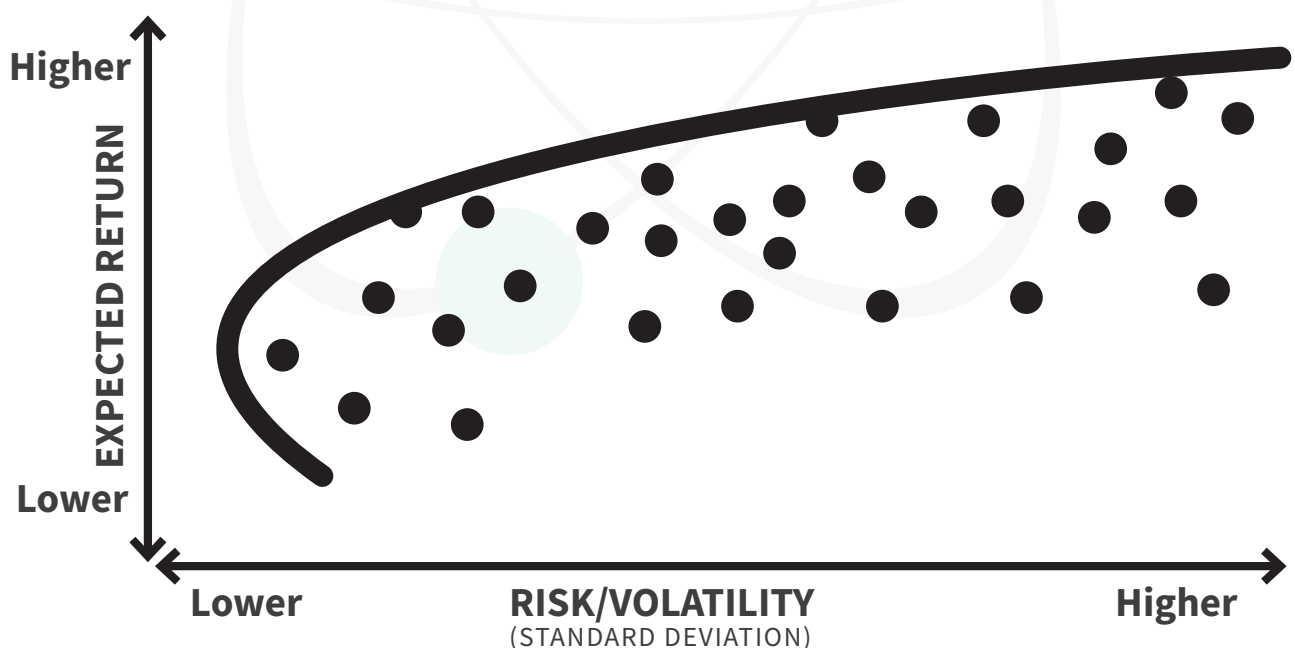
This makes Pecun.io the world's first fully decentralized investment platform.

Building on our experience from traditional and hedge fund industry, we will introduce three kinds of fund:

### 1. Pecun.io Cryptocurrency Fund (PCC)

Pecun.io Cryptocurrency Fund is a diverse portfolio of crypto coins and tokens. PCC is restricted to Blockchain assets, which are already exchange traded (eg. 1st Bitcoin, 2nd generation altcoins like Ether, Ripple, Litecoin and 3rd generation asset tokens like EOS, Tether and Gnosis).

PCC will be managed and (re)allocated based on managerial discretion, however framed by a determined set of rules and will therefore profit from our principals hedge-fund experience. Therefore, PCCs will bring the potential to outperform market developments. Investors will benefit from managerial expertise, careful pre selection and reallocation of included tokens, broad diversification and ongoing risk management.



Typically, higher return means higher risk (of loss). By carefully diversifying our funds assets, we will lower the overall risk, maintaining high performance attributes. Our team knows how to keep the risks in check.

(for those of you who are interested in a deeper understanding of asset risk management, we recommend reading *Quantitative Risk Management: Concepts, Techniques and Tools* by Alexander J. McNeil, Rüdiger Frey and Paul Embrechts, published by Princeton University Press in 2015; revised 2nd edition, 1st edition 2005)

Investors will benefit from lower risks, stemming from preselection of included tokens, careful diversification and ongoing risk management.

## **2. Pecun.io Initial Coin Offering Fund (PICO)**

Pecun.io ICO Fund targets Blockchain companies in their pre-ICO and ICO phase.

PICO Fund is restricted to Blockchain assets, which have a minimum viable product, and in the preparation for an ICO event.

Our management team will apply extensive due diligence, to filter weak market propositions, mediocre teams and potential scams from the long list. From the short list on, we work closely together with our target investments, helping them to conduct an optimal ICO launch.

Investors in PICO will benefit from our industry links and our investigative strengths to uncover potential scam schemes, before any financial loss happens.

## **3. Pecun.io Angel & Venture Fund (PAV)**

In addition to the broader market offerings, Pecun.io will launch a fund, dedicated to Angel & Venture investments in the Blockchain space. This dedicated fund aims at exceptionally high performance – targeting a multiplication of capital.

A team of Pecun.io experts, supported by selected external industry advisors, will actively manage PAV. This team will continually scout for early investment opportunities. Through this handpicked fund offering, everybody can be an Angel & Venture Capital investor, without any entry or capital requirements. In order to avoid capital dilution and oversubscription, the fund offering will be by invitation only. Pecun.io ICO investors will be invited to join the **Pecun.io Angel & Venture Fund**.

## **Due diligence and portfolio diversification mitigates market and fraud risks**

All the funds in our fund universe will profit from our managerial expertise, strong industry links and our proprietary risk management systems. We put strong emphasis on our due diligence function, to identify possible red flags and spot potential ICO scams.

## **Tokenizing our Blockchain portfolios brings instant liquidity**

Technically, we utilize an Ethereum based platform of asset tokens (PCC, PICO, PAV) to bring instant liquidity in an otherwise highly illiquid market. With a VC or hedge fund in the old economy, people are stuck with their investments, in most cases for 3-5 years. With Pecun.io everybody is able to buy and sell fund tokens instantaneously.

## **Why did we choose an Ethereum based token?**

While Bitcoin serves as an excellent example of a successful currency token of, Ethereum enables us to easily create much more complex systems with very little entry costs. Ethereum based tokens rely on a well-established Ethereum infrastructure, benefiting from several advantages:

1. Security and predictability (as opposed to, for example, having to run an independent blockchain network);
2. Use of robust and well- supported clients (Ethereum- based tokens can be managed with official Ethereum clients);
3. High liquidity (interchangeable with other Ethereum- based tokens or Ether);
4. Easier listing on exchanges with infrastructure already in place;
5. Ethereum smart contracts enable a very transparent and secure way of profitsharing among the token holders.

The asset tokens will be represented as smart contracts on the ethereum blockchain. Coding and customizing work will be done in Solidity, a high level programming language similar to javascript, targeting the Ethereum Virtual Machine (EVM), which is the runtime environment for smart contracts in Ethereum. and operates with bytecode.



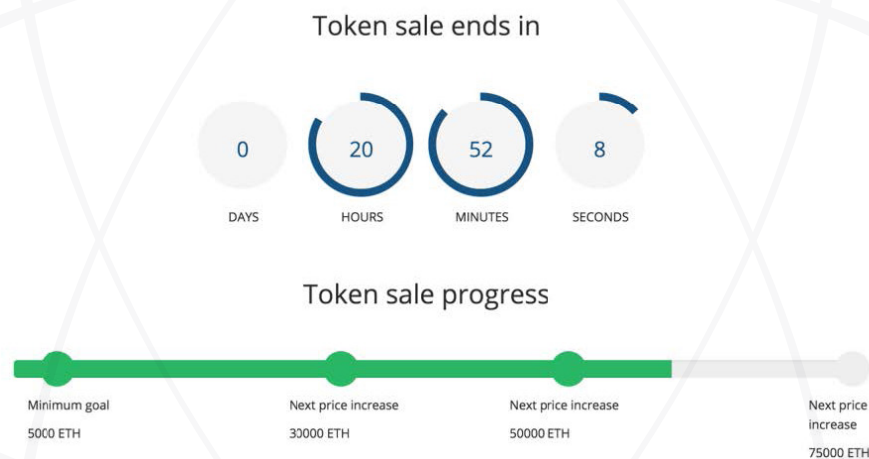
## 4. Pecun.io ICO Services

In addition to our fund offerings, Pecun.io provides services and consultancy to Blockchain start-ups, in exchange for a share of the ICO receipts.

Typically, a Blockchain start-up is heavily centered on technology. Therefore, these start-ups forego a large portion of their funding potential, leaving millions on the table.

A well-conducted crowd funding campaign can easily fetch capital in the region of 20-30 million US \$. The same ICO, if done poorly, might struggle to even reach a million US \$.

ICONOMI; BC capital III, GBTC, WINKELVOSS, DDF  
Bottom line: IS, partial, costly, unattractive



ICOs (Initial Coin Offerings) have become a popular way to fund cryptocurrency projects. An ICO is a crowdfunding event in which a new cryptocurrency project sells part of its cryptocurrency tokens to early adopters and enthusiasts in exchange for money today. ICOs provide a way for cryptocurrency project creators to raise money for their operations. Most ICOs raise money in Bitcoin or other cryptocurrencies.

The ICO usually takes place before the project is completed, and helps fund the expenses undertaken by the founding team until launch. For some of the larger projects, part of the ICO money goes into a foundation that provides ongoing support to the project. They also work as an initial distribution model for the cryptocurrency tokens, especially those with a proof of stake consensus algorithm.

The ICO participants are invested in the success of the project. They can help get the word out and raise awareness in the broader community. They also provide early liquidity for the cryptocurrency tokens when they start trading. The ICO participants are also usually motivated by a profit potential if the project takes off and the tokens become worth more than the ICO price.



## 8. OUR VALUES

### **We act with integrity and show respect**

We demonstrate a commitment to integrity and ethics. Show respect for and value all individuals for their diverse backgrounds, experiences, styles, approaches and ideas. Our brand is built on principles of trust and honesty, as such our customers don't need to worry about reading the fine print – because there isn't any.

### **We value clarity and simplicity**

We strive to make our products simple to understand and easy to use. We take extra care to think and communicate with absolute clarity, be it with our customers, our partners or internally. No fine print

### **We lead, don't follow**

We push the envelope in BC investment products, doing things that were never done before to win the hearts and minds of our customers.

### **We love Success**

We achieve results and celebrate when we do. We help people to be their best by providing coaching and feedback. We make people feel valued and appreciated. We communicate open and frequently.





## 9. OUR TEAM

The Blockchain revolution presents tremendous opportunities for the Fast and the Smart (see above). We will capture these opportunities for our tokenholders' benefit for a simple reason: We are the prime mover in our field. As former securities and commercial lawyers, hedge fund managers, service industry pioneers, creative directors, and tech project managers, our big idea is to completely re-invent high-tech start-up investment – by introducing the world's first truly decentralized interment platform: Pecun.io.

Pecun.io team offers a unique combination of extensive business experience, software engineering skills, international perspective and hands-on attitude. We blend deep technological skills with artistic creativity, and academic excellence with executive experience.

### Reinhard Berger

Reinhard is an original FinTech veteran. Reinhard's career began as a business architect for global consulting firm Accenture contracted to redefine the global banking system for such clients as Credit Suisse, UBS and Invesco. Later he served as a principal for French tech giant Capgemini. In 2003, Reinhard co-founded Alternative Invest Finance AG, an independent hedge fund operator, where he managed alternative assets in excess of \$250m. Reinhard received a MSc in Computer Science, an M.A in law, as well as an MBA from Danube University. He is HBS alumni (LPF class of 2000).



### Ben Schachinger

Ben is a genuine marketing and sales crack, with 20+ years proven practice. Head of sales for a global telco company. Keen interest in social media campaigning and blockchain technology. As head of sales he made significant contributions for coupon giants Groupon, Deal LX, Dealheute and rublys. Ben is a firm believer in rights equality and the transformational power of technology. He heads the non profit organization „helping hands for kids – shopping for a good cause.“

### Heinz Laubert

Serial entrepreneur in the service industry, with more than 15 years' experience. Strong focus on leadership and organization. Staged several high caliber events with 1000+ attendees. Dedicated leadership personality.





### Florian Englmaier

Florian is a dedicated white-hat hacker. He is the man for securing systems and assets against vulnerabilities and external intrusions. Florian has extensive experience in penetration testing, including DDoS attacks, SQL injection attacks, session hijacking and man-in-the-middle attacks. Florian is a blockchain enthusiast and early day bitcoin investor.



### Kangrui Johann Ye

Johann is a web developer who also has experience in programming and designing in addition to holding strong obsession in free open source software. He is especially interested in Javascript and Linux.

### Reinhard Widmeyer

Reinhard's area of interest includes software engineering, online campaigning, user board communication, solidity (/smart contract coding).



### Melanie Schauer

Melanie focuses on social media research and communication. She oversees our branding facilities and acts as quality assurance.

## 10. THE PROJECT FUNDING

To fund the project, we conduct an ICO (initial coin offering, see below). We will issue 100 million Pecun.io tokens (PCO) 7-10 days after the ICO campaign successfully ends. PCO tokens represent ownership tied to the PCO asset contract (see below), namely the rights and obligations arising from the Pecun.io universe of funds (especially management and performance fees), and ICO service fees. Tokens are a digital asset, bearing value by themselves based on their underlying assets, properties and/or rights. PCO tokens allow their holders to receive these fees on a pro rata basis.

### The ICO Event

- Ethereum ERC20 tokens will be issued
- 100 Million (100,000,000) total PCO Tokens will be created, of which 30% are sold in the token sale
- Estimated token value in ETH offered in the token sale: 150,000 ETH or equivalent (subject to variations thru the crowd sale)
- The creation will be soft-capped upon receipt of 150.000 ETH
- Exchange Rate: 1ETH (or equivalent ) = 200 PCO
- A reserve of 15% remains at PCO for angel investments, incentives and salaries
- PCO token creation event will commence on 15th of September 2017, 9:00am UCT.
- The Token Sale will last 30 days
- The PCO tokens will be distributed 7 to 10 days after the closing
- If the soft-cap is reached before the end of the 30 days, additional contributions will be accepted for 7 days
- BTC, ETH, XRP and LTC accepted for the purchase of PCO Tokens
- No more PCO will be created after this period, to avoid inflation

*The conversion rate ETH/ PCO may change during the crowdsale due to discounts*

### Additional PCO

Additional PCO will be created for the Capital Reserve, backers, advisors and early investors as follows:

#### 1. Pecun.io founders, backers, advisors & future employee token pool

- 20.000.000 of PCO created during the creation event will be allocated to Pecun.io founders
- 20.000.000 PCO will be allocated to financial backers and early stage supporters (represented by Valluga AG)
- 10.000.000 of PCO created during the creation event will be allocated to the company and utilized as a future employee token pool, to strengthen our ability to attract & retain top talent; these tokens will be locked for 12 months
- 5.000.000 of PCO created during the creation event will be created for and granted to advisors; these tokens will be locked for 3 months



## 2. Capital Reserve

15.000.000 of PCO will be credited to the reserve, but not issued. These PCO will be available as an additional source of funding, but may never be issued, depending on circumstances in the future.

## The PCO asset contract

The PCO Asset Contract collects 2-3% yearly management fee on all funds, as well as a performance fee (between 15% and 30%, depending on the fund offering). PCO token holders will be able to access their assets through a “redeem and burn” mechanism.

## 11. THE BUSINESS CASE

Pecun.io’s innovative business model has necessarily a short operating history. Therefore it is difficult to evaluate our prospects and future financial results with absolute precision and accuracy. Start-up companies in dynamic growth markets face high levels of risks and uncertainties.

We are offering three scenarios to help those participating in the Token Creation Event to understand different levers and possible outcomes for the project.

### Our prime revenue streams

Pecun.io’s revenue comes from the fees investors pay for our fund management services (in particular management and performance fee). We project the management fee to be between 2% and 3%, the performance fee to be set at between 15% and 30%. This fee is perfectly on par with alternative investment manager’s industry standards.

### Addition revenues

Pecun.io intends to add additional recurring revenue streams within the next 12-18 months, including transaction and consultancy fees.

### Partnerships

Additionally, we will partner with innovative fintech companies around the globe to provide our customers with the best digital investment. We intend to be a leading digital investment platform and generate revenues with selected “best in class” partners in other financial categories (VC, hedge funds, savings, credit & loans, insurance) with an emphasis on blockchain empowered partners.

## Revenues from ICO fees

ICO fees are calculated as a 25% cut of the ICO transaction volume, taken on average. We have also taken into account currency and token market growth.

## AuM growth rate assumptions

We will grow the overall Assets under Management (AuM) progressively over the next 5 years, with a growth rate starting from 70% (year 2019), decelerating to 40% (year 2022). We expect the AuMs to be between 135 Mio US \$ and 320 Mio US \$, for our three scenarios. This would put us at par with a typical mid-sized hedge fund. Growing to about 1 Bn US \$ at the end of the 5 year period, we would match the size criterion for a large-size hedge fund.

## Market growth rates

Since the beginning of 2017, the Token market has grown at a value-weighted average of about 300 % annualized. The market will continue to grow, however at a more moderate pace.

We have therefore taken a range of growth rates from 50% to 80% per year as our yardstick. For each of our three scenarios, it is expected that the Blockchain economy grows by around 3% (Conservative), 5% (Realistic) and 7% (Optimistic) – per month for the next 5 years.

This equates to around a 40% and 80% annual growth in total assets, fueling PCO fee inflows.

The ICO fees will be set at 25%, on average.

## AuM Growth Rates (2018 to 2022) and ICO fees

Year	2018	2019	2020	2021	2022
<b>Fund growth rates @</b>	<i>n/a</i>	70%	60%	50%	40%
<b>ICO fees @</b>	25%	25%	25%	25%	25%

Below are the more detailed projections of revenue dynamics under the three different scenarios over a 5-year period.

## Conservative Scenario

In the conservative scenario, we modestly grow our asset base and revenue streams. We will operate in a highly competitive market space. However, we strengthen our position as the world's first fully decentralized investment platform by adding new fund features valued by the investment community. In this scenario, we expect AuM to be around 135 Mio US \$, by the end of 2018.

	Assets under Management (AuM)			First full year fee revenues (2018E)		
	2017E	2018M	2018E	Performance fee (m\$)	Management fee (m\$)	Total Fund fees (m\$)
Angel&Venture Fund	1	4	10	0,68	0,14	0,81
ICO Fund	3	10	25	0,66	0,22	0,88
Crypto Fund	10	40	100	1,69	0,90	2,59
<b>Total Fund AuM</b>	<b>14</b>	<b>54</b>	<b>135</b>	<b>3,02</b>	<b>1,26</b>	<b>4,28</b>

In the conservative scenario, we forecast only a modest increase of market and fund growth rates. The total fee revenues for the 5-year period are expected to be around 510 Mio US \$

Fund fees (m\$)	2018	2019	2020	2021	2022	Fund fees (m\$)
	0,81	1,38	2,20	3,30	4,63	12,32
	0,88	1,50	2,39	3,59	5,03	13,39
	2,59	4,40	7,04	10,56	14,78	39,36
<b>total fund fee revenue</b>	<b>4,28</b>	<b>7,27</b>	<b>11,63</b>	<b>17,45</b>	<b>24,43</b>	<b>65,07</b>

# ICOs supported	4	10	15	25	35	89
avg ICO funding result	20,00	20,00	20,00	20,00	20,00	100,00
cut	5,00	5,00	5,00	5,00	5,00	25,00
<b>total ICO revenue</b>	<b>20,00</b>	<b>50,00</b>	<b>75,00</b>	<b>125,00</b>	<b>175,00</b>	<b>445,00</b>

<b>total revenue (fund &amp; ICO fees)</b>	<b>24,28</b>	<b>57,27</b>	<b>86,63</b>	<b>142,45</b>	<b>199,43</b>	<b>510,07</b>
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We estimate the Cost of Goods Sold (the variable cost) at around 20% of revenues. The sales, general & administrative cost will be around 2 Mio US \$ plus 10% of revenues.

**In the conservative scenario, we estimate a net present value per PCO token of 3,17 US \$, adjusted for cost and discounted for inflation. This is about 3 x the ICO price (at current ETH market rates).**

Net present value of revenues	<b>455,44</b>	<b>(@ 3% discount factor)</b>
- Cost of goods sold	<b>91,09</b>	<b>(@ 20% cost factor as % of revenue)</b>
- SG&A	<b>47,54</b>	<b>(@2M fixed + 10% cost as % of revenue)</b>
Net income	<b>316,81</b>	
Net present value per PCO token	<b>3,17</b>	<b>(@ 100.000.000 tokens fixed supply)</b>



## Realistic Scenario

In the realistic scenario, we grow our asset base and revenue streams more dynamically. We will operate in a competitive, but expanding market space. We strengthen our position as the world's first fully decentralized investment platform by adding new fund feature, growing the client base and capitalizing on market gains. In this scenario, we expect AuM to be around 215 Mio US \$, by the end of 2018.

	Assets under Management (AuM)			First full year fee revenues (2018E)		
	2017E	2018M	2018E	Performance fee (m\$)	Management fee (m\$)	Total Fund fees (m\$)
Angel&Venture Fund	2	8	25	1,73	0,35	2,07
ICO Fund	7	20	40	0,99	0,33	1,32
Crypto Fund	20	80	150	2,44	1,30	3,74
<b>Total Fund AuM</b>	<b>29</b>	<b>108</b>	<b>215</b>	<b>5,15</b>	<b>1,98</b>	<b>7,13</b>

In the realistic scenario, we forecast a progressive increase of market and fund growth rates. The total fee revenues for the 5-year period are expected to be around 733 Mio US \$.

	Fund fees (m\$)	Fund fees (m\$)	Fund fees (m\$)	Fund fees (m\$)	Fund fees (m\$)	
	2,07	3,52	5,63	8,45	11,82	31,49
	1,32	2,24	3,59	5,39	7,54	20,08
	3,74	6,35	10,17	15,25	21,35	56,85
<b>total fund fee revenue</b>	<b>7,13</b>	<b>12,12</b>	<b>19,39</b>	<b>29,08</b>	<b>40,71</b>	<b>108,42</b>

<b># ICOs supported</b>	4	12	24	35	50	125
<b>avg ICO funding result</b>	20,00	20,00	20,00	20,00	20,00	100,00
<b>cut</b>	5,00	5,00	5,00	5,00	5,00	25,00
<b>total ICO revenue</b>	<b>20,00</b>	<b>60,00</b>	<b>120,00</b>	<b>175,00</b>	<b>250,00</b>	<b>625,00</b>

<b>total revenue (fund &amp; ICO fees)</b>	<b>27,13</b>	<b>72,12</b>	<b>139,39</b>	<b>204,08</b>	<b>290,71</b>	<b>733,42</b>
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We estimate the Cost of Goods Sold (the variable cost) at around 20% of revenues. The sales, general & administrative cost will be around 2 Mio US \$ plus 10% of revenues.

**In the realistic scenario, we estimate a net present value per PCO token of 4,56 US \$, adjusted for cost and discounted for inflation. This is about 3 x the ICO price (at current ETH market rates).**

Net present value of revenues	653,97	(@ 3% discount factor)
- Cost of goods sold	130,79	(@ 20% cost factor as % of revenue)
- SG&A	67,40	(@2M fixed + 10% cost as % of revenue)
Net income	455,78	
Net present value per PCO token	4,56	(@ 100.000.000 tokens fixed supply)

## Optimistic Scenario

In the optimistic scenario, we grow our asset base and revenue streams still more dynamically. We will operate in a competitive, though more or less unrestricted growth market. The growth rates will resemble the dot.com market of the late 1990ies. We strengthen our position as the world's first and leading fully decentralized investment platform by progressively growing the client base and capitalizing on significant market gains. In this scenario, we expect AuM to be around 320 Mio US \$, by the end of 2018.

	Assets under Management (AuM)			First full year fee revenues (2018E)		
	2017E	2018M	2018E	Performance fee (m\$)	Management fee (m\$)	Total Fund fees (m\$)
Angel&Venture Fund	3	12	40	2,78	0,56	3,33
ICO Fund	10	30	60	1,50	0,50	2,00
Crypto Fund	25	120	220	3,66	1,95	5,61
<b>Total Fund AuM</b>	<b>38</b>	<b>162</b>	<b>320</b>	<b>7,93</b>	<b>3,01</b>	<b>10,94</b>

In the optimistic scenario, we forecast a progressive increase of market and fund growth rates. The total fee revenues for the 5-year period are expected to be around 1.046 Mio US \$.

	Fund fees (m\$)	Fund fees (m\$)	Fund fees (m\$)	Fund fees (m\$)	Fund fees (m\$)	
	3,33	5,66	9,06	13,59	19,02	50,66
	2,00	3,40	5,44	8,16	11,42	30,42
	5,61	9,53	15,25	22,87	32,02	85,28
<b>total fund fee revenue</b>	<b>10,94</b>	<b>18,59</b>	<b>29,75</b>	<b>44,62</b>	<b>62,47</b>	<b>166,36</b>

<b># ICOs supported</b>	6	15	30	50	75	176
<b>avg ICO funding result</b>	20,00	20,00	20,00	20,00	20,00	100,00
<b>cut</b>	5,00	5,00	5,00	5,00	5,00	25,00
<b>total ICO revenue</b>	<b>30,00</b>	<b>75,00</b>	<b>150,00</b>	<b>250,00</b>	<b>375,00</b>	<b>880,00</b>

<b>total revenue (fund &amp; ICO fees)</b>	<b>40,94</b>	<b>93,59</b>	<b>179,75</b>	<b>294,62</b>	<b>437,47</b>	<b>1.046,36</b>
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We estimate the Cost of Goods Sold (the variable cost) at around 20% of revenues. The sales, general & administrative (SG&A) cost will be around 2 Mio US \$ plus 10% of revenues.

**In the optimistic scenario, we estimate a net present value per PCO token of 6,50 US \$, adjusted for cost and discounted for inflation. This is about 6,5 x the ICO price (at current ETH market rates).**

Net present value of revenues	931,59	(@ 3% discount factor)
- Cost of goods sold	186,32	(@ 20% cost factor as % of revenue)
- SG&A	95,16	(@2M fixed + 10% cost as % of revenue)
Net income	650,11	
Net present value per PCO token	6,50	(@ 100.000.000 tokens fixed supply)