



Hero

The future of banking in Southeast Asia

WHITEPAPER



Content

- 3** Introduction
- 4** Market Overview
- 4** Mission and Vision
- 5** Solution
- 5** How It Works
- 6** Our Current Product
- 7** Where We Are Headed
 - 7** Problem
 - 7** Reputation
 - 7** Market Size
 - 8** Solution
 - 9** Competitors
 - 10** Why We Win and Impact We Gonna Make
- 10** Blockchain Benefits
- 11** Regulations
- 11** Hero Token
 - 11** What is a Token Sale
 - 11** Why a Token Sale
 - 12** Hero Token Sale Details
 - 12** Token Name
- 12** Value to Investors
- 14** Hero Token Bonus Schedule
- 15** Fund Escrow
- 15** Funding Milestones
- 16** Use of Proceeds from Token Sale
- 20** Background
- 21** Achievements
- 22** Team and Investors
- 27** What The Media Is Saying
- 28** What Our Customers Are Saying
- 29** Conclusion
- 31** References

Introduction

Two billion people, about 40% of the global population,^[1] are still unbanked or underbanked and cannot get access to affordable credit, even if they have well-paying jobs and are connected to the Internet.

Despite making our global economy hum, the financial services industry today is fraught with problems that make it more exclusive than it is inclusive. For one, it is arguably one of the most centralized industries in the world, and also the last industry to feel the transformative effects of the technological revolution. Bastions of the old financial order such as banks go to great lengths to defend monopolies and often hinder innovations that might be disruptive to their businesses. The financial system also runs on outmoded technology and is governed by regulations dating back to the nineteenth century. It is rife with contradictions and uneven developments, making it slow, oftentimes insecure, and largely opaque to many stakeholders.

Financial institutions do not provide services to the unbanked as they are simply unprofitable or too risky to service. More importantly, because of their monopoly positions especially in developing economies, many incumbents have no incentive to improve products, increase efficiency, improve the consumer experience, or appeal to the next generation of customers.

Blockchain technology can liberate many financial services from the confines of old institutions, fostering competition and innovation to provide better, faster, and cheaper financial services to those who are outside or heavily burdened by their local and formal financial systems.

Savings and lending are foundational building blocks of modern society, serving as both fuel for funding economic growth and funds in times of financial need. Today we call the former as capital, and the latter as credit. Increased access to capital for the unbanked can have a positive impact of historical proportions. Without access to capital, Columbus's expeditions to the Americas may not have occurred, and perhaps nor would the subsequent explorations of the "New World". Without proper financing mechanisms, neither the Industrial Revolution nor the tech boom in Silicon Valley would have spread at such rapid speed. Both national and local economies are affected by the ease or difficulty to access capital. Access to credit is just as important. If you translate the examples earlier to a local level, then you have billions of people who don't have access to credit to allow them to go to school, remain healthy and grow their small businesses – credit remains a roadblock to economic prosperity for billions of people, even if they have the talent, ambition and work ethics to prosper.

Market Overview

Southeast Asia is the world's fastest growing Internet region. With 260 million Internet users out of a population of more than 600 million people, it is the 4th largest Internet market in the world. By 2020 Internet users in the region are expected to reach up to more than 480 million users, led by Indonesia, the world's fastest growing Internet market. Unsurprisingly, the growth is anchored by the region's thriving young population, with 70% of the (against China's 57%) population comprised of those under 40.^[2]

A study made by Google and Temasek predicts that by 2025 the South East Asian Internet economy is expected to reach 200 Billion USD, strengthening its already strong and growing GDP of 2.5 Trillion USD.^[3] With its mobile connection rate higher than the global average, (124% vs. 103%) and its Internet speeds expected to reach the global average of 23.3 mbps soon, the region's Internet industry is flourishing. Furthermore, as of January 2017, social media penetration of its member countries is high. In the Philippines it stands at 58%, higher than the global average of 37% and the regional average of 47%.^[4]

Yet only 27% of the South East Asian population has a bank account. In poor countries like Cambodia the numbers fall to about 5%. That's about 438 million people in the region unbanked.^[5] The Philippines has one of the lowest banking penetration rates in Asia, with over 70% of adults (aged 15+ years) unbanked. Central bank data suggest that outside Metro Manila, the unbanked comprise more than 80% of the population, and only 3 million households have a credit card. As a result, 72% of the its more than 100 million population depend on more than 18,000 pawnshops for their cash needs.^[6] With 90% of pawnshop customers in the country belonging to this unbanked population, pawnshops serve as their banks. Unlike the US, this is common for emerging markets like the Philippines.

However there's a problem with the traditional pawnshops that the unbanked population rely upon. It is their unreasonable interest rates that can reach over 100% per year, making it impossible for people to redeem their collateral and improve their already grave financial situations. These places mainly accept jewelery as collateral, something most young people don't have. And while there are a lot of pawnshops, most of the unbanked Filipinos spend hours on the road, "shopping around" for the best deal. Being subject to one of the worst traffic situations in the world,^[7] it can make the whole experience very expensive and inconvenient. (continued)

Market Overview

The lack of access to basic financial services has created major barriers for the people to overcome poverty by making it almost impossible for them to borrow or save money. This serves to deny them the most basic services and opportunities. That's why some of them choose to work abroad, leaving their families behind as they work for the opportunities and financial liberation that developed countries offer. This is neither right nor smart, and the problem needs to be addressed.

However, there is hope.

Recent data show that 56 Million Filipinos in the country are using some kind of mobile device, and 99% of these people are on the social media platform Facebook.^[8] This demonstrates that although most Filipinos might be unbanked, they are technology savvy digital natives who are ready to utilize innovative solutions that improve their lives.



This is how a bank looks like for most Filipinos.

Mission and Vision

Hero's mission is to revolutionize the banking industry to make credit more readily available and affordable for the unbanked or underbanked starting in Southeast Asia.

Since 2015, we've helped thousands of Filipinos access short-term credit and that number is growing fast. As a pioneer in online lending in Southeast Asia, we have become one of the most distinguished Fintech startups to disrupt the highly entrenched, multi-billion dollar lending industry. Through our platform, we are already providing a revolutionary solution to a significant problem among the unbanked and underbanked across emerging markets.

Headquartered in Singapore, we fully operate online with no branch infrastructure, allowing us to keep operating costs low and to stay focused on our customers. We are transforming lending into a frictionless, transparent, and highly efficient digital experience for Southeast Asia.

Our vision is to disrupt the current financial system that excludes 2 billion people from the banking system by leveraging technology to create a more inclusive system that allows people access to credit.

Solution

“Banking is necessary, banks are not.” – Bill Gates

Uber has nothing to do with cars, but it created an entirely new transportation experience. The value of having a physical network is diminishing – especially a traditional branch network.^[9] Branch overhead and associated staff costs make up 60-65% of a total cost base for a brick-and-mortar lending company with an extensive branch network. Moreover, roughly 60-70% of employees are doing manual process-driven jobs and these inefficient processes add to the cost of running a physical network. It is more error prone and there is a long process of human decisions involved. We believe banks tomorrow will look fundamentally different from banks today. But by the time they get there new entrants have a window of opportunity to innovate better value at lower cost, and create a better customer experience and Hero wants to be the one that leads that change.

Introducing Hero, the future of banking that provides collateralized loans to the unbanked and underbanked consumer across Southeast Asia. With the success of this token sale, Hero intends to expand into blockchain-based uncollateralized loans. Backed by venture capitalists such as Softbank and Alibaba, the organization started operating in the Philippines in 2015 and has since helped thousands of Filipinos to obtain access to affordable credit.

Our first product was launched in 2015 and is the first fully licensed online pawnshop in Southeast Asia. PawnHero essentially turns mobile phones into pawnshops. Because we don't maintain a physical pawnshop and leverage technology, we are able to reduce interest rates by more than one half, providing access to cheaper credit that improves livelihoods. We do not limit ourselves to jewelry but also accept among other collateral electronics, watches and handbags. Filipinos no longer need to leave the comfort of their homes in order to get a loan. In the past two years, we've provided loans to individuals that would have been turned away by the traditional pawnshops due to the type of collateral they pawned as well as by banks because they have no credit history. We've improved access to credit by using the internet and we want to scale our impact using Blockchain.

How It Works

Pawnshop in Everybody's Pocket

PawnHero disrupts the traditional pawnshop experience by providing a hybrid virtual and physical service. The PawnHero operating platform (“Opus”) combines a seamless frontend customer experience with backend operational processes allowing PawnHero to manage and control the customer experience and the business.

The customer submits item information (“Requests”) at pawnhero.ph through their phone or desktop computer. After the customer submits their item details through a series of drop down menus, Opus links the request to our Magnus Loan pricing model which instantly delivers several loan offers with different loan maturities to the customer. The customer then selects their preferred loan offer and is guided through Customer Information, Payment Method, and Delivery modules.

Opus then arranges for a PawnHero motorbike courier (“PawnTrooper”) to pick up the item from the customer’s home at no charge to the customer. At the time of pickup, the PawnTrooper completes the legally required Know Your Customer (KYC) procedures, issues a pawn ticket to the customer, and receives the item for delivery to our Operations Center.

At the Operations Center, our expert appraisers authenticate the item and assess the condition of the item. If the item authenticity is confirmed and the condition of the item is as represented in the Request, then the loan is released through Opus to the preferred pay-out option selected by the customer. If the item inauthentic, then the item is returned to the customer and the customer is charged a 100 pesos (USD 2) delivery fee. If the item is authentic but not in the condition represented in the Request, then the appraiser estimates the revised value of the item and Opus delivers a new loan offer via SMS and email to the customer. If the customer accepts the revised offer, then the loan is released through Opus to the preferred pay-out option selected by the customer. If the customer declines the revised offer, then the item is returned to the customer at no charge to the customer.

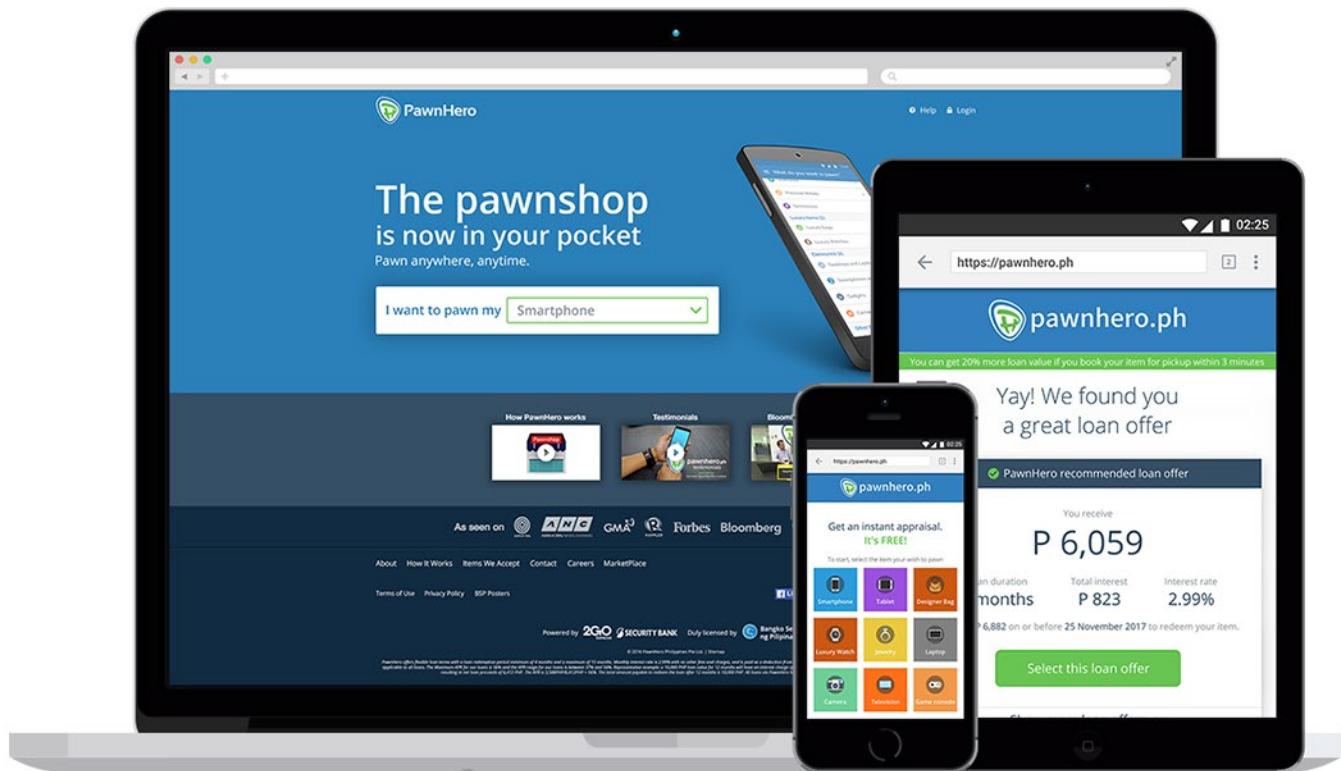
PawnHero stores the pledged items at the Operations Center in a secure and environmentally controlled centralized vault. Opus tracks the movement of the pledged items throughout the process until the items is either returned to the customer upon redemption by a PawnTrooper or the item is sold. (*continued*)

How It Works

Upon or prior to the maturity date of the loan, the customer may, through various payment options, make the loan redemption payment or apply for a loan renewal. If the customer fails to redeem or renew prior to the maturity date, then the loan enters a legally required notice period of between 1 month for electronics and up to 3 months for non-depreciable items. Upon the completion of the notice period, if the customer has not made the required redemption and payment of additional interest due, then Opus completes the legally required public notice and auction process and then makes the item available for sale in our marketplace.

PawnHero offers multiple payment options for the loan release ("Pay Out") and the loan redemption and/or loan renewal ("Pay In"). Primary payment partners include Paynamic, which offers multiple over the counter transactions at banks nationwide, and Pay In and Pay Out at various retail locations including leading convenience stores such as 7/11 and other retail locations across the Philippines. We partnered also with a blockchain-enabled platform that enables anyone, including those without bank accounts, to easily access financial services directly from their phone. Using Coins, customers have access to a mobile wallet and services such as remittances, air-time, bill payments, and online shopping at over 100,000 merchants who accept digital currency. Another option includes cardless ATM withdrawal. PawnHero continues to add Pay Out and Pay In options with leading Philippines companies in the banking, money transfer, e-wallet, digital money, and retail processing location businesses.

Our Current Product



Where We Are Headed

Problem

In developed countries whether you're applying for your first credit card or seeking a loan, the lending company will value one number above all else: your credit score. This number is meant to reflect your creditworthiness and therefore your risk of default. It is the amalgamation of a number of inputs, from how long you've borrowed to your payment track record. While most credit depends on it, most emerging markets lack central credit scores. Besides, the calculation is deeply flawed. First, it is incredibly narrow. A young person with no credit history might have a sterling reputation, a track record of fulfilling commitments or a rich family member. None factors into a credit score. Second, the scores lag: data inputs can be outdated and have little relevance. A late payment at the age of twenty has little bearing on one's credit risk at fifty. Third, the score creates perverse incentives for individuals. Increasingly, people are using debit cards to utilize the cash in their accounts and this in turn makes it difficult for them to develop a credit history. Because they have no credit history, they don't have a credit score and can't avail credit.

FICO, the dominant credit scoring company in the U.S., doesn't factor most relevant information into its credit analysis. Marc Andreessen Co-Founder of Netscape and Co-Founder of Silicon Valley based Venture Capital firm Andreessen Horowitz said, "PayPal can do a real-time credit score in milliseconds, based on your eBay purchase history – and it turns out that's a better source of information than the stuff used to generate your FICO score."^[10]

In addition to the credit history, most developing countries also have a big problem identifying their citizens as most cannot meet the basic identity thresholds, such as multiple ID cards, proof of residence, or a formal employment history because they live on the fringes of society. They work, but informally. They get paid, but in cash. They have a local ID but not a passport. They live in informal settlements that don't subscribe to normal services like electricity and landlines.

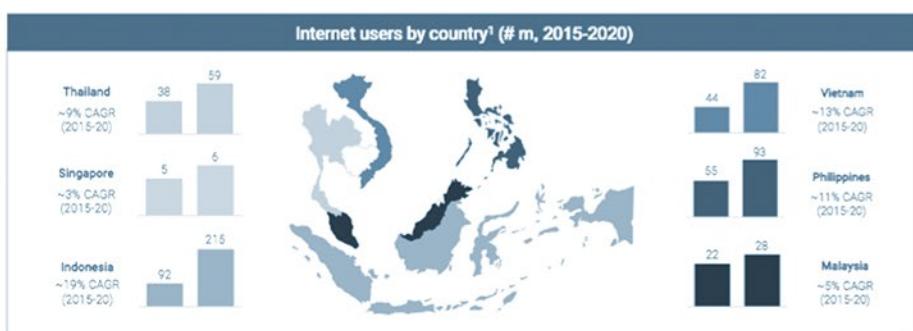
These citizens are unfortunately subject to aggressive predatory lending practices because they live in the informal economy. To make things worse, banks in the Philippines currently exchange no credit related information between each other, meaning you have to build your credit history one bank at a time. Technically one could get a loan from one bank, default on it and open a bank account with another bank. There is also no unified interbank exchange facility in the country, let alone a unified identity system to build a credit model on.

Reputation

Reputation is critical to trust in business and in everyday life. To date, financial intermediaries have used reputation as the basis for establishing trust between individuals and banks. Consider Rosa, a small business owner who wants to get a loan to grow her small e-commerce business. More often than not, the loan officer will base the decision on the person's documentation, a one-point perspective of identity, and their credit score. Of course, Rosa is more than the sum of Social Security number, place of birth, primary residence, and credit history. However, what the bank does not know and does not care about is whether she is a reliable employee, an active volunteer, an engaged citizen, or the coach of her kid's sports team. The loan officer might appreciate Rosa acting with integrity, but the bank's scoring system does not. These components of reputation are simply difficult to formulate, document, and use by the existing banking systems.

Market Size

The number of middle class households in the Philippines is set to grow by 41.8% between 2015 and 2030.^[11] This forecast growth puts the Philippines among the top ten countries with the fastest rates of middle class expansion for the 2015-2030 period. We believe that this provides a great opportunity to reinvent the consumer banking experience, finally giving people a choice of how to borrow, when traditional systems have all too often turned them away.



Where We Are Headed

Solution

Secured loans provide the starting point for uncollateralized loans.

PawnHero utilizes Magnus, which is a proprietary loan pricing model we developed to price the pawn loans it grants to its customers. Magnus prices loans to realize an expected return on loan capital of 2.99% per month through interest income and the probable gain on sale of the pledged items should the loan default. The model determines the appropriate Loan to Value ratio (LTV) for each loan based on the current market value of the pledged item, the term of the loan, the expected default probability, the forecast depreciation, and the estimated time to sell the pledged item. Magnus utilizes historical data from past loans together with publicly available information scraped from the internet. The model is updated regularly to iterate towards the optimal pricing of pledged loans. Over time, the data Magnus collects will provide PawnHero with a significant competitive advantage while ensuring PawnHero realizes its capital return targets.

Although PawnHero collects certain mandatory demographic and financial information from its customers, Magnus prices loans based solely on the value of the pledged items and would not penalize a customer in case of a default of a collateralized-loan. This aligns with our mission to ensure access to financial services for the unbanked. PawnHero, however, is able to correlate the customer's personal and financial information with its loan transaction data to develop predictive credit scoring applications.

Leveraging Blockchain technology will enable us to provide new alternatives to our secured pawn loans with forming unique identities with a variety of attributes, social media profiles, previous work experience and transaction history among them that enables a far more robust algorithm for issuing credit and managing risk.

Blockchain can enable every person to have a unique and verifiable reputation-based identity that allows them to participate equally in the economy. The implications of this equality are profound. Imagine a future where the unbanked and underbanked will become increasingly enfranchised as HERO provides them loans of which the usage and repayment can be tracked in full detail on the blockchain using a triple-entry accounting system. In this new future, when people repay micro-loans, they are on their way to building a credit history that allows them to secure larger loans in the future to build their businesses.

Over time your credit identity and credit worthiness will be tied to your Hero wallet address, ensuring that borrowers are provided a disincentive from defaulting on loans. Using the public transaction data that is available on blockchain, every transaction can count incrementally towards your reputation and creditworthiness. As we monitor your ability to receive and pay back loans over time it will help us build our credit model. Initially we'll start lending to individuals, but we'd then like to expand that to community lending, where we can get dozens if not a couple hundred people borrowing from our platform. In this case, we'll not only create a credit model for the individuals but credit models for entire underbanked communities and eventually small and medium-sized enterprises (SMEs). This is just our initial roadmap for the next 12 months and is just the tip of the iceberg in terms of what we can achieve. However, the full Hero smart contracts system specification is beyond the scope of this document. At this point we can't share more than this since our approach is core to the long term success of Hero.

Reputation

HERO will record the transaction on the blockchain, a repayment from a user will improve their reputation. The risk of negative reviews will hurt the user creating an incentive to repay loans. The user will be able to use the same persona across multiple DApps and benefit from continuity as a good person.

Identity Verification

Know-your-customer (KYC) and anti-money-laundering (AML) regulations require us to know who we are doing business with and ensures that we are not participating in money laundering and terrorism.

HERO is using a centralized system that checks ID (KYC / AMLA) to verify real-world identity.

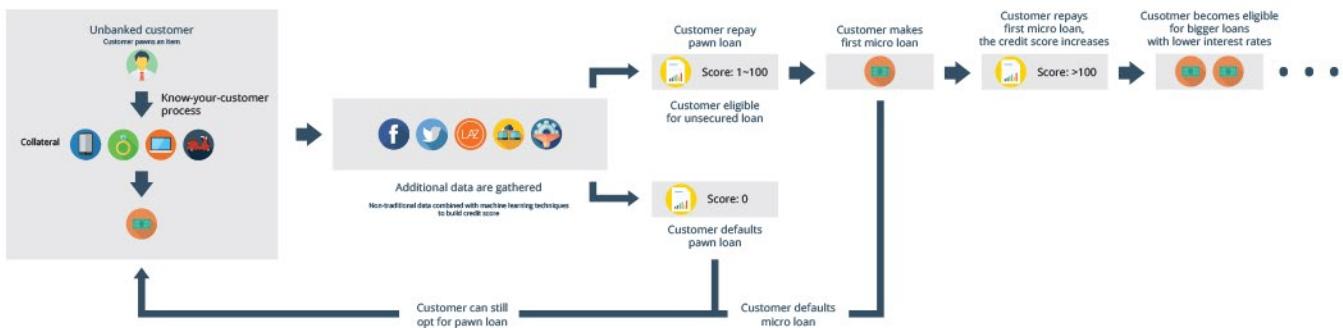
Privacy Protection

Users are motivated to contribute information to build their credit identity, because it will allow them to get better interest rates and loan terms.

Further, individuals can decide if and what information they would like to share with other companies. They are able to manage their own identity, and form trusted connections with other peers and nodes.

Where We Are Headed

How it works



Hero chooses to work with Ethereum which enables the development of custom programmed applications on top of the blockchain, like smart contracts, database access and storage. Ethereum's Smart Contracts represent the basic pawnshop principle of a smart contract, albeit one that happens manually and offline. Ethereum Blockchain coupled with Machine Learning, Artificial Intelligence and IoT are enabling Hero to revolutionary innovations to building trust, immutability, transparency and traceability in transactions in both the financial system and in the real economy.

Understanding blockchain technology is not for the average person. We've repeatedly seen that the poor need a reason to care about bitcoin as a currency. The underserved customer won't see benefits to using bitcoin for its inherent coolness; rather, they need it to simply and easily address a pain point or make their lives better. Bitcoin ends up being a complicated concept that, unless attached to a trusted fiat currency or local mobile money system, has no value. Our core team has lived in emerging markets for many years and understands this challenge very well. We understand that unless there is an ecosystem in which bitcoin is accepted ubiquitously in an underbanked person's world, it will mean very little to those without access to basic financial services.

Hero uses the bitcoin blockchain as a back-end to transact local currency providing a clear way to ensure that the customer can feel comfortable with the product, while also receiving the cost and technology benefits of the blockchain technology. As such we have a network of over 100,000 partners and vendors to provide convenient cash-in/cash-out options that mainstream consumer can easily understand and trust.

Competitors

Banks are very binary – yes or no. They don't see the gray and you may have 9/10 of the requirements completed, but because their credit models are not built, they have to make binary decisions even though you might be 90% qualified, you're still high risk and will have zero access to a loan. We want to make sure that the other factors in someone's life count when it comes to giving them access to credit.

	PawnHero	HERO (Unsecured Loans)	Traditional Pawnshops	Banks/Credit Cards	Loansharks (5/6, payday lending schemes)
Collateralized	✓	✗	✓	✗	Sometimes
Interest Rate per Month	2.99% (low)	As low as 2.99% (depends on credit score; low)	4-20% (high)	depends	20% per day (very high)
Penalties	✗	✗	✓	✓	✓
Processing Time	Fast (1 day or less)	Fast (1 day or less)	Medium (1 day or less)	Slow (20 days or more)	Fast (1 day or less)
Timeline	In operation for 2+ years	Launching in Q1 2018			

Aside from that loans can take up to 20 days to go through the approval process of a bank, our technology could reduce this to a fraction of the time by using machine learning techniques to build predictive algorithms.

Where We Are Headed

Prosperity Purgatory: An Exercise in Futility

For centuries, banks have relied on network effects. Each successive customer, branch, product, dollar in, and dollar out increases the value of the bank's network. However, building these networks has come at a cost. Specifically, the cost of acquiring a profit-turning customer has only increased. If a prospect's money won't earn its keep, the bank won't be interested in keeping it. Thus, banks have little economics incentive to win customers in the bottom half of the pyramid.

According to Tyler Winklevoss, banks don't serve most of the world and have no existing plans to serve them. However, new technology could remove that step. Blockchain will have the greatest impact in areas where the banking networks don't exist or are very poor. Blockchain will push many nascent initiatives, such as mobile-money service providers like M-Pesa in Kenya, into high gear by making them open, global and lightning fast.

Why We Win and Impact We Gonna Make

Technology does not create prosperity; people do.

We've been tackling real problems and inefficiencies in the market, whether in lending or payment. We want to establish trust between parties when trust is needed. Our technology will not only work to ensure the loan funds moved to the borrower, but also assures that the borrower repays it with interest. It empowers both parties with their own data, strengthens their privacy, and generates a new kind of persistent financial identity.

By building a decentralized application on the blockchain, Hero can drastically lower the cost and significantly lower the barriers to obtaining credit, making loans more accessible and more affordable to those 2 billion people who are currently left behind. Credit is the foundation that allows people to be entrepreneurs and participate in wealth creation.

Roadmap to prosperity

Financial identity is the genesis for a wide array of financial and economic opportunity unattainable for more than two billion of the world's population. Blokchain technology enables people from all walks of life to map out their own prosperity. Imagine that, a wealth of one's own – for large numbers, ultimately billions of people.

A plan for prosperity and inclusion

Prosperity first and foremost is about improving one's standard of living. To achieve it, people must have the means, tools, and opportunities to create material wealth and thrive economically. But for us it is more than just about money but about the security of the person, safety, health, education, environmental sustainability, opportunities to shape the control of one's destiny and to participate in an economy and society. In order to achieve prosperity, an individual must possess, at a minimum, access to some form of basic financial services. This and more is the promise of Hero.

Blockchain Benefits

How can the blockchain begin to have real meaning in the lives of the two billion excluded individuals around the world?

Blockchain could be the solution. First, this technology represents a powerful new tool for improving financial inclusion, potentially disrupting many financial institutions and enhancing the performance of banks in the global economy. By disinter-mediating traditional lending institutions and radically simplifying processes, blockchain can finally enable instant, frictionless loans, so that people don't wait in line for an hour or more, travel great distances, or risk life and limb venturing into dangerous neighborhoods at night just to get a loan.

Second, it will improve administrative accountability. If micro-loans are recorded to the blockchain and everyone can access them, then they can hold those more accountable for bad behavior. Blockchain as a technology, has the potential to address all these innate intricacies of the lending process. With the inherent concept of open ledger, decentralized platform, smart contracts and integrated central database, blockchain achieves transparency, cost effectiveness, regulatory compliance and risk analysis in the lending process.

By reducing manual reviews, data re-entry and systems reconciliation, the system provides the company with immediate cost savings. Loan data processing can be done exclusively on the distributed ledger reducing risk and increases transparency and responsiveness, the technology itself functions like a regulation.

Blockchain technology creates a whole new set of business models previously unimaginable, like Hero, that empowers individuals and businesses alike.

Regulations

Fintech takes on many forms. It can be stand-alone entities like the pawn shop Pawn Hero that facilitates something that the community is familiar with and one that sits well within the regulatory framework," said Nestor A. Espenilla, Jr. from the Central Bank of the Philippines at an event at Singapore Management University.^[12]

PawnHero is incorporated and headquartered in Singapore. In the Philippines PawnHero operates under PawnHero Pawnshop Philippines Inc. as a non-banking financial institutions with a license from the Central Bank of the Philippines (Bangko Sentral ng Pilipinas) (BSP). You can retrieve a copy of the license here: <http://www.bsp.gov.ph/banking/pawndir.asp?BankName=pawnhero&submit=Find>

Our advantage is we already have a license to operate not just in the Philippines but also in Vietnam, Cambodia and Laos and are in discussion with local partners to enter Indonesia and Thailand. Getting a license is the biggest challenge, the whole process in the Philippines took more than 9 months and requires minimum paid up capital of 1M USD. This further protects us against anyone who would want to replicate our model since operating without a license would be illegal. This makes Hero different from other crowd sales, e.g. Everex, in that we operate within the bounds of government regulations but are using innovation to expand our impact.

Hero Token

What is a token sale?

This document provides a comprehensive overview of Hero, its applications and benefits, the team involved in the project, the upcoming Hero fundraiser (sometimes loosely called "ICO" or "crowdsale"), the Corporation and the goals the Hero hopes to achieve.

A Token Sale is an event in which a new cryptocurrency project sells part of its cryptocurrency tokens to early adopters and enthusiasts in exchange for funding. For the party offering the tokens for sale, this has become a well-documented and well-respected way to raise funds to upscale an existing product or service.

The sale by the Distributor of Hero tokens in connection with a Token Sale (the "Hero Token Sale") to you as a purchaser thereof, will be subject to and governed by the T&Cs - which is a separate document setting out the terms and condition of the agreement as between the Distributor and you in relation to the Hero Token Sale. In the event any inconsistencies between the T&Cs and this Whitepaper, the former shall prevail.

The Distributor is an affiliate of PawnHero, and will deploy all proceeds of the sale of Hero tokens in connection with the Hero Token Sale to fund the Hero cryptocurrency project and businesses as outlined in this Whitepaper.

Why a token sale?

Even though PawnHero already has a central bank license, a working product and thousands of customers, taking PawnHero to the next level requires more capital to scale our impact. We need to continue to develop the product, enter new markets and hire talented people to help build the business. The proceeds will allow us accelerate the building of our collateralized and uncollateralized lending algorithms which needs a higher volume of loans than we are able to support at the moment.

Offering a token instead of a traditional venture capital round enables the community to participate in PawnHero's success story, rather than limiting it to a small, selected number of traditional venture capital funds. By issuing Hero tokens, tokenholder will benefit from PawnHero's future success. A token sale is fast, transparent and efficient for exactly this purpose.

Hero Token

Hero token sale details

On TBD at 8PM Singapore Time we will offer 80% of all Hero tokens to be created for purchase by the public in the Hero Token Sale under the ticker symbol Hero. The remaining 20% of all Hero tokens will be distributed to bounties, early believers, advisors and founders to ensure long-term alignment of interest and commitment to the tokens and their future value.

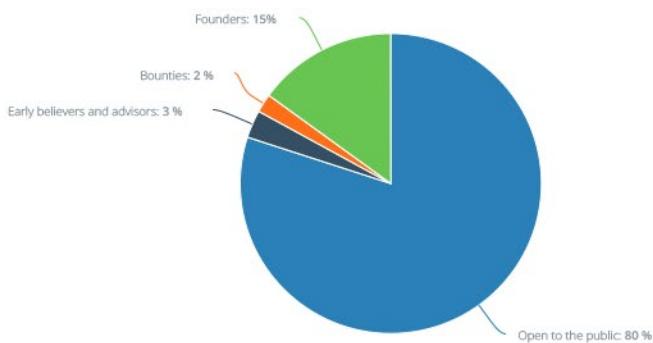
Each Hero token will be sold for 1/200 ETH, meaning 1 ETH will give you 200 Hero tokens. For each token and cryptocurrency, you will receive Hero tokens in exchange, just as if you bought them with Ether or Bitcoin instead. The exchange rate that will be used to calculate this will be based on the rate of the currency or token you would like to use vis-a-vis Ethereum.

Only use the wallet address that we make available on our website at www.herotoken.io prior to the token sale.

Token Name

Hero Token (Symbol HERO) - The Future of Banking in Southeast Asia

The amount of tokens that are created for the Hero chain are all dependent on how many coins are sold during the token sale. A maximum of 250,000 Ethereum (ETH) tokens will be accepted for the purchase of Hero tokens in this token sale. The maximum amount contributed will in turn represent 80% of all Hero tokens. Since we don't know the total that will be sold, the token sale operates based off of percentages to ensure fairness for all. Should the maximum amount be reached prior to the end of the sale on TBD, which is 4 weeks after the start of the token sale, we will cut off the token sale. In the event that such maximum amount is not fully funded by the end of the token sale, the percentage of 80% of all tokens will be adjusted accordingly, with the difference between such lower amount and the maximum amount being reserved for future token sales.



The Hero Token percentages are as follows.

- 80% of available token are for sale open to the public
- 3% of available token are for early believers and advisors
- 2% of available token are for bounties
- 15% of available token are allocated to the founders for long-term alignment of interests

Value to Investors

Hero has been created to create both financial return and positive social impact. A Hero token represents the right to receive a reward, which is part of the interest income earned. It does not represent equity in the company nor have any intrinsic value.

All tokens in aggregate will have the right to receive up to 20% of interest income. The tokens will be assigned pro rata to the fund provided during the token sale. Up to 20% of the distributable interest income is transferred to the specific Ethereum (ETH) wallet on a quarterly basis. The ETH is then redistributed to all holders of Hero tokens according to the smart contract conditions (i.e. the stake of interest income is received pro rata the share of tokens owned.) Long term Hero will strive to distribute the rewards in a shorter period of time, with the target of monthly reward distribution.

In addition, the company may use a percentage of profits to repurchase Hero tokens from the open market at the prevailing market price, therefore the value of the token should be positively correlated to the success of Hero. (continued)

Value to Investors

Hero are strategically designed to add value to the Hero network:

- Reward bearing tokens - like a interest
- Social impact of helping underserved access affordable credit
- Buy back: The company may use a percentage of profits to repurchase Hero tokens from the open market at the prevailing market price, therefore the value of the token should be further positively correlated to the success of the project.

There is no risk of interest default on pawn loans granted by PawnHero. PawnHero withholds the entire interest due over the term of a pawn loan up front by deducting the interest from the proceeds credited to the customer. As an example, a 1,000 Philippine Peso (PHP) loan with a 3 month term and a monthly interest rate of 2.99% would earn 89.7 PHP of interest. PawnHero only releases 910.3 PHP to the customer and thus collects the full 89.7 PHP of interest with no risk of interest default. After the 3 month term of the loan, the customer is required to redeem the loan by paying 1,000 PHP. Depending on the underlying collateral PawnHero offers the customer to renew the loan at which point additional interest is due. Investors receive 20% of the interest collected. So that is the 20% of 89.7 PHP. For the quarterly respectively monthly distribution of interest, the sum of all loans released within the period are used.

To participate in the Hero token sale you can send the following currencies from a wallet you directly control (do not send from an exchange) to the Hero wallet.

- Ethereum (ETH)
- ETH Classic
- Bitcoin (BTC)
- Ripple
- LiteCoin
- Waves

The wallet address will be made available on our website www.herotoken.io before the actual token sale. Hero token will be delivered to the purchaser after the end of the token sale. Transferability will start from the first day of trading, which is planned to start after the token sale ends in September.

After this token sale, no additional Hero tokens will be created.

Bonus Schedule

One (1) ETH is equal to 200 Hero tokens. That means that one Hero token is worth 1/200 ETH. Extra tokens are offered to those who commit early. Please see the table below for the bonus token schedule.

- Day 1 (first 3h) +30% token bonus;
- Day 1 (3:01h-24h) +20% token bonus;
- Day 2 and day 3 +10% token bonus;
- Day 4 to day 7 +5% token bonus;
- Day 8 to 14 2.5% token bonus;
- After day 14 0% token bonus.

Bonus tokens are allocated on top of the tokens you are purchasing. For example, if you are planning to buy tokens for 50 ETH within the first 3 hours, you will receive 10,000 tokens plus another 3,000 tokens as a bonus (which represents 30% of your 10,000 token purchase), so 13,000 tokens in total.

Bounties:

- Facebook campaign – 5.00% of bounty pool;
- Twitter campaign – 5.00% of bounty pool;
- Reddit Campaign - 5.00% of bounty pool;
- Slack / Telegram Campaign – 5.00% of bounty pool;
- Creatives (Graphics and Videos) - 5.00% of bounty pool;
- Media support campaign (Blog Articles, Press) – 15.00% of bounty pool;
- Signature Campaign – 10.00% of bounty pool;
- Translation support – 15.00% of bounty pool;
- Exclusive support – 30.00% of bounty pool;
- Bug Hunt and Creative Development– 5.00% of bounty pool.

Bounties are provided when the token sale ends. At the end of the token sale all sold tokens are considered to be 80% of the total supply. The remaining 20% are then distributed among founders and advisors and bounties according to the information above.

Fund Escrow

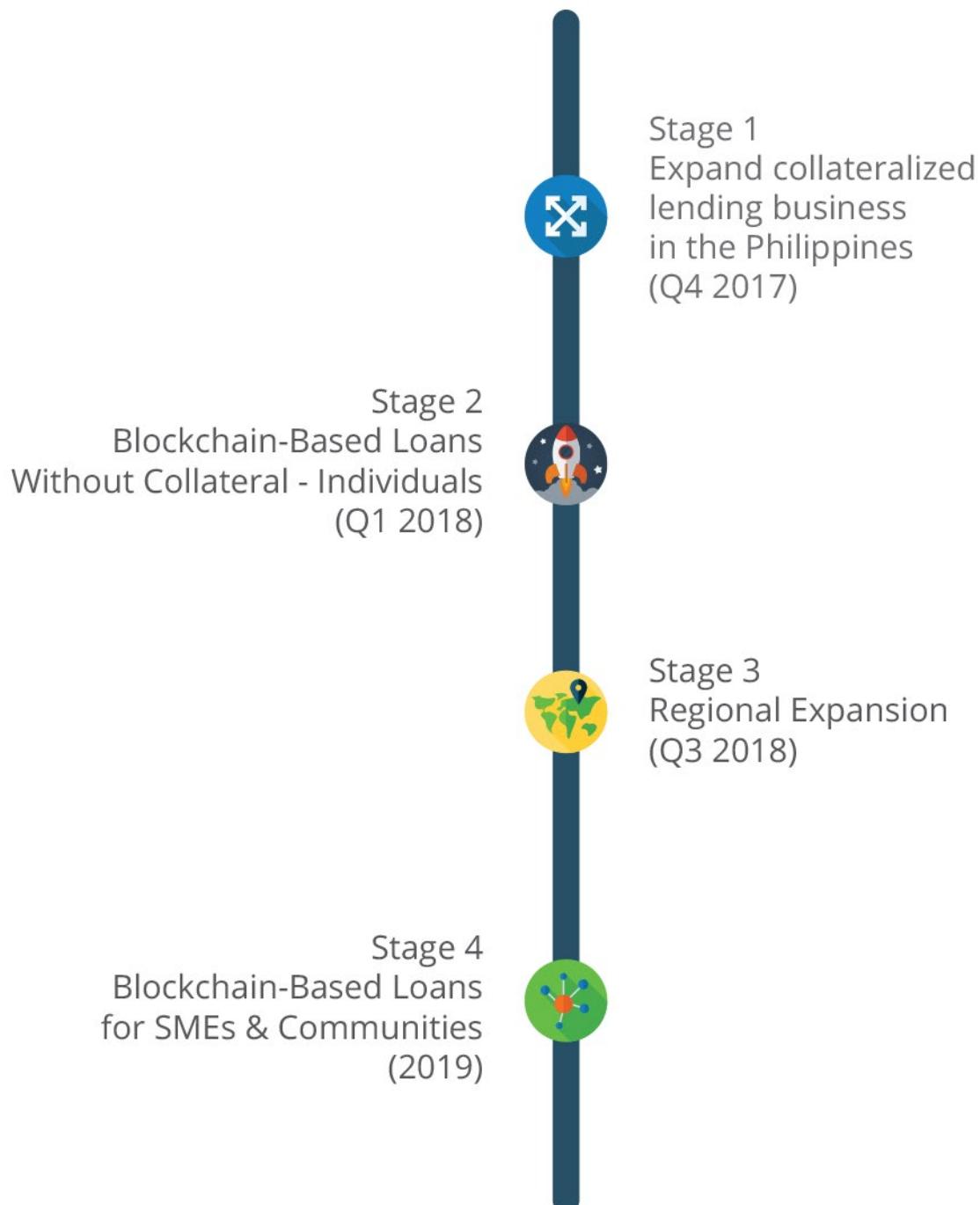
All payments received for Hero tokens in connection with this token sale will be held in escrow in a multi-signature address, with a multi key structure. No one single person can move tokens without the keys from other key management.

Funding Milestones

Funding milestones vary significantly between the different amounts of funding received in connection with the Hero token sale. With the success of the token sale, we will be able develop a credit-scoring model to expand our lending activities beyond collateralized lending. Additional proceeds will be utilized to launch operations in additional markets in South East Asia once the Philippine business reaches profitability in 2019.

Every milestone is meant to be incremental to the preceding one. Although the progress we have made developing our first product proves validity of utilizing technology to create scalable digitized financial entities, there is significant work ahead. Our team is fully committed, but the roadmap and pace of development is dependent upon the level of success from the crowdfunding.

The roadmap below assumes a fundraising near the maximum amount.



Use of Proceeds from the Token Sale

Stage 1 - Expand collateralized lending business in the Philippines (Q4 2017)

The PawnHero team has been hard at work since early 2014. Our first product, the pawning-platform (Magnus Opus) has been developed, tested and is operating. The first loan was released in February 2015, since then we reviewed 100,000+ applications and released more than 1m USD.

If the fund raising in connection with the Hero token sale reaches the equivalent of 10M USD, PawnHero services will soon after roll out nationwide in the Philippines. Currently PawnHero is only able to tap a very small percentage of the potential customer base since we are only available within Metro Manila catering to a relatively small portion of the whole country (12.8m population vs 100+m only) and a very limited part of the community.

Moreover, funding at this level would enable us to fund:

Development. PawnHero's unique lending platform and credit algorithm is vital for its success and thus is a primary expense in the near future. Development includes the Magnus operating platform to optimize for operations at scale across the Philippines on a multi-platform support (WebApp, Android and iOS).

Marketing. PawnHero has pre-approved 100,000+ loan applications (14% CMGR YTD 2017). While we have received great media support, all marketing efforts have been mainly online and press. In order to reach a broader audience, proceeds will be utilized in online marketing and traditional media to reach the base of the pyramid in the Philippines to build Hero as the next great consumer-facing brand in the Philippines

Operating Expenses. Parts of the proceeds will be used to fund overhead and day-to-day operating expenses

Funding of loan book. Proceeds will be utilized to support the growth of the loan book. As required by the applicable regulations, PawnHero will fund 50% of its loan book through a \$10 Million USD receivables debt financing facility with a Philippine investment bank and the remaining 50% of the loan book with internally generated cash and equity financing.

Breakeven Analysis

PawnHero forecasts breaking even on a monthly basis on EBITDA during Q3 2018 and on Net income after taxes (NIAT) during Q4 2019. In order to realize this profitability PawnHero forecasts increasing its loan receivables outstanding to approximately \$85 Million USD by December 31 2020. PawnHero forecasts that the market opportunity for non-bank financial lending in the Philippines alone to be approximately \$3 Billion USD by 2020. Thus, PawnHero forecasts a market share of less than 3% to achieve its 2020 NIAT forecast of approximately \$17 Million USD.

All forecasts are for the Philippines only. Based on historical growth as well as industry insights we perceive these estimated numbers as realistic rather than optimistic.

Legal

Other crowd sales have to spend large amounts on legal expenses before they are allowed to operate. We have accomplished all that already and as a result expect only minimal expenses on legal. PawnHero is incorporated and headquartered in Singapore. In the Philippines PawnHero operates under PawnHero Pawnshop Philippines Inc. as a non-banking financial institutions with a license from the Central Bank of the Philippines (Bangko Sentral ng Pilipinas) (BSP). You can retrieve a copy of license here <http://www.bsp.gov.ph/banking/pawndir.asp?BankName=pawnhero&submit=Find>. PawnHero has appointed Accra Law as corporate counsel and is a top-tier law firm, known to be one of the best in the country.

Consulting and Advisory

PawnHero's team of advisors consist of some of the best in the industry, including the former General Manager of the biggest pawnshop chain in the world, who serves as an advisor to the Board. PawnHero's advisors believe in the business and are compensated with stock options only.

Accounting

As a lending company, PawnHero understand the importance of "clean" books. We have therefore decided to work with Ernst & Young as our auditor.

Use of Proceeds from the Token Sale

Operating Metrics

	2018F	2019F	2020F
Average Monthly Loan Release (000's)	2,266	7,745	15,837
Pawn Loan Simple Interest Rate per Month	2.99%	2.99%	2.99%
Monthly Loan Released	17,621	60,219	121,826
Average Loan Amount	129	129	130
Average Loan Term	4	4	4
Headcount	316	651	1,121

Loan Release Unit P&L (in USD)

	2018F	2019F	2020F
Interest Income	12	14	14
Gain on Sale of Inventory	5	11	14
Other Income	1	2	3
Net Revenue	18	27	31
Direct Taxes	2	4	4
Freight and Insurance Cost	3	3	3
Payment Costs	0	0	0
Gross Margin	13	20	24
Cost of Acquisition	9	6	4
Contribution Margin	4	14	20

All forecasts are for the Philippines only. Based on historical growth as well as industry insights we perceive these estimated numbers as realistic rather than optimistic.

Use of Proceeds from the Token Sale

Stage 2 - Blockchain-Based Loans Without Collateral - Individuals (Q1 2018)

While stage 1 allows us to build on the initial success of the collateralized based lending model, stage 2 will be for the introduction of unsecured loans.

Additional funds will enable us to create a full-stack unsecured lending platform that includes the development of a proprietary credit scoring system as outlined earlier in this white paper. Instead of purely relying on traditional data, which is often not available in emerging markets, to determine if the borrower is a good borrower or not, we plan to leverage data from popular social networks, telecom operators and machine learning to determine individual borrower creditworthiness. The core technology that PawnHero will be using for its lending platform already exists. The existence of the core technology should reassure participants of the feasibility of fully achieving the Hero vision.

We are able to take on more risk than almost any of our competitors because we already have a large transaction history, but being responsible for the risk in the case of loan defaults is essential for the business to reach long-term sustainability.

Initially, Hero will focus its lending efforts by making the loans ourselves, but as we build our credit model, we'll explore doing peer-to-peer lending. Before we dive into peer-to-peer lending, we want to have millions of people who we've loaned to multiple times, allowing us to build a reputable credit score that we can build a peer-to-peer lending business on top of.

In the future, once our model is proven, we let anyone who owns ETH/BTC or other reputable alt coins to deposit their coins with us and earn interest. We are starting to see the emergence of P2P lending platforms built from the ground up on blockchain technology particularly with technologies such as Ethereum, however, because they do not provide a legal framework for lending and therefore any asset locked up as collateral would have to be equal or larger than the loan, these platforms are still at a very early stage and would not provide a solution like ours. In most emerging countries like the Philippines and Vietnam, P2P lending remains unregulated and therefore illegal.

Moreover, in the example of BTC Jam, the company ultimately closed because it did not truly understand its customers and a big part of that is making sure you are based where your customers are. BTC Jam was in San Francisco, while Hero already has operations in Manila – we're on the ground, we talk to our customers and we understand the risks and opportunities in working with these communities.

Stage 3 - Regional Expansion (Q3 2018)

PawnHero is being designed as a highly scalable platform with the vision to cater to other unbanked or underbanked markets. If we get closer to the maximum amount, we plan to expand into 3 new markets in Southeast Asia with Vietnam, Cambodia and Laos being our primary targets as we already have a license to operate in these countries.

	Philippines	Indonesia	Vietnam	Thailand
Population	104.2 M	258.71 M	92.64 M	68.3 M
Online Population	52%	50.4%	41.4%	60 %
Number of Banks	8.8 bank branches per 100K capita	17.7 bank branches per 100K capita	3.7 bank branches per 100K capita	12.6 bank branches per 100K capita
Number of Pawnshops	18,500	Private pawnshops allowed since 2016, 2000 privately owned (OJK, 2016). More than 5000 Pegadaian branches (owned by the government)	30,000	--
Market Size	\$2-3B ^[13]	\$7.6B	\$26.55B ^[14]	\$5.3B ^[15]
Operation Status	Live operation	Negotiation ongoing with strategic local partner	License obtained; Fully incorporated	Negotiation ongoing with strategic local partner

Use of Proceeds from the Token Sale

We want to be sure that the model is tuned for every market that we enter. We expect to utilize funds in the following areas:

- **Software Development.** This includes localization and translation of the product, API integrations to provide convenient cash-in/cash-out options for our customer.
- **Operations.** Hiring and setting up of a local team to launch and operate new markets.
- **Marketing.** This includes all expenses related to: Educating the public about our platform and developing trust
- **Legal and incorporation expenditure.** For markets where we don't have a license yet.

Stage 4: Blockchain-Based Loans for SMEs & Communities (2019)

Hero will expand its loan algorithm and credit score to provide SME loans and invoice factoring. The strength of every nation's economy is usually a direct reflection of the viability of the Small and Medium scale Enterprise (SME) sector. In most cases, especially developing countries, SMEs account for as much as 35-40% of the total GDP.^[16] The driver of the SME sector of the economy is its access to affordable funding schemes. Strenuous banking processes and high interest rates appear to be major stumbling blocks to the success of SMEs, especially in developing countries.

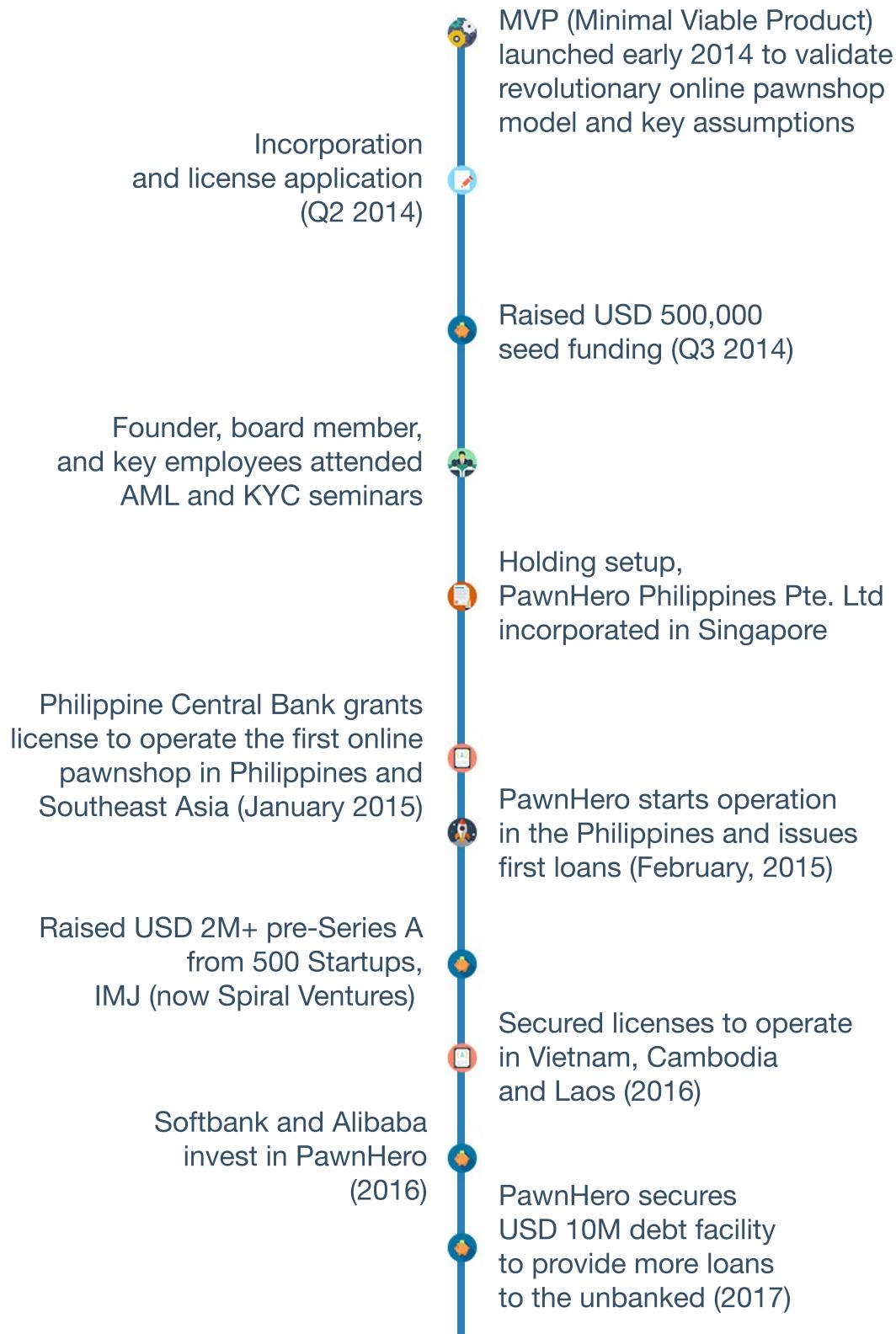
Among other factors, the risk posed by the inability of SMEs to repay loans play a huge role in the reluctance of most banks when dealing with such organizations. Since most SMEs may not have assets that could pass as sufficient collateral, most banks would rather deal with companies with established track record and tangible assets. Therefore, while banks seek guarantees for their facilities, these enterprises struggle to go a step further than just an idea.

With the success of our token sale, we want to leverage Blockchain technology to disrupt the existing borrowing systems within the financial sector. One of the major advantages of Blockchain-based loan systems is the fact that it offers accessibility to international capital and reduces the dependence on bank procedures. The system also offers SMEs the opportunity of becoming independent of other local institutions, thereby giving equal chance for both banked and the unbanked entrepreneurs.

Background

Transforming an industry requires new ways of thinking and doing. We have been recognized for our ideas, innovative technology, and business success. We are proud of what we've achieved so far, and there's so much more ahead.

Key Milestones



Achievements

In 2015, PawnHero was honored as the "Most promising startup in Asia" at Echelon, a regional startup competition in Singapore with the participation of startups from 14 countries. In 2016, PawnHero's team won Gold at Hack Osaka Japan and was later awarded at the Asia CEO Awards in Manila.

Key Achievements

- Dubbed the Most Promising Startup in the Philippines at Echelon 2015
- Participated at Slush Asia 2015 in Tokyo, Japan
- Participated along with 20 startups at the Maybank Fintech Summit 2016 in Kuala Lumpur, Malaysia
- Dubbed the Most Promising Startup in Asia at Echelon 2015
- Won Gold Prize at Hack Osaka 2016
- Finalist – "Most Innovative Company" at the Asia CEO Awards



Team and Investors

Board of Directors

PawnHero's Board of Directors share a common vision and are actively involved in key strategic decisions and development.



David Margendorff, Chairman of the Board

- Founder, German e-commerce company
- Founding Member, CompareAsiaGroup (Nova Founders)
- Studied in London, Buenos Aires and Barcelona

At the age of 16, David started his first e-commerce business. Born in Germany, he lived in 7 countries across 3 continents. David earned international academic experience from universities in London, Buenos Aires, Barcelona and the US. Previously, he launched Malaysia's leading online comparison platforms for financial, telco and utility products and led the expansion in the Philippines. CompareAsiaGroup is now the largest financial comparison website in Asia and the most valued Fintech startup in SE Asia with investments of over USD100m from investors including Goldman Sachs, World Bank and Alibaba.

David worked for a private equity firm in Switzerland, where he was directly engaged in fund raising as well as in reviewing, evaluating and structuring of potential investment opportunities.

He also worked for Ernst & Young, one of the world's leading professional services organization. Moreover, he gained an insight into Corporate Finance while working in the City of London. He was also a finalist in the 2011 Deloitte Top Technology Competition and received an award for innovation in the German e-commerce space.

David has been giving several speeches about financial inclusion and was on the panel at:

- Slush Asia in Tokyo, Japan
- P&A Grant Thornton Business Forum 2015 about Staying Alive in the Digital World
- Imap Summit 2015 on Disrupted Economies
- Philippine International Banking Convention 2015
- FF16 2016, Hong Kong
- The Power of X 2016, Manila, Philippines
- The Annual Finnex Conference 2016 about Sustaining Economics Growth through Financial Inclusion
- The APEX Summit 2015, Manila, Philippines
- The Bridge Des 2016, Tokyo, Japan
- Seamless Asia 2017, Manila, Philippines

Team and Investors



Manny Ayala, Director

- Managing Director, Endeavor Philippines
- Former President, EO

Manny is Managing Director of Endeavor Philippines, the third affiliate for Endeavor in Southeast Asia. He is also the former president of EO.

Manny has a long-standing interest in helping entrepreneurs become more successful in business and in helping them develop their “give back” acumen. Prior to Endeavor, Manny founded Hatchd, a tech incubator in the Philippines that helped to build PawnHero. He is also a past president of the Philippine Chapter of Entrepreneurs Organization (“EO”), where he launched the Global Student Entrepreneur Awards across Asia.

Manny was a co-founder of IRG Ltd, a Hong Kong based M&A advisory boutique, where he worked on a variety of transactions in the Telecoms, Media and Tech sectors across the Asia Pacific. Prior to that, Manny spent several years in the Television industry in Asia, working for Discovery Channel and Turner Broadcasting in Strategy and Business Development roles.

Manny sits on the Board of Directors of Sky Cable. He has an MBA from Harvard Business School and a BA from Yale University.



Nix Nolledo, Director

- Chairman and CEO, Xurpas Inc.
- Founding member, IMMAP
- #1 entrepreneur in the Philippines (Ernst & Young)

Nico Jose Nolledo, or better known as Nix around the tech industry, is a Filipino entrepreneur. He is the CEO and Chairman of the Board of Xurpas, a technology company that creates digital products for mobile consumers. It is listed as the largest southeast Asian technology firm by market capitalization.

Known as an innovator, Nix is considered by many to be one of the top figures in the Philippine tech industry. His resume boasts Chairmanships and Partner stakes in many of the country's up and coming tech companies namely A-Solutions Inc., Havoc Digital, Fluxion Inc., and Hatchd. He also has a Board of Directors seat at Gurango Software, which is the largest Microsoft Dynamics enterprise partner in the Philippines.

Nix, a graduate of Ateneo University's Management Program, was also the President and Founding Director of the Internet and Mobile Marketing Association of the Philippines, Inc. as well as a founding board of director for the Digital Commerce Association of the Philippines. In 2015 he was chosen as the Ernst & Young Entrepreneur of the Year for the Philippines and as a part of the Philippines' Ten Outstanding Young Men. He was also selected as one of the top 50 entrepreneurs in the Philippines by Entrepreneur Magazine.

Team and Investors



Kristi Bautista, Director

- General Manager, Asia Eurobankers Marketing Corporation
- MBA, Asian Institute of Management



Alexander Corpuz, Director and Treasurer

- CFO, Xurpas
- CFO, Hatchd, Manosa, Liberty Telecom
- VP, Bank of America

Core Team

PawnHero employs 28 full-time employees that have deep expertise in tech, entrepreneurship and finance with previous experience working at Morgan Stanley, Grab, PayPal, J.P. Morgan, eBay, Lazada, Zalora, KPMG, OLX, AyosDito, Rocket Internet, among others.



Learn more about our team on [LinkedIn](#).

Team and Investors

Advisory Board

We have great mentors and advisors who are there for us.



Paul Rivera

- Co-founder and CEO, Kalibrr (the only Philippine startup that made it into Y Combinator)
- Co-founder, Maria Health
- Serial entrepreneur
- Previously worked for Google
- BA Degree holder, Political Economy, University of California, Berkeley
- Family started in pawnshop industry in 1970



Jimmy Cassels

- MD, Spiralytics
- Former CIO, Zalora (fashion e-retailer founded by Rocket Internet with operations in several Southeast Asian countries)
- MBA, Stanford University



Jose Balderama

- Former general manager, Cebuana Lhuillier Pawnshop (biggest pawnshop chain in the world by number of outlets)



Sulficio Tagud Jr.

- Former CEO, 2GO Logistics
- Former CEO, Negros Navigation Co., Inc.
- MBA, Ateneo de Manila University, School of Business



Farouk Meralli

- CEO, mClinica Inc.
- Co-founder, Machine Ventures
- Executive director and co-founder, Borderless World Volunteers

Team and Investors

Investors

PawnHero has just received investments from global venture capital firms, including Softbank, Alibaba, 500 Startups, and Spiral Venture among various angel investor from Asia and the Silicon Valley. Most recently PawnHero secured USD 10M in debt to provide more loans to the unbanked and underbanked.



"Most startup investors don't go to pawnshops to get loans. But millions of people in Southeast Asia do every day," says 500 Startups managing partner Khailee Ng. "PawnHero will literally change their lives, and in the process, the region's next big startup success story will emerge."



"The online pawnshop is exactly the kind of innovation I believe can help unbanked citizens. The Philippines is the ideal market to start the service, as pawning is the major financing method instead of banking for its people," adds Yasuhiro Seo, partner at Spiral Ventures.



What The Media Is Saying

Forbes
.com

"Given that 69% of the population in the Philippines is unbanked, pawnshops play an important role in enabling people to obtain cash and loans, since they cannot participate in the standard banking system... PawnHero serves a growing role that other pawn shops may have difficulty competing with. Its lower interest rates just put icing on the cake."

WSJ

"PawnHero aims to ride smartphone boom in a different way by giving millions of unbanked Filipinos a cheaper, accessible alternative the common pawnshop"

TC

"Every smartphone or internet connection can now be used as a pawnshop outlet in the country, widening the reach of the online pawnshop in the country."

TECHASIA

"PawnHero goes all out to give traditional pawnshops a run for their money."

philSTAR.com

"Pawnhero opened last year, offering an easy, fair and convenient solution to Filipino's short-term financial emergencies."

R

"PawnHero turns any Internet connected mobile phone into a pawnshop. With lower interest rates, higher appraisal values, and a much lower cost structure compared to traditional pawnshops, no physical store means no rent for instance, PawnHero is poised to break out..."

GMA

"PawnHero accepts more items than traditional pawnshops, giving you more options to meet your short-term cash needs."

QUARTZ

"... Pawnhero... It's a safer option in a country where credit ratings are nonexistent and loan sharks are often the only venue for borrowing money."

BM
BusinessMirror

"...the format that PawnHero provides customers in terms of pawning is a safer option in the Philippines, since the majority of where Filipinos can borrow money end up being through loan sharks."

PYMTS.com

"PawnHero, a mobile pawn shop service startup company, is disrupting the alternative finance status quo and working to revolutionize the way consumers in the Philippines engage with their pawn shops."

T TechBullion

"PawnHero is the first online pawnshop in Southeast Asia. The company offers flexible loan terms with a loan redemption period minimum of 4 months and a maximum of 15 months. Unlike traditional brick-and-mortar pawnshops, the company accepts many items including home equipment, jewelry, electronics, luxury goods, and other personal items as collateral for a secured loan."

What Our Customers Are Saying

We have helped thousands of Filipinos and are proud that we changed lives for the better. See what some of our customer have to say.



Riza Chavez
1 review

Quick and hassle-free

Quick and hassle-free, thank you!!

Published 24 hours ago



Rogel M. Sadac
1 review

Verified order

HAPPY CUSTOMER!

Good and honest business dealings. Staffs are specially accommodating and nice.

Published Thursday, July 20, 2017



customer
1 review

Verified order

pawn hero help me a lot

pawn hero help me a lot, i received the money i need on time.

Published Tuesday, July 18, 2017



lubert alvaran
1 review

Hassle free pawning and also very ...

Hassle free pawning and also very professional people operate pawnhero. Its really safe because theyre strict with the identification of the customers. Will definitely recommend.

Published Tuesday, July 4, 2017



ROWENA RADAM
1 review

Pawnhero superb service😊

Easy, fast and very accommodating😊 Thank you especially to Ms. Sam.More power!

Published Thursday, June 15, 2017



Ben Segovia
1 review

Heaven-sent Organization!

I have been buying stuff from Marketplace.ph for about 6 months already and everything i got was high quality at very, very, affordable prices. Specifically for watches and designer bags, i had zero concerns about authenticity which is key in any product that I purchase. In terms of functionality, both watches i bought were working in tip top shape.

Published Monday, April 24, 2017

Conclusion

Hero is more than just a token. It's a technology poised to disrupt the lending industry and help those who need it the most.

Hero launched its first product well in advance of announcing the token sale. We have a strong management team, the necessary licenses to operate this business, a proven track record in Southeast Asia and some of the world's best investors working with us. In this white paper, Hero conveyed a bigger vision and presented a solution that uses Blockchain technologies and crypto currencies to make loans accessible and more affordable to those 2 billion people who are currently left behind, starting in Southeast Asia.

Our ultimate vision is to increase the standard of living of millions of people in emerging countries by providing access to basic financial services and by providing affordable loans.

Hero present earning opportunities to those who hold Hero tokens. Individuals earn real rewards that are directly correlated to their contributions. Those rewards will have dollar value and are liquid.



Hero is the future
of banking
in Southeast Asia.

The future of lending
belongs on the
Blockchain.

Join us on our journey
and be part of the
success story of Hero.

We are excited
to have you on-board.

For more information,
visit www.herotoken.io

Summary

Project Description	HERO: The Future of Banking in Southeast Asia
Symbol	HERO <i>Important: We are not associated to the Hero token traded under trading ticker "HERO" (ES) with Contract Address: 0x96262.....3e771. Do not send your contribution there.</i>
Wallet Address	Only use the wallet address on our website www.herotoken.io
Token Background	HERO is built as an ERC20 token on the Ethereum blockchain
Start Date	<DATE TO BE ANNOUNCED> <TIME ZONES>
End Date	<DATE TO BE ANNOUNCED> <TIME ZONES> (4 weeks after the token sale start date)
Hero Token Price	1 HERO token is equal to 0.005 ETH (1 ETH will buy 200 Hero token)
Total Number of Hero Token	The final number of Hero tokens is defined after the end of the token sale based on amounts contributed. No tokens are pre-issued before the end of the crowdsale event. Hero token distribution starts 2-3 days after the end of the token sale.
Total Percentage of Hero Tokens Available to the Public	80%
Total Percentage of Hero Tokens Available to Early Believers and Advisors, and Bounties	3% for early believers and advisor 2% for bounties
Total Percentage of Hero Tokens Available for a Long-Term Alignment of Interests	15%
Target Amount Sold (Fixed Limit)	250,000 Ethereum (ETH) worth of Hero token. Extra tokens are offered to those who commit early. Please see the table below for the bonus token schedule.
Project / Product Status	Live and operating
Escrow of Funds	Funds secured in multi-signature escrow account
Token Holder Reward	20% of all interest income from loans released
Early Bird Bonus	Day 1 (first 3h) +30% token bonus; Day 1 (3:01h-24h) +20% token bonus; Day 2 and day 3 +10% token bonus; Day 4 to day 7 +5% token bonus; Day 8 to 14 2.5% token bonus; After day 14 0% token bonus.
Bounties	<ul style="list-style-type: none"> - Facebook campaign – 5.00% of bounty pool; - Twitter campaign – 5.00% of bounty pool; - Reddit Campaign - 5.00% of bounty pool; - Slack / Telegram Campaign – 5.00% of bounty pool; - Creatives (Graphics and Videos) - 5.00% of bounty pool; - Media support campaign (Blog Articles, Press) – 15.00% of bounty pool; - Signature Campaign – 10.00% of bounty pool; - Translation support – 15.00% of bounty pool; - Exclusive support – 30.00% of bounty pool; - Bug Hunt and Creative Development– 5.00% of bounty pool.
Accepted Cryptocurrencies	Ethereum (ETH) ETH Classic Bitcoin (BTC) Ripple LiteCoin Waves

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https://docs.google.com/presentation/d/1Bp4KT-W8RF4ZorPUhts8XB7QHBhsEnY1T5G7XifU0/pub?start=true&loop=false&delayms=3000&slide=id.g1421568192_0_11
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