

STELCOIN WHITEPAPER DECENTRALIZED FREELANCE ECOSYSTEM

Bringing freelancing to the blockchain



TABLE OF CONTENTS

- 1: Abstract
- 2: What is Stelance?
- 2: Purpose
- 3: The Change
- 4: Challenges faced by freelancers
- 10: How blockchain will change freelance
- 11: Smart Contract
- 5: Blockchain based identity verification
- 6: The Rise of Blockchain
- 7: Benefits of blockchain powered freelance
- 8: Why Blockchain Technology Matters
- 9: ICO details
- 10: Benefits
- 12: Roadmap
- 13: Legal disclaimer
- 14: Purchase Agreement
- 15: Summary

Abstract

A form of blockchain fundraising called an Initial Coin Offering (ICO) has existed since July 2013. Over the last two years, the ICO model has been used by hundreds of organizations to raise more than \$3 billion USD. Government agencies are now analyzing the securities implications of this non-traditional form of financing, with potential consequences for ICOs that violate securities and laws. In this paper we present Stelance, a system to facilitate the primary issuance and secondary trading of blockchain freelance tokens. Stelance uses a blockchain-based system to coordinate and incentivize participants to collaborate and launch financial products on the blockchain. By creating a standard token protocol which embeds defined requirements into the tokens themselves, these tokens can only be purchased and traded among verified participants.

Although Freelancing is commonly attributed to Sir Walter Scott (1771–1832) in *Ivanhoe* (1820) to describe a "medieval mercenary warrior" or "free-lance" (indicating that the lance is not sworn to any lord's services, not that the lance is available free of charge), a previous appearance occurs in Thomas N. Brown in *The Life and Times of Hugh Miller* (1809). It changed to a figurative noun around the 1860s and was recognized as a verb in 1903 by authorities in Etymology such as the Oxford English Dictionary. Only in modern times has the term morphed from a noun (a freelance) into an adjective (a freelance journalist), a verb (a journalist who free-lances) and an adverb (she worked freelance), as well as into the A freelancer or freelance worker is a self-employed person working in a profession or trade in which full-time employment is also common. The word is etymologically derived from the medieval term for a mercenary, a "free-lance," which literally described a knight who was not attached to any particular lord, and could be hired for a given task.

Fields where freelancing is especially common include journalism and other forms of writing, computer programming and graphic design, consulting, and many other professional and creative services.

Freelance practice varies greatly among its practitioners. Some require clients to sign written contracts, while others may perform work based on verbal agreements. Some freelancers may provide written estimates of work and request deposits from clients, though for others this is not practical or necessary.

Payment for freelance work also varies greatly. Freelancers may charge by the day or hour, or on a per-job basis. However, large clients such as businesses may have internal policies regarding freelance pay, so a freelancer accustomed to charging by the hour may be asked to accept a lump sum payment for a particular job, although if a client's conditions are undesirable, the freelancer often does not hesitate to attempt negotiation before accepting or rejecting the job.

What is Stelance?

Stelance is a freelancing community where freelancers globally will be able to not only render services but also own personal offices on the internet with a total target community of about 5 million people. Services will be rendered by freelancers and received by buyers but the only system of payments and payment currency will be Stelcoin. This is to ensure transparency and security in transactions which is the most important factor to consider. Stelance has decided to build a customized system token stelcoin on the ethereum blockchain. Stelcoin is an open source, peer-to- peer, lending, and freelancing platform token carefully built by industrial experts with a vision to creating a better and more decentralized freelancing community where members of its community can render services to client directly from the comfort of their homes. Stelcoin as global peer to peer payment network coin with fully decentralized and transparent system enables members of its community to store, trade and invest their wealth digitally. With Stelcoin they can earn a substantial interest on investment using our well-equipped and easy to use lending platform. All investors of Stelcoin hold an asset because each Stelcoin possesses value and can be traded like stocks in popular exchanges. This token will be used on the stelance platform as a means of transaction between members of its community. Stelance will serve as the escrow for both buyers and sellers in all their transactions to eliminate fraudulent activities which are inevitable on the internet. With our unique payment gateway Stelpay, payments will be fast, transparent and secure, adding to that, withdrawals will be made in seconds. Stelance will create the market and its users will enjoy the experience

PURPOSE

The goal is to become the first and largest trusted decentralized freelance community in the world with professional freelancers and to attract buyers globally.

Stelance platform will empower freelancing opportunities and project transparent developments throughout all phases of its execution.

Blockchain application in Freelancing is going to make the headline in the year 2018. With stelance announcing to launch its ICO in the year 2018, this will spark a new phase of discussion when it comes to Blockchain.

The Change

The nature of work has completely changed from what it was a few years back. There has been a growing inclination of people towards freelancing. According to recent studies, the total market for global freelancers is estimated to be \$1.5 trillion. North America contributes over half of the global freelance marketplace. In the USA there were around 55 million freelancers in 2016 as compared to 52 million in 2014. The growing number of freelancers in the market shows that this is a big market. However, certain issues seem to make this market looked down upon, but, if we can solve those issues, freelancing can appear to be a great marketplace to work, and we can have many more people stepping in it. Let's analyze some of the common challenges faced by the freelancers globally.

The Challenges Faced by Freelancers

Well, before proceeding, an understanding of Blockchain will help the freelancers' marketplace, it's important to understand the challenges faced by the freelancers.

A freelancer market is an open place, and they compete with various problems like fake reviews of the freelancing website, reliability factor, credibility issues, payment delays and the division of earning by sharing it with the middlemen. There are many freelance platforms which have millions of registered users; some of the popular in the league include the names like freelancer, Upwork, Fiverr, TaskRabbit, etc.

The major problem faced by the freelancers while using these platforms is the exorbitant fees charged by them, for example, Upwork charges freelancers 20% and employers are charged 3%. Similarly, Freelancer.com charges 10%, and from the client, it charges 3%.

Furthermore, these websites also have hefty withdrawal fees. Thus, for those who are willing to continue the freelancing work in the long run and the companies who seek to use the services of these platforms, it comes with a colossal sharing fee which is earned by them.

However, when we talk about Blockchain application in the freelancing world, then companies like CanYa, a Blockchain based marketplace, distributes the control amongst the users as per the Blockchain framework. It means that there are comparatively lesser fees and no withdrawal or transfer fees which otherwise is a typical scenario in the traditional working of the freelancing platforms.

How blockchain will change freelancing?

Before heading to understand how Blockchain is going to prove to be revolutionary in the freelance market, let's have a quick view of what is Blockchain technology.

The Blockchain is a decentralized ledger which has all the records of the transactions across a different network of computers. Once the record enters, it cannot be altered, and the information is visible to all the people in the system. Many companies are trying to tap this feature for freelance contracting.



The underpinnings of Blockchain which makes it suitable for freelance market-

Blockchain surfaces with the emergence of Bitcoin in 2009. It favors peer-to-peer transaction without third party interference making the transaction hassle-free and also saves the cost of sharing it with the third part. The factors which make Blockchain a favorable concept for the freelancers include the following:

- Low cost of transaction
- Efficiency
- Flexibility.

Smart Contracts

According to the Ethereum whitepaper, a smart contract is an application “that runs exactly as programmed without any possibility of downtime, censorship, fraud or third party interference.” This is a compelling concept which can be used to automate several tasks like automatic payments or rewards distribution. Smart contracts also give small business owners the ability to use more advanced features like escrow services to hold funds on the network until certain conditions are met.

Smart Contracts mixed with decentralized oracles have grave real-world implications as they could be used to create legally binding contracts without the need of mediators. Online betting and gambling, which is a multi-billion dollar industry, has an immense use case for such contracts that make trustless decisions based on predetermined computer code

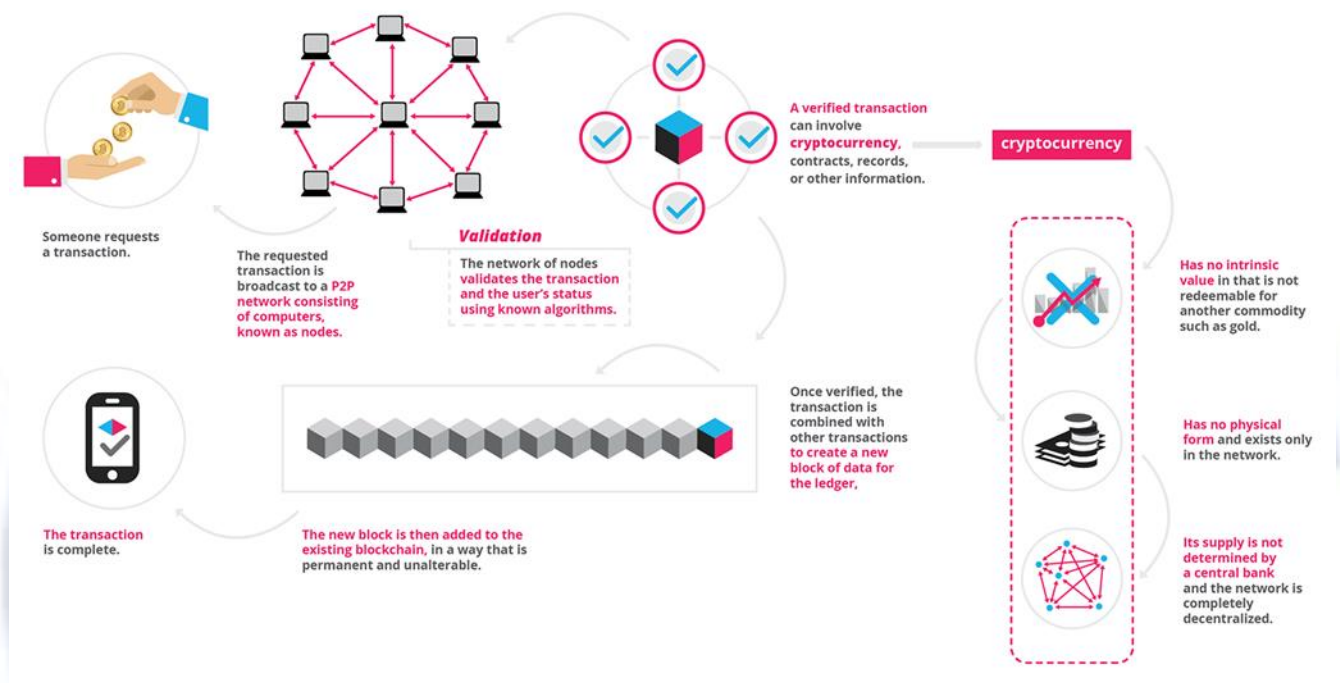
Blockchain Based Identity Verification

Current estimates put identity verification costs for large corporations and banks at an estimated \$30 billion. This is a significant overhead expense that is passed down to the customers leading to increased overall costs every time a credit check is required. This system is also a bad from the perspective of safety as there is only a single point of failure. The Equifax hack from mid-2017 is a prime example of the failure that was bound to happen to a centralized service like this.

Stelcoin is one of the most promising blockchain based identity verification platforms that are trying to address this problem by leveraging the Ethereum blockchain. Stelcoin currently works with its ERC-20 compatible tokens which are transferable on the Ethereum blockchain to provide a secure, fast and immutable store of user’s personal information. When an organization requires those identity details, users get a prompt on their smartphones to share that information. Hence, users can choose to share either entire or parts of their credit report and therefore exercise more control over their private information. Stelcoin makes the whole process a lot faster, cheaper and hack-proof, thereby giving users more control over their personal information.

The rise of Blockchain

As mentioned above, Blockchain first came into the picture in the year 2009. Despite its initial application only with the Bitcoin, we have seen this technology spreading its wings to various sectors. Monetary transactions are just a part of this technological giant. Let's understand Blockchain in simple terms.



It is a structured ledger shared within a group of the network. Any update or verification takes place with the consensus of the people in the network. The Blockchain is also known as a database and is a distributed ledger. Its decentralized feature makes it so vulnerable and applicable in various fields.

Let me put it in simple terms for you, while doing any business; there is a need to maintain a ledger. This ledger has all the information and database of the stock. Today, we use excel and various software for maintenance of the database. However, there is no guarantee of the loss of the same.

On a similar front, for any financial transaction that we do today, we depend on third party approval. It means that the data is visible to the third person. It can result in hacking and loss of information. Furthermore, there is a lot of waiting time for the approval and verification of transactions.

The propagators of Blockchain see this technology to be a solution to cut down the timeline and ensure safety, security, and transparency in the system.

Benefits of a Blockchain-powered freelance platform-

The versatility of Blockchain has made it the most sought-after technology for many companies.

Features of Blockchain which are beneficial for the freelancers:

- **Immutable, secure record of transactions** – An important feature of Blockchain is its immutability. It allows a large number of transactions and contract data stored in the secure environment. This makes it hacker free. The agreements between the freelancers and their clients can become a part of the permanent record, which is hard to breach or compromise.
- **Cost-effective** – When it comes to the freelance market, then the workflow has known no boundaries, however, when it comes to the payment, then the money transfer may ask the sender to pay some transfer fee. Transferring money to Africa or from the US can cost an extra 15%. Blockchain can serve as a savior here since there is no third party control, the money can be transferred with a lower transfer fee or no fees at all.
- **Proof of work**– Credibility is the biggest concern in the freelancing world and online mode of working. With Blockchain in the picture, the freelancers can store their profile and portfolio data on Blockchain which can be copyrighted too.

Why Does Blockchain Technology Matter?

In today's political and social climate, trust has been slowly broken and dissolved across all categories: Religious institutions, corporate entities, political leaders, and even fellow citizens.

Blockchain help to begin re-establishing faith among users as it's practical applications ensures dependable storage and exchange of information, assets, intellectual properties, and other vital resources. More importantly, it builds this trust within a communal setting.

As Vitalik Buterin, the founder of the blockchain platform Ethereum puts it:

“**Blockchain** automate away at the Centre. Instead of putting the taxi driver out of a job, blockchain puts Uber out of a job and lets the taxi drivers' work with the customer.” What this means is that blockchain could very well be the technology that levels the economic playing field and effectively removes the middleman, providing greater rewards to minds.

Taking some time to ponder this appealing notion reveals some clear benefits and advantages to freelance workers who reside at the center of a technological shift that could push the gig economy into a new era.

Given that blockchain technology presents the potentials of cutting-out middlemen and creating incorruptible contracts, freelancers across the globe could stand to see increased improvements in their autonomy and self-sufficiency.

As for the concern of reliable payment to independents, freelance marketplaces built upon blockchain technology allow users and providers to work in safe and fair environments as they implement the tenants of a trustless payment system; meaning that funds are held in escrow to guard against currency fluctuations. Even if such fluctuations do occur, providers will still be paid the contracted amount.



ICO details

The STEL token is an ERC-20 standard-based Ethereum token. Tokens will be offered for 35 days, starting on February 10th, 2018 and ending on March 15th, 2018.

STEL ICO is conducted by STELANCE – The unique solution to freelancing.

The offering will be open to the general public.

Restrictions apply for residents of Germany and Singapore based investors.

Total Token Supply= 15 million.

Total ICO Supply=8 million

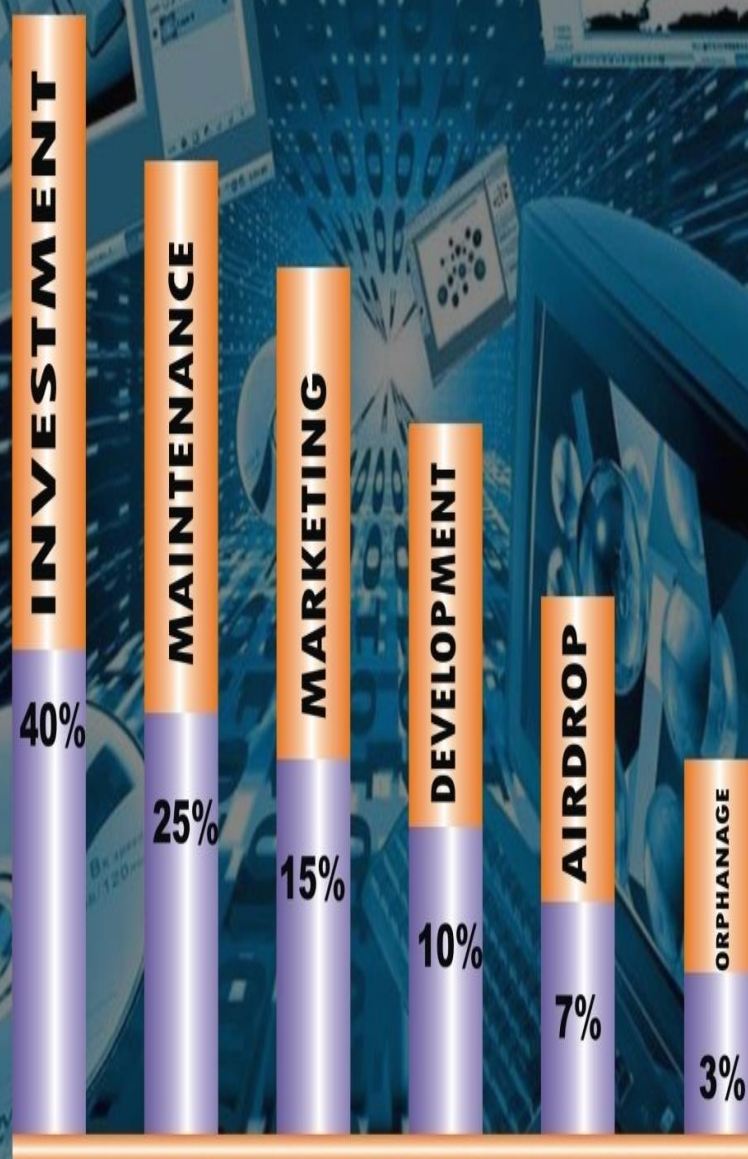
Tokens not distributed shall not be generated

Token Price at Issue = \$0.65 USD First stage to \$1.2 Final stage



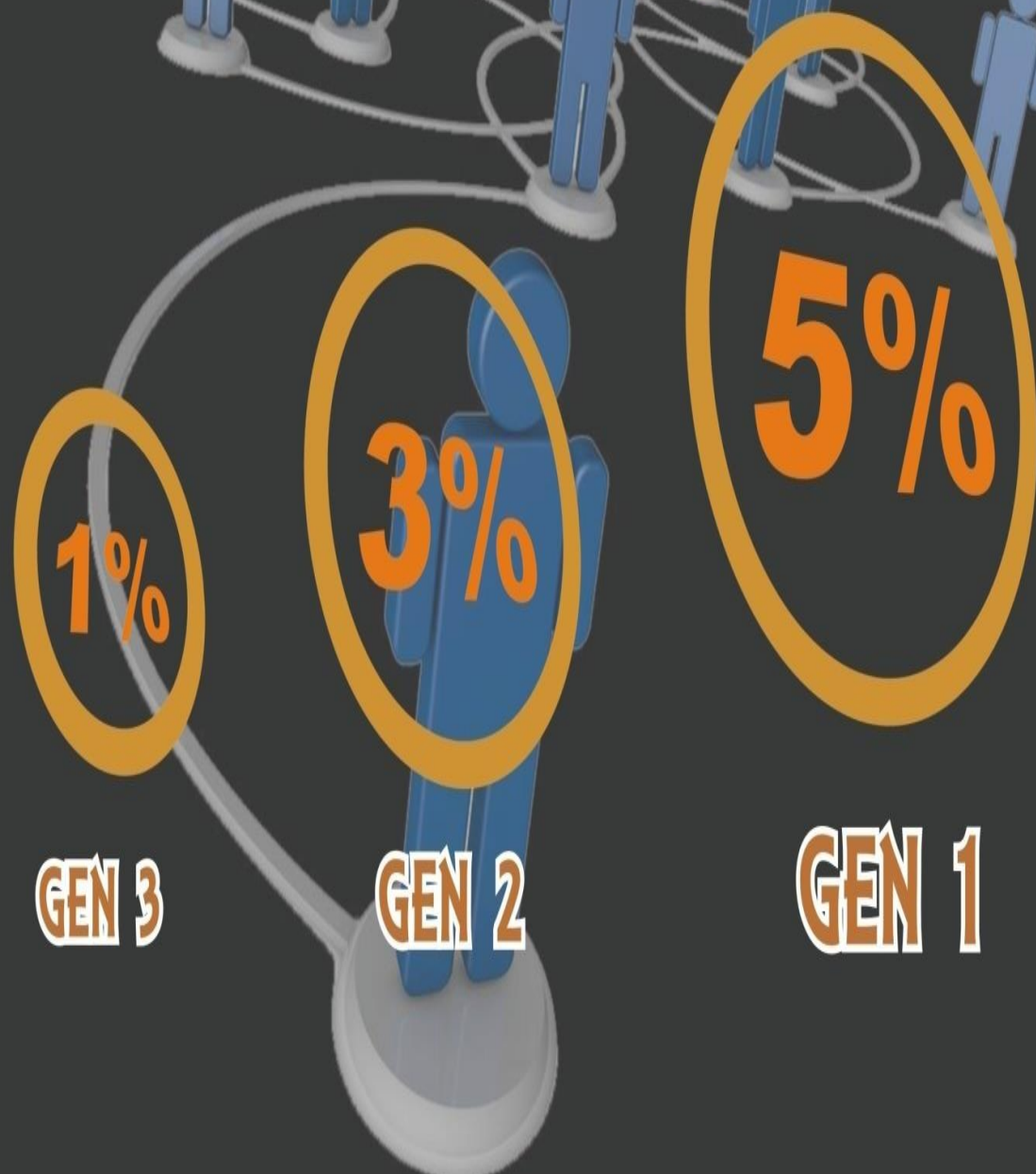
ICO DISTRIBUTION

Stel COIN ICO



ICO REFERRAL PROGRAM

Stel COIN ICO



Benefits of Stelcoin

- Low fees → Each and every freelancer on the planet wants their hard earned money at their fullest value the time they are cashing out.
- Decentralization benefits- -> With the use of decentralized proof of work and proof of stake, users can easily enjoy the benefits of having secured and recorded transactions with fast confirmation.
- Stelpay API → Going from website to website just to transact is always tedious. But with the use of Stelpay API, the employer or the website where freelancers aside can use it to have it on “always standby” mode whenever they will be needing to do transactions over the Stelcoin network.





LEGAL DISCLAIMER

The purpose of this White Paper is to present stelance, its technology, business model and the Stel token to potential token holders in connection with the proposed ICO. The information set forth below may not be exhaustive and does not imply any Elements of a contractual relationship. Its sole purpose is to provide relevant and reasonable information to potential token holders in order for them to determine whether to undertake a thorough analysis of the company with the intent of acquiring Stel Tokens.

All relevant legal information is contained in the Token Purchase Terms and the Token Purchase Agreement.

This White Paper does not constitute an offer to sell or a solicitation of an offer to buy a security in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the Swiss FINMA nor the United States Securities and Exchange Commission nor any other foreign regulatory authority has approved an investment in the tokens.

The Stel token can be categorized as a security as it entitles token holders and freelancers To profit from our online market. The token is, as such, subject to certain restrictions under some security laws. The stelcoin ICO is compliant with these rules and restricts Access to citizens in which its country security laws restrict investments in ICOs.

“Accredited investors”, pursuant to the US Security Act Regulation D Rule 506 (4). All Relevant legal information is contained in the Token Purchase Terms and the Token.

Purchase Agreement.

Certain statements, estimates and financial information contained herein constitute Forward-looking statements or information. Such forward-looking statements or Information concern known and unknown risks and uncertainties, which may cause Actual events or results to differ materially from the estimates or the results implied or expressed in such forward-looking statements. This English language White Paper is the official source of information.

Regarding stelance token. The information contained herein may be translated into Other languages from time to time or may be used in the course of written or verbal Communications with existing and prospective community members, partners, etc.

In the course of a translation or communication like this, some of the information Contained in this paper may be lost, corrupted or misrepresented. The accuracy of Such alternative communications cannot be guaranteed. In the event of any conflicts or inconsistencies between such translations and communications and this official English-language White Paper, the provisions of the original English-language Document shall prevail

Summary

Today, when our trust in institutions is declining, and faith in technologies is increasing, we see Blockchain as a probable source of creation of a transparent and secure system and having this in mind, Stelcoin will not only be a token for faster transactions but will reduce the stress and fees that comes with the old online market places.

We look forward to establishing a secure means of payment for clients and also a fast withdrawal system

For freelancers, Stelance platform will empower freelancing opportunities and project transparent developments throughout all phases of its execution. The platform is based on public blockchain which makes it censorship-resistant. The platform is controlled by smart contracts deployed on the blockchain. Moreover, running the platform on Ethereum makes the entire process open and transparent. All disputes will be resolved by the Freelancers Tribunal based on the rules laid down in the smart contracts. To ensure the authenticity of the users, the platform will be performing identity verifications whenever necessary. The unique identities of clients and freelancers will be based on their addresses in the blockchain, making it difficult to forge. When a contract is awarded by the client, he needs to deposit platform fee which is paid in the stelcoin token. The platform will implement a 3% fee for employers and 5% fee for freelancers. The platform will utilize smart contracts and Escrow mechanism to hold the fee and perform disbursement of the collected fund son obligations met.