

ICONIQ LAB

ACCELERATION. BLOCKCHAINED.



white paper
december 2017



Blockchain
Bundesverband



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Abstract

This white paper describes the creation of Ioniq Lab, an Initial Coin Offer and Token Launch ("ICO") accelerator program. Ioniq Lab sources, funds, develops and accelerates carefully selected crypto, blockchain and tokenizable startups to their own ICO. We will further create the exclusive ICNQ Club whose members have exclusive presale rights on accelerator program graduates. Ioniq Lab will issue 15,000,000 ICNQ Club membership tokens (of a total of 20,000,000) in exchange for an estimated equivalent of €11,000,000 in ETH in a January 2018 presale and subsequent public token sale to launch and scale the Ioniq Lab accelerator, with the first accelerator batch beginning in February 2018.

Keywords: ICO, tokens, blockchain, technology, startups, venture capital, accelerator

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Glossary of Terms

- Initial Coin Offer - A means by which funds are raised for a new cryptocurrency venture, tokenizable project or business, or NGO
- Token Generating Event - An event in which a crypto project, startup or NGO releases a token via a smart contract on a public blockchain to participants
- "ICO" - For the purposes of this paper refers to Initial Coin Offers, Token Generating Events and Token Sales
- Venture Capitalist - Otherwise known as a "VC", an individual or fund which typically solicits investment from accredited investors to invest on their behalf in early-stage or developing startups
- ICNQ - Abbreviation for the Iconiq Lab Club Membership token
- NGO - A Non-Governmental Organization
- ETH - Exchange ticker symbol for Ethereum
- BTC - Exchange ticker symbol for Bitcoin

Executive Summary

"Chase the vision, not the money; the money will end up following you."

- Tony Hsieh, Zappos CEO

Venture Capitalists ("VCs") have long been the gatekeepers of the early stage investment ecosystem. VCs centralize the majority of global capital available to fund startups and growing companies by raising their own funds from elite, high net worth investors. VCs then decide which startups are most worthy of funding. In essence, investors in VC funds have little power over the use of their committed capital and must wait 7-10 years until a financial return can be recognized due to the illiquid nature of their investments. Startups must endure a long and arduous process that can take up to nine months to raise funding to develop their business, often giving up strategic control of the startup to new investors or not raising capital at all.

In recent years, a new alternative funding source has arisen for blockchain startups and projects that can be leveraged by a wide-array of non-blockchain companies and projects as well. This alternative, known as an Initial Coin Offering, Token Generating Event or Token Sale (collectively for the purposes of this white paper, an "ICO") has disrupted the early stage fundraising ecosystem, effectively racing to replace VCs as gatekeepers. Founders of blockchain and other technology startups have used ICOs to crowdfund their Non-Governmental Organizations ("NGOs"), projects and businesses, raising substantial levels of digital funding to finance their development and growth initiatives. Similarly, global ICO participants can now bypass VCs and digitally participate in the funding of any startup they believe in, within a more liquid marketplace. (see section 1.1 "ICO: A new investing paradigm" for more).

ICOs are a relatively new startup funding mechanism that offers great potential, but present many challenges. A key obstacle for ICO participants is to how identify the most promising startups while avoiding potential scams or fraudulent projects. There is a clear need for proper due diligence to be performed on emerging ICOs, something individual participants are disenfranchised from performing on their own over digital projects. For startups, a primary challenge is to create a growing and sustainable business solution that supports a token structure which provides value to its holders. For this, many startups require seed funding and a team to guide them through the legal, marketing and technical intricacies of launching an ICO in order to be successful (see section 1.2 "Emerging challenges in the ICO ecosystem").

Through interviews with ICO participants and startups contemplating raising funding through their own ICO, it is clear there are compelling needs for verifiable token instrument quality, transparent and timely performance monitoring and increased liquidity in the crypto markets. Our solution to this is Ioniq Lab, the world's first batch-driven global accelerator program for startups issuing an ICO.

Ioniq Lab aims to provide the ICNQ Club Members and the mass crypto markets the highest quality ICO participation opportunities by sourcing, funding, advising, developing and accelerating the most promising crypto, blockchain and tokenizable startups to their own ICO. Our mission is to eliminate barriers to entrepreneurial creativity such as geographic location, lack of network, seed funding and other obstacles that bedevil entrepreneurs. With Ioniq Lab, the ladder to venture success depends exclusively on the quality of the tokenizable idea and the capabilities of the execution team (see section "2. Ioniq Lab Accelerator").

Ioniq Lab will publicly issue 15,000,000 ICNQ Club membership tokens in a January 2018 presale and subsequent public token sale in exchange for an estimated equivalent of €11,000,000 worth of ETH. ICNQ Club Members will have platinum-level privileges such as exclusive access to presales and discounts on accelerator graduate's ICOs. Additionally, ICNQ Club Members will have the ability to preview and provide feedback on program applicants to source only the most interesting startups, as well as contribute feedback to the token construction of program startups. €5,000,000 of the initial ETH funds raised will be devoted to cover a portion of the ICO-related expenses of accelerator participants. €3,000,000 will be used to cover operational and business development expenses. The remaining €3,000,000 will be used to scale the accelerator program internationally (see section "3. The ICNQ Token").

The founders of Ioniq Lab have extensive professional experience in key areas such as venture capital, investment management, company building, blockchain, crypto-investing, finance and marketing. In addition, Ioniq Lab has engaged a world-class advisory board comprised of experts from diverse fields ranging from accelerator program management, blockchain, ICO marketing, international business and business development. (see section "4. Governance").

The first digital accelerator program will launch in Berlin in February 2018 with a targeted 5 startups. The initial batch will graduate the program in Q2 2018, with a second batch beginning in July 2018. Ioniq Lab will scale internationally in Q3 2018 and explore new strategic business units to expand its presence along the crypto value chain. (see section "5. Roadmap").

1. Background

1.1. The ICO: A venture financing paradigm shift

Observation 1: ICOs democratize and decentralize early stage venture financing

An ICO is a form of a crowdsale in which a startup releases a new token to the public in exchange for another cryptocurrency, typically BTC or ETH. The released token typically provides a function or service for its community, ranging from general payments, special permissioned access or even profit-sharing in more security-like tokens. Token holders continue to receive these benefits as long as they hold the token. If the quality and scope of these services improves, demand for the limited supply of released tokens rises, generally leading to appreciation of the token value. Moreover, the increased liquidity of the token market enables token holders to harvest their investment gains much earlier than would be possible in a traditional VC-funded startup.

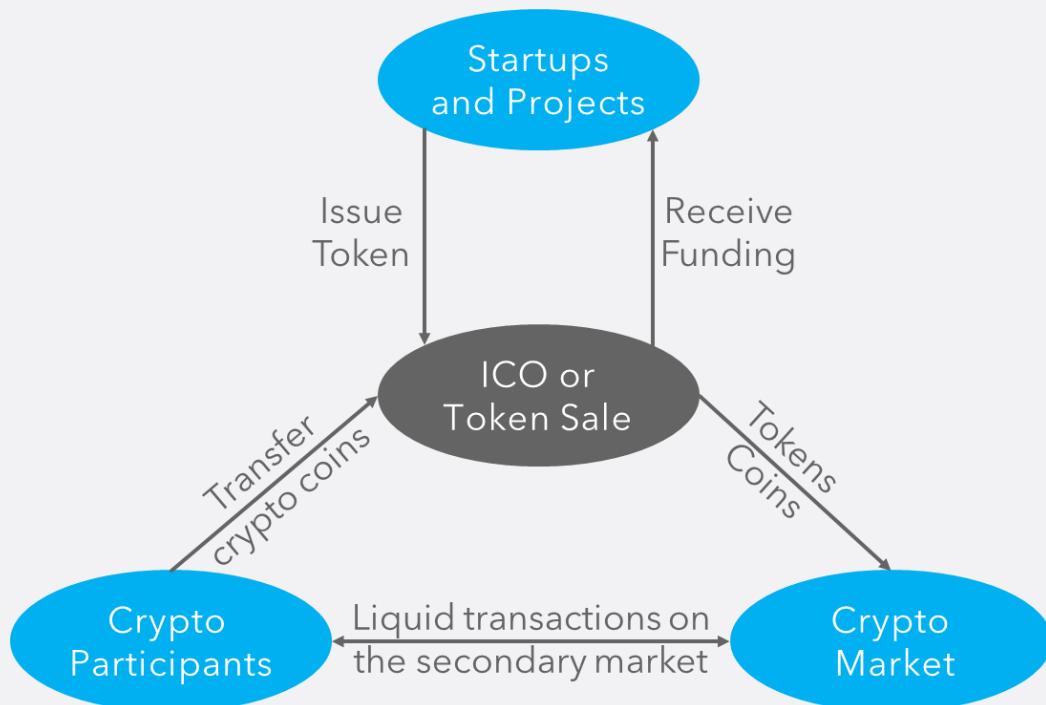
Figure 1: Generic Crypto/Token Types



ICOs displace VCs as the gatekeepers in the early investment arena. The ICO funding model taps into a larger and more diverse participant market, supported by blockchain technology. Any individual, not just traditional institutional investors or high net worth individuals, can participate in most of these venture financing rounds. By issuing tokens and listing them on a reliable and proven crypto exchange, the startup provides its ICO participants a liquid

marketplace otherwise unavailable to the traditional startup investor. ICO participants need no longer wait 7-10 years to recognize a return on their participation, as is often the case with VC fund investments. Lastly, startup founders benefit from a relatively quick and painless method to raise capital for their project without ceding strategic control.

Figure 2: Generic ICO Structure

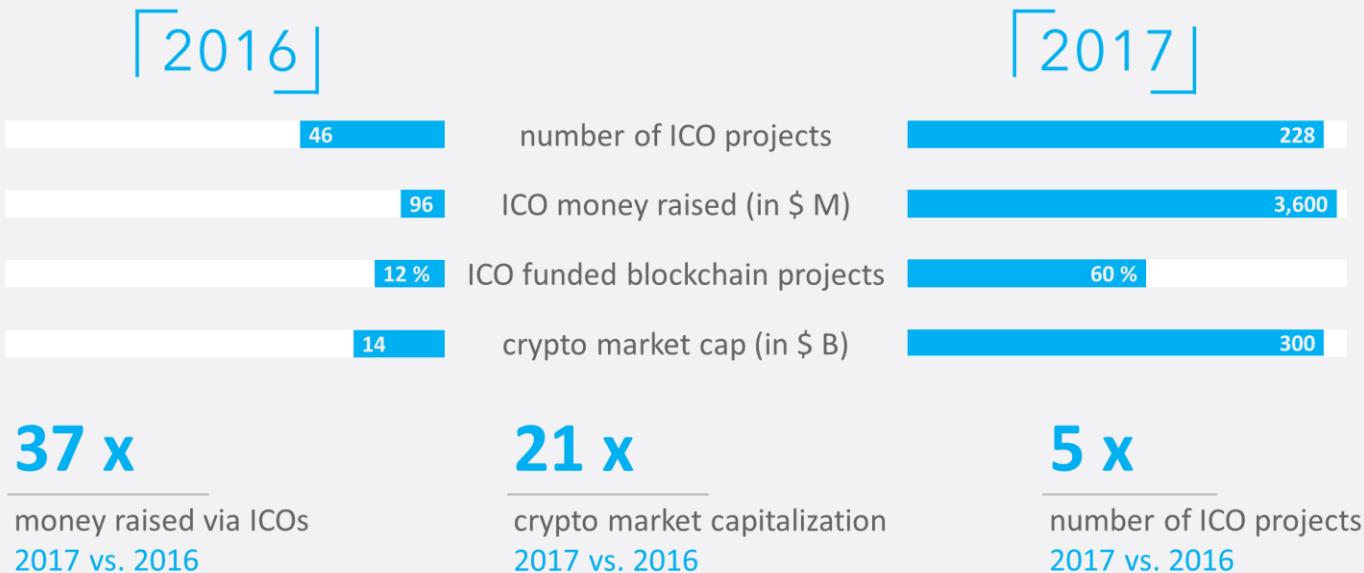


Observation 2: ICOs are disrupting traditional early stage fundraising practices

When the first ICO launched in 2013, the fundraising method quickly gained popularity in the crypto and blockchain communities. In 2017, however, the general startup and VC ecosystem has begun to take notice, leading to an explosion of ICO activity. Through November 2017 alone, 228 ICOs have raised over \$3.6 billion. ICOs have become the preferred fundraising method for blockchain startups, with roughly 60% of capital raised in 2017 originating through an ICO. The rapid growth of ICOs have disrupted the venture ecosystem, with ICO fundraising surpassing VC financing of blockchain companies in 2017. Significant further disruption is expected as new token models are tested and validated by the marketplace.¹

¹ <https://www.coinschedule.com/stats.php>

Figure 3: ICO Traction



(Sources: Coindesk, Coinmarketcap, CB Insights, Coinschedule)

Possibility 1: ICOs are not only for blockchain projects

An ICO is not only a fundraising method for generic blockchain technologies such as Bitcoin or Ethereum. Rather, there is the potential to tokenize various assets ranging from identities to data, revenues, equities, utilities, medical information, property registries, copyrights and patents, etc. A World Economic Forum surveyed 800 top executives in a survey with results predicting 10% of global GDP, or a projected \$7.5 trillion, worth of data and financial instruments will be stored on blockchain technology by 2027.²

Within certain jurisdictions, equity style tokens can be offered to the public under certain exemptions or satisfying certain requirements. Even in jurisdictions such as the United States it is possible to raise a security token, as determined by the SEC, so long as it is only offered to accredited investors through the appropriate exemptions. This opens to the door for other technology or completely offline startups to raise their next funding round through an ICO. Technologies such as the internet of things, artificial intelligence, FinTech or other non-digital technologies such as humanitarian or sustainability efforts can use a token to finance the development of their technology. Iconiq Lab will be at the forefront of this revolution, exploring

² http://www3.weforum.org/docs/WEF_GAC15_Technological_Tipping_Points_report_2015.pdf

new token models and fundraising opportunities for traditional and more innovative business models.

Possibility 2: ICOs open global opportunities

ICOs are not only an exploding phenomenon, but present the opportunity to globalize the early stage financing ecosystem by eliminating geographical barriers between ICO participants and startups seeking funding. The global potential of an ICO opens new opportunities for various stakeholders where token holders can select opportunities based on merit rather than solely on geographic location or professional network. This benefits emerging markets, where perceived risks and transaction costs are too high, leading to a lack of invested capital. Governments and various jurisdictions can seek to adopt favorable ICO legislation to promote innovation within their borders, driving economic growth and creating new taxable revenue.

Possibility 3: Tokenized Enterprises

In a June 6, 2017 blog, Trent McConaghy of the BigchainDB blog posited how enterprises, such as Facebook, could tokenize themselves, providing value not only to their current shareholders but other key stakeholders within the enterprise's community. He postulated that by converting traditional shares to tokens, decentralizing the organization and melting into the community, former shareholders would see significant returns through compensating the community's participation through token issuances. This presents one potential value driver to traditional shareholders through tokenization where key community stakeholders are empowered through their enterprise-level engagement. This monopolizes the allocation of profits in a traditional organization through tokenization, providing additional value to shareholders and community stakeholders alike.³

Possibility 4: Secondary Token Offers

Startups typically require multiple funding rounds by VCs to continue to fund their growth and scaling initiatives. This often requires significant time balancing many stakeholders and negotiating with new investors, distracting management from developing the business. Similarly, companies who issue a responsible ICO that does not over-liquidate themselves but

³ <https://blog.bigchaindb.com/tokenize-the-enterprise-23d51baf8536>

rather raises only an amount necessary for the next development initiatives will require additional fundraising. This can be achieved by issuing additional tokens at a new valuation to current token holders and new investors. This creates a clear path for continued financing as the company begins to scale so long as the company continues to perform.

1.2. Emerging challenges in the ICO ecosystem

Challenge 1: Need for quality assurance

Despite the increase in the volume of ICOs and impressive funding amounts raised by startups, investors are still disenfranchised from assuring their participations are not scams or frauds, or that the money raised is used for what is promised by management. From interviews Iconiq Lab has conducted, it is clear ICO participants are operating in a purely speculative environment filled with risk. Historically, due diligence would be performed by VCs on new investment opportunities. Critically important, the VC would then enforce a high standard of post-investment financial and milestone reporting to all stakeholders to assure investment performance. It is painfully clear a reinvention of these services is essential in the ICO markets.

Challenge 2: Pre-ICO funding and support

ICOs require initial capital to fund the process and a knowledge of best practices in raising an ICO. As such, not all great token ideas are capable of launching their own ICO. Based on interviews Iconiq Lab has conducted, the overwhelming feedback is many startups would love to raise an ICO, but lack the funding and the competencies to do so. Lack of funding, relevant network and competencies are significant barriers for many startups who wish to launch an ICO. To ensure the highest quality startups are capable of launching an ICO, the infrastructure must be redesigned to provide funding, mentorship and support programs for the worthiest projects, accelerating them to become a great ICO participation opportunity.

Challenge 3: Questionable funding amounts, increasing participant risk

The ICO explosion in 2017 has led to multiple projects receiving funding in excess of \$100 million. Seemingly, there is a competition among ICO startups to see who can raise the most funding, rather than focusing on raising a responsible amount to cover relevant development and operational needs. These unrealistic fundraising targets have begun to detract participants who worry excessively-funded projects could lead to the misuse or misappropriation of their

funds and dis-incentivize the startups management to deliver expected performance. There is a clear need for formal financial valuation of ICO projects and startups. Focus should be on the valuation of the startup as well as liquidity needs to develop the technology to promote responsible fundraising in the crypto markets, ensuring high quality participation opportunities.

Challenge 4: Legal & technical ambiguity

There remains a great deal of legal ambiguity in the ICO markets. Legal teams around the world are scrambling to educate and task their respective regulators with issuing rulings on the new fundraising mechanism to develop responsible legislation to promote innovation within their jurisdictions. From several lawyer's perspectives, many ICOs are not legally compliant in the countries where they solicit participation from, such as in the recent ruling of the SEC on the DAO. Both startups and ICO participants need legal guidance from experienced teams to determine the legal ramifications of proposed token models within various jurisdictions to ensure they are compliant and protected.

2. Iconiq Lab Accelerator

Iconiq Lab will address these opportunities and short-falls in the crypto markets with the world's first accelerator program for startups interested in launching their own ICO. Iconiq Lab will source, fund, develop and accelerate carefully selected crypto, blockchain and tokenizable startups to their own ICO, creating ICO participation opportunities for ICNQ Club Members and the public crypto markets.

2.1. Pre-ICO funding accelerator

Iconiq Lab: Mentorship driven pre-ICO funding and accelerator program

Iconiq Lab will provide startups admitted to its accelerator program €25,000 worth of ETH to cover operating expenses as the startup is accelerated to its own ICO. Additionally, Iconiq Lab will cover all, or a portion of, ICO-related expenses on a pre-determined basis with each accelerator program participant, up to an additional €200,000 of ETH. Iconiq Lab will source, mentor and connect the startups in the program to an expert network to help them develop and optimize their business models and token solutions. For startups, Iconiq Lab provides the

means to launch an ICO and continue to develop their solution. For ICNQ Club Members, Iconiq Lab provides a high-quality deal flow of ICO participant opportunities in token solutions with responsible funding targets, performance accountability and commercial viability.

Vision: A tokenized world

Our future vision is to live in a world where every worthy startup can launch their business through a token issuance without hassle through a democratized and decentralized early-stage investment ecosystem.

We envision a world where startup founders are not limited by their geographical location, limited networks and resources or ability to secure pre-seed funding. We aim to build a world where valid business ideas are judged solely on the merit of the idea itself, the team executing it, and the value of the token instrument supporting it. In this world, prospective ICO participants can identify and finance the best token ideas which are validated by a team of experts.

Mission: Empowering entrepreneurial creativity

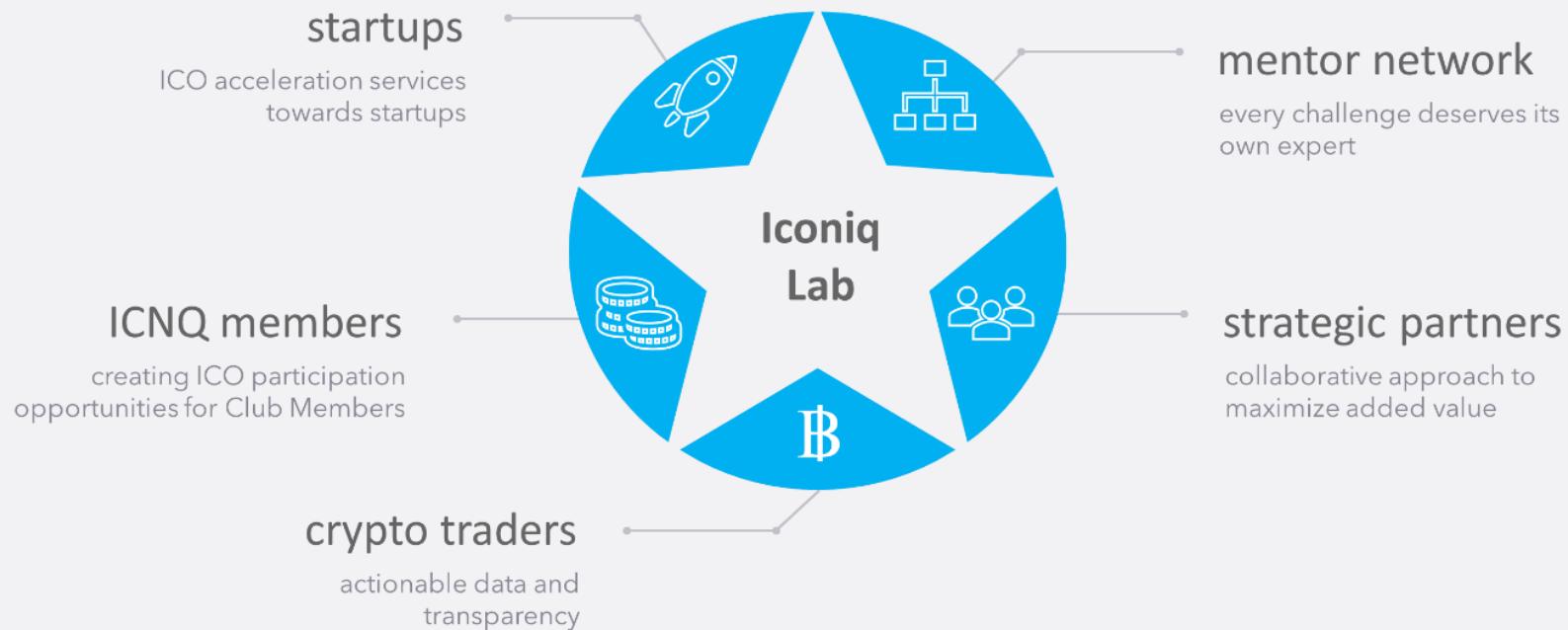
We believe creativity is core to being human. Barriers to entrepreneurial creativity should be eliminated by empowering a community where crypto market participants can digitally fund any startup through the use of token instruments. The best entrepreneurs should be able to promote, develop and fund their startups hassle-free. To accomplish this, we eliminate the barriers that hurt the creative process, guiding token-backed startups to an ICO.

2.2. Iconiq Lab's role in the ICO ecosystem

Iconiq Lab: A seed-funding & acceleration service provider

Iconiq Lab is the director of a 12-week pre-ICO accelerator program. €25,000 worth of ETH (and additional ICO-related expense coverage) will be distributed to each program participant upon commencement of each program batch, with the Iconiq Lab receiving a small percentage of the tokens launched at a later stage in return for services rendered, creating a self-sustaining mechanism to finance future accelerator program participants. Iconiq Lab will operate at the center of the ICO ecosystem and manage various stakeholders.

Figure 4: The Iconiq Lab Ecosystem



Stakeholder 1: Startups interested in raising an ICO

A startup is a crypto, blockchain or technology project or company that has a viable technology, business or tokenizable solution. If admitted to the Iconiq Lab accelerator program, the startup and its founding team will receive funding, services and guidance to build and optimize its own MVP or prototype as it is accelerated towards its next fundraise, an ICO. Technology-based prospective MVP's which can be tokenized exist in high-technology spaces such as blockchain, artificial intelligence, the internet of things, robotics, digital identification, 3D printing, biotechnology and other innovative areas.

Stakeholder 2: Privileged ICNQ Club Members

Holders of Iconiq Lab's token, ICNQ, are privileged club members in the ICO ecosystem. Each ICNQ Club Member will have exclusive access to the presales of the tokens of the program participants. Iconiq Lab will source, perform due diligence on, seed fund and help develop each project to create high quality participant opportunities for ICNQ Club Members.

Stakeholder 3: Crypto market participants

Crypto market participants participate in the public ICOs of various projects and will purchase the tokens developed through the Ioniq Lab accelerator program. Ioniq Lab is committed to developing the highest quality ICO participation opportunities for the public crypto markets, setting a new standard for ICOs and creating downstream liquidity for ICNQ token holders.

Stakeholder 4: Mentor teams within the Ioniq Lab expert network

Ioniq Lab will maintain a network of relevant experts which will provide advisory services to accelerator program participants. Ioniq Lab will create a transparent, collaborative framework between startups and their mentor teams that is beneficial for all parties involved with the aim to build sustainable business and token solutions.

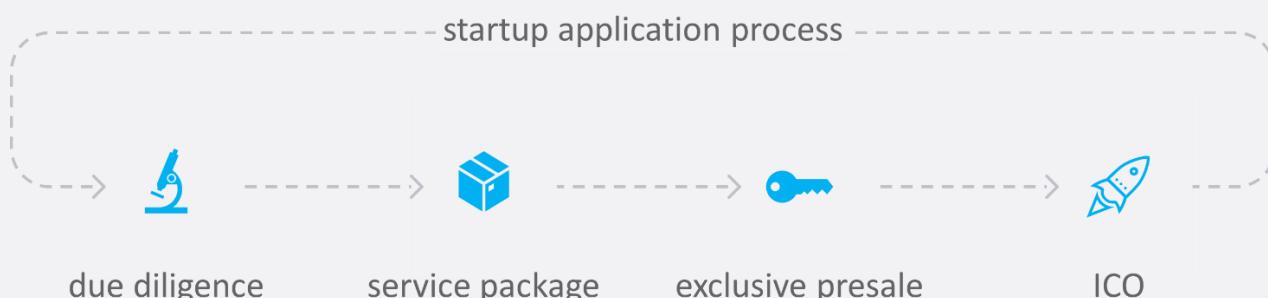
Stakeholder 5: Strategic partners as support service providers

Ioniq Lab has created a network of third-party service providers to support the program startups in key areas such as formal legal advice, smart contract coding and auditing. Ioniq Lab will continually engage new partners that are core to its business model and provide relevant value to accelerator participants and token holders.

2.3. Acceleration process

The Ioniq Lab acceleration process consists of 5 stages: (1) Sourcing and due diligence; (2) Acceleration and ICO service package; (3) Exclusive presales opportunities to ICNQ Club Members; (4) Program graduate public ICO launches; and (5) Post-ICO financial and milestone reporting.

Figure 5: Acceleration process



Stage 1: Sourcing and due diligence

Startups can apply to the Ioniq Lab accelerator program through filling out an online form or by engaging the Ioniq Lab network and community. The form will be available on both the Ioniq Lab digital portal and in existing platforms such as F6S and AngelList. Digital marketing will be used to promote the program to potential applicants.

From the pool of applicants, we will initiate a three-stage selection process: (1) Ioniq Lab will perform initial diligence on all applications, the volume of which is expected to exceed a few hundred for each batch. Based on quality of the project, its team and the solution it is presenting, (2) a minimum of 20 startups will be selected to formally pitch their token-backed business ideas to Ioniq Lab, ICNQ Club Members and the expert network. (3) The top 10 startups invited to pitch will be selected to join the Ioniq Lab accelerator program based on the feedback of Ioniq Lab, ICNQ Club Members and the expert network. The startup will be offered a contract to join the program when the new batch kicks-off. Note, the initial batch of startups will be selected by Ioniq Lab management prior to offering the ICNQ Club membership token.

Stage 2: Acceleration service package

Each program participant will receive €25,000 worth of ETH (and ICO-related expense coverage) and select a mentor team from the Ioniq Lab expert network consisting of industry experts, ICO participants, business and blockchain developers or other technologists. Additionally, the participants will be required to attend digital lectures and workshops provided by the Ioniq Lab team and its affiliated experts on key topics in general business development, tokenization, best practices in ICO marketing, white paper generation and the legal ramifications of token instruments. During this stage, the token and business ideas are validated and communicated to interested ICO participants.

Stage 3: ICNQ token holder exclusive presales opportunities

Through the digital portal, Ioniq Lab will provide information about the token presales of program participants to privileged ICNQ Club Members. Participants will make their pitches to ICNQ Club Members through webinars and in person to those ICNQ Club Members who chose to participate on location.

Stage 4: Accelerator graduate ICO launches

In this stage, participants are prepared for their public ICO launches. They will begin formally marketing their solutions and building their own communities, with the assistance of Iconiq Lab and its community. Strategic partners of Iconiq Lab will provide services necessary to finalize the ICO launch, such as the legal domiciling of token generating SPVs and an external smart contract audit through TaaS' Cryptographic Audit Software.

Stage 5: Post-ICO reporting

After a successful ICO launch, each program participant will be contractually bound to report ongoing financial and milestone information to create transparent Post-ICO information available. The reporting tools will be developed by Iconiq Lab and its strategic partners with the information made available to the public crypto markets, setting a new standard for transparency in the crypto ecosystem.

Benefits of accelerator batches

Startups require a support system that not only includes ICO participants, industry experts or other noteworthy professionals, but also their peers. The best learning and development comes from collaborating within a community. Thus, Iconiq Lab has adopted the batch-accelerator model to foster an environment of mutual innovation among accelerator program participants. The startup teams will be able to generate new ideas together, share experiences and best-practices while expanding their horizons by gaining exposure to diverse cultures. Additionally, the batch model allows the Iconiq Lab to realize economies of scale, minimizing overhead costs while servicing program participants to effectively scale the program internationally.

Accelerator timeline

The accelerator program will be broken up into 3 modules that span 12 weeks, with an additional indefinite support period commencing after a successful pre-sale. The managing team of the startup will be required to be on location in Berlin for a total of three weeks, including a kick-off week, a one-week module in the middle of the program where presales will be launched, and a weeklong module on ICO marketing immediately after the presale week. All other Iconiq Lab and mentor team services will be provided digitally.

Figure 6: Accelerator timeline

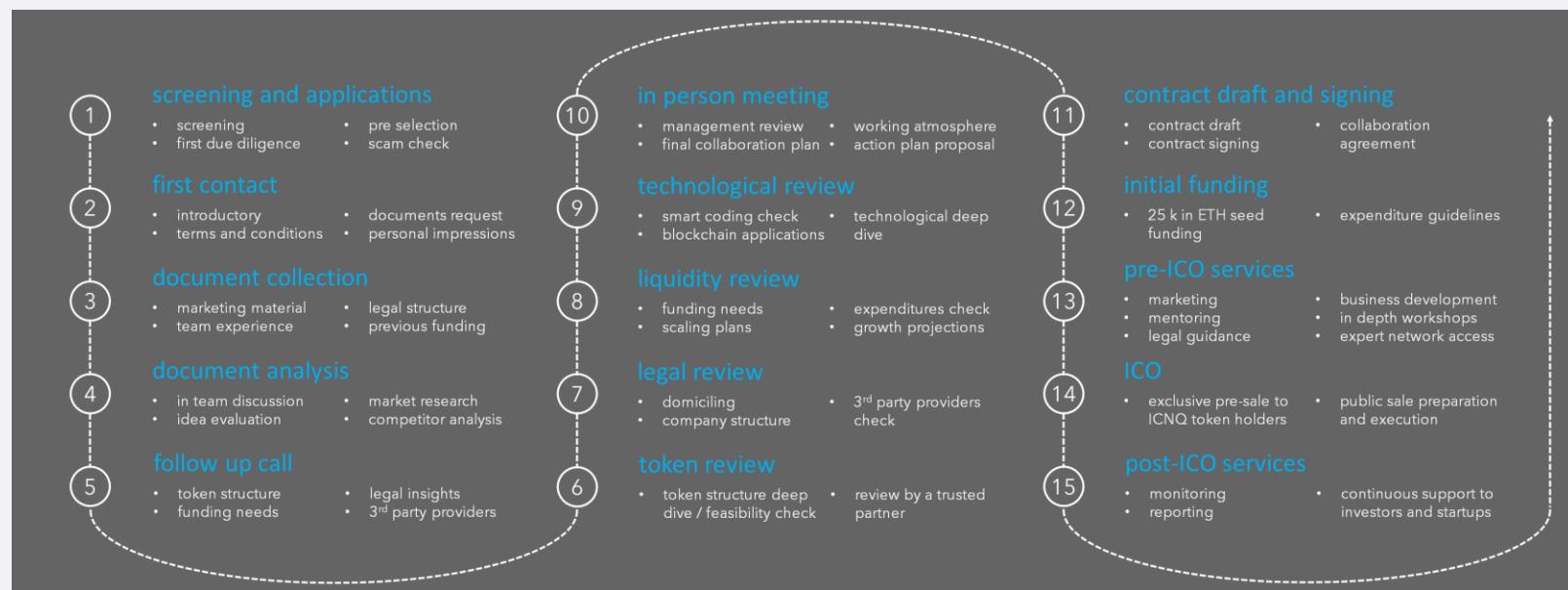


2.4. Accelerator services offered

Service 1: Sourcing and due diligence

Iconiq Lab sources and helps create high quality ICO participation opportunities for ICNQ Club Members, creating shortlists of the most viable applicants to the program for selection. The vetting and due diligence performed on startup applications ensures only high-quality token and business ideas are admitted to the accelerator program. Teams, business and token models, industries and other factors will be evaluated in the due diligence process, as illustrated in the below infographic. Iconiq Lab's experience in the venture capital and investment management space will ensure proper due diligence is performed.

Figure 7: Iconiq Lab due diligence process



Service 2: Pre-ICO seed funding of €25,000 in ETH, and up to €200,000 ETH in ICO Expense Coverage

Iconiq lab provides each accelerator participant €25,000 in ETH to fund operations and launch their ICO. The use of these funds will be based on a pre-determined budget as agreed upon by the startup's management team and the Iconiq Lab. Additionally, Iconiq Lab will help cover ICO-related expenses paid to its strategic partners on behalf of the startup with up to €200,000 in ETH.

Service 3: Expert network of mentors

Iconiq Lab will connect each of its programs participants to its expert network of mentors. Startups will select their mentor teams based on competency requirements and unique needs for their development plans. Each accelerator participant will be encouraged to include at least one technologist, one business developer and one experienced ICO participant on their mentor team.

Service 4: One-on-one expert advice

In addition to working hand-in-hand with their chosen mentor network, program participants will have the opportunity to work one-on-one in workshops with the Iconiq Lab management

team. The team will provide advisory services and tailor-made solutions for the unique situations each startup faces.

Service 5: Digital lectures and workshops

Iconiq Lab will organize digital lectures and workshops on topics ranging from general business development and management to ICO focused topics. ICO specific modules will include tokenization, white paper development, legal token structuring and domiciling, smart contract development coding and token holder relations. Lectures and workshops will be given by the Iconiq Lab management as well as experienced professionals in each respective space.

Service 6: Token modeling & valuation

The Iconiq Lab will create financial valuation models of each token model to ensure ICO fundraising is conducted in a transparent and responsible manner. All models will be developed with the management team of each startup and submitted to ICNQ Club Members for reviews. Valuations will be based on deep-dives into the business and token models.

Additional financial analysis will be conducted to project the liquidity needs of each startup in the accelerator program to ensure that none are overliquidated through their ICO. This ensures funding targets are reasonable and responsibly set.

The Iconiq Lab management team's extensive experience in investment management and financial modeling will be leveraged in developing these financial models.

Service 7: Organizing pre-sales

Iconiq Lab will provide information about the presales for all its accelerator participants through its digital portal. All presales and the associated discounts will be offered exclusively to ICNQ Club Members in a tiered program.

Service 8: Legal compliance

Iconiq Lab will outsource all formal legal advice to expert legal resources in each appropriate jurisdiction. Iconiq Lab has identified strategic legal partners in the most important crypto jurisdictions, and will connect program participants to the proper legal partners.

Service 9: Smart contract coding & auditing

Iconiq Lab will provide program participants access to the high quality smart contract coders based on the proposed token model of the startup and the blockchain network it will be coded on.

A completely independent third-party audit will be conducted on each smart contract developed through the Iconiq Lab accelerator program to provide the utmost protection to all token investors.

Service 10: Support of ICO marketing

Iconiq Lab will guide and support the marketing activities of each startup in the program, providing participants a "Best Practices in ICO Marketing" template to follow. Each startup will have a customized go-to-market strategy with their token model and receive continual training on best practices in ICO marketing and community engagement.

Service 11: Post-ICO services and reporting

Iconiq Lab will provide the crypto markets a Post-ICO financial and milestone reporting tool, similar to what is available in current financial institutional markets. The Iconiq Lab team's experience in public accounting with a "Big-4" audit firm, as well as general financial and accounting expertise, uniquely places Iconiq Lab in the position to develop such layers of transparency in a market in desperate need of it.

2.5. Technology

Technology 1: Blockchain

The Iconiq Lab Gnosis wallet will be stored on a publicly viewable blockchain. All data on usage will be publicly available and regularly published in generated content and financial reports to ICNQ token holders. Iconiq Lab will use post-ICO reporting tools, such as digital wallet trackers, to disclose flows of tokens it is associated with.

Technology 2: Smart contracts

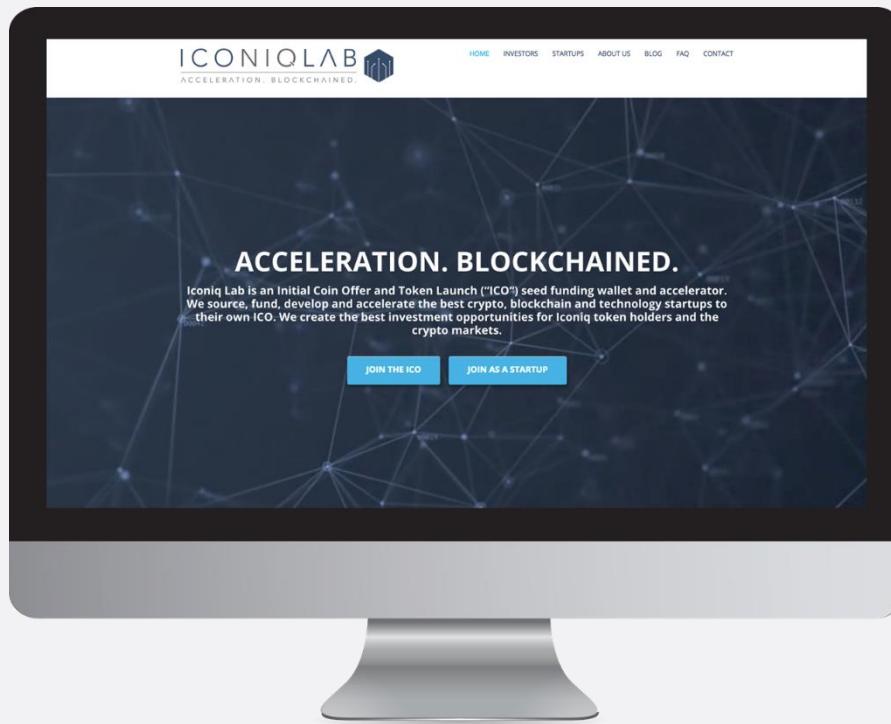
Iconiq Lab will have access to smart contract libraries developed by strategic partners which can be used by program participants to launch their own tokens in an ICO. Smart contracts, in

combination with the proper legal contracts, will allow for the building of a transparent and secure token framework for all stakeholders involved.

Technology 3: Iconiq Lab digital portal

Iconiq Lab will develop a digital portal where ICNQ holders and crypto market participants will have the ability to view and monitor the progress of accelerator startups. Additionally, startups can apply for the next batch of the accelerator online. ICNQ token holders will have exclusive access to privileged content within the site, such as community forums, research and other financial reports. Presales of program participants will be conducted through the digital portal, and pitches by the startups will be made through webinars on the portal.

Figure 8: Iconiq Lab digital portal



Technology 4: Post-ICO reporting tool

In order to provide the most transparency possible post-ICO to ICO participants, Iconiq Lab is developing a financial and milestone reporting tool which all accelerator participants will be contractually-obligated to use. The tool will track all digital wallets of program participants, monitoring the usage of ICO funds raised and disclosing it to token investors. Additionally, a more traditional financial reporting tool will be developed, using traditional accounting and

financial reporting methods to create tangible, actionable data for ICNQ Club Members and the crypto markets.

2.6. Impact on ICO ecosystem

Impact 1: New quality standard for ICO

Iconiq Lab as an accelerator will create a new standard of quality for ICOs by raising the bar on due diligence performed, business development and ICO participation opportunities created. Transparency will be provided to the crypto markets in a way that will redefine the crypto market's reporting and technology infrastructure.

Impact 2: Increased institutional investor interest to ICO

Through its quality and transparency assurance processes, Iconiq Lab aims to increase the attractiveness of the crypto markets to traditional institutional investors. Through its due diligence, development and reporting procedures, Iconiq Lab seeks to recreate a transparent infrastructure familiar to institutional investors. Iconiq Lab will actively engage with potential regulators in the crypto space to foster communication that brings about responsible, innovative regulation of crypto markets. This reduces the risk exposure for institutional money, making tokens even more attractive to potential new ICO participants.

Impact 3: More creative token ideas

Iconiq Lab as a mentorship driven accelerator program reduces the barriers startups must overcome to launch their own ICO. In reducing these barriers, Iconiq Lab is increasing the flow of creative token ideas and models in the crypto markets by empowering their founders. This will result in a broader range of quality token offerings for ICO participants and the public crypto markets as a whole.

Impact 4: More clear rules and regulations

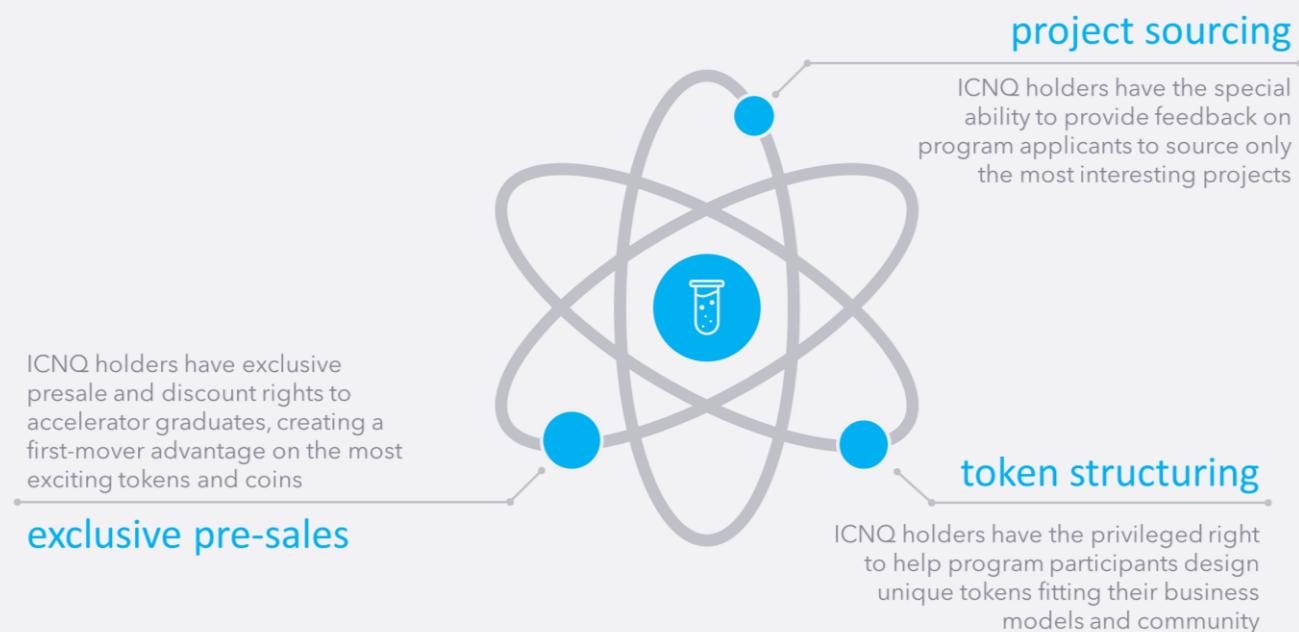
Iconiq Lab will work with its own community, governments, regulators, politicians, strategic partners, technologists, startups and other key personnel within the industry to structure a clear and easily understandable legal, reporting and technical framework for the crypto markets. This will increase the potential for collaboration among all stakeholders and avoid

potential conflicts. Developing responsible and understandable regulations which still drive innovation in the crypto markets is essential to the long-term stability of the crypto markets.

3. The ICNQ Membership Token

Iconiq Lab will be publicly issuing 15,000,000 of a total 20,000,000 ICNQ Club Membership tokens in January 2018 presale, and subsequent public sale, in exchange for an estimated equivalent of €11,000,000 of ETH. Purchasers of the ICNQ token will be given privileged membership rights such as exclusive access to presales on accelerator graduates ICOs, the ability to provide feedback on program applicants to source only the most promising startups and the right to help program participants design unique tokens to create the most interesting ICO participation opportunities for themselves.

Figure 9: ICNQ Membership Token Overview



3.1. ICNQ token as privileged membership rights

Token value 1: Exclusive rights to the pre-sales of program graduates

ICNQ token holders will be granted exclusive rights to presales and the associated discounts with accelerator program participants. All ICNQ Club Members will be eligible to participate in any presale, which will occur in a three-stage process.

Presale Stages:

1. All ICNQ holders will be eligible to participate in the presale based on their pro-rata percentage holding of the ICNQ Club membership token. The window to participate on a pro-rata basis will remain open for one week. For instance, if a club member holds 10% of the ICNQ Club membership token, they are eligible to participate in up to 10% of the total amount of the presale in this stage.
2. Any unsubscribed amounts in the pro-rata presale will be made available to all ICNQ Club Members on a first-come-first-serve basis. This window of participation will remain open for one additional week.
3. Should any presale amounts be unsubscribed after stage 2, the public crypto markets will become eligible to participate in the presale.

Token value 2: Project sourcing input

ICNQ Club Members will have exclusive access to community forums where they will be able to view applications to the Iconiq Lab accelerator program. ICNQ Club Members will be empowered to provide input on which ICOs they would consider participating in or have the most potential value, which will be taken into consideration during the accelerator selection process. The projects which will be presented in the portal will already have initial due diligence performed upon them as to only show promising potential applicants to ICNQ Club Members.

Token value 3: Token structuring input

ICNQ Club Members will have exclusive access to community forums where they will be able to communicate directly with accelerator program participants. ICNQ Club Members will be able to review projects and solicit feedback on token structures and designs. This allows ICNQ Club Members the power to help design and optimize token products they would be

interested in. All token ideation exchanges between ICNQ Club Members and accelerator startups will be mediated by Iconiq Lab management.

Token value 4: Exclusive digital portal access and content

ICNQ Club Members will have exclusive digital portal access to financial, research and market reports prepared by Iconiq Lab, its advisors and program participants. Included in these reports will be due diligence transcripts, token valuation models, market analytics and the Post-ICO financial and milestone reporting tools for continued token model evaluation.

3.2. ICNQ Club Benefits

The main benefits of the ICNQ Club can be summarized in the following ways:

1. A curated flow of attractive, high potential ICO participation opportunities
2. Exclusive access to presales of accelerator graduates
3. Exclusive access to extensive information for evaluating ICO participation opportunities
4. Extensive transparency with detailed, standardized reporting on uses of funds, financial performance and milestone achievement.
5. Market-based valuation for their ICNQ and accelerator token holdings through due diligence performed and liquid exchanges.

ICNQ Club benefit example 1: Value of the ICNQ token

The ICNQ Club membership represents the opportunity for the ICNQ Club Members to monetize their ICNQ Club membership in the form of discounts on the presales of program graduates they decide to participate in. The adjacent table reflects certain market assumptions that illustrates how this monetization can occur. The below table highlights why ICNQ Club Members are incentivized to hold as many ICNQ Club membership tokens as possible in order to maximize the utility of their ICNQ Club membership to their own benefit.

<u>market data</u>		
general data		
# tokens	2,000,000	
€/ETH	250	
ICO funding target		
€	5,000,000	
ETH	20,000	
price per token		
€	2.5	
ETH	0.01	
ICNQ holder discount		
%	20	

<u>ICNQ holding scenarios compared</u>				
	ICNQ holding %	pro rata participation	tokens received (market price)	ICNQ discount value added
member I	1 %	€ 50,000 / 200 ETH	25,000 (20,000)	€ 62,500 (25,000 × € 2.5)
member II	5 %	€ 250,000 / 1,000 ETH	125,000 (100,000)	€ 312,500 (125,000 × € 2.5)
member III	10 %	€ 500,000 / 2,000 ETH	250,000 (200,000)	€ 625,000 (250,000 × € 2.5)

✓ great **value added** to ICNQ token holders ✓ **incentive** to become a large ICNQ membership token holder ✓ driving **demand** of the ICNQ token

ICNQ Club benefit example 2: Actionable data

Through exclusive access to privileged reports and data within the digital portal, ICNQ Club Members will have the opportunity to maximize their token portfolio performances. Shared knowledge, exclusive content and financial reports will help educate ICNQ Club Members to always be at the forefront of innovation in the crypto markets.

3.3. Token distribution & funding

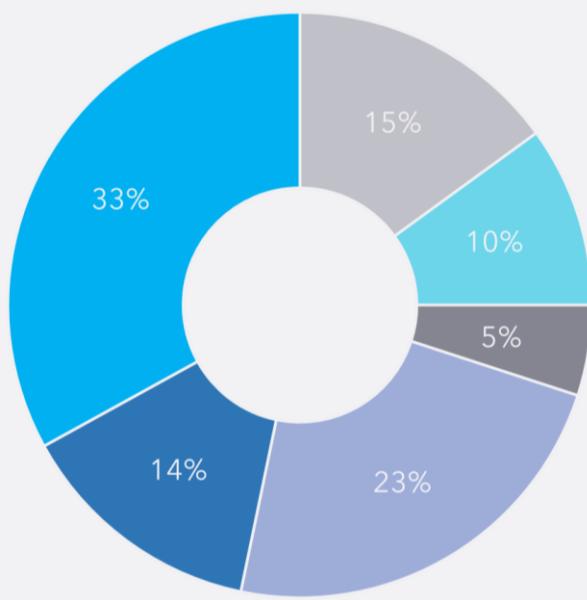


Figure 10: Token distribution

75% of total tokens will be sold in the token sale, with Iconiq Lab and its team receiving the remaining 25%. 33% of ICNQ Club membership tokens will be issued in a Q1 2018 public sale, with an additional 23% to institutional participants. 14% will be issued in a January 2017 presale. 5% of total tokens will be issued to bounty program participants for marketing initiatives in the Pre-ICO phase. 10% will be retained by Iconiq Lab Holding GmbH for future growth initiatives, acquisitions or for new key personnel. The remaining 18% of ICNQ tokens will be sold to the management team, advisors and strategic partners of Iconiq Lab to align their interests with ICNQ Club Members. Tokens sold to the Iconiq Lab team will be subject to a one-year lock-up period, during which they will not be tradable.

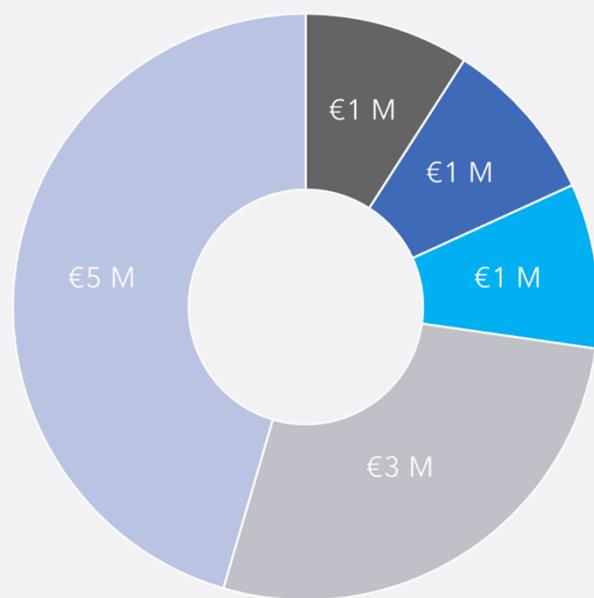


Figure 11: Fundraising Uses

€5M of the ICNQ funds raised will be devoted to a seed wallet which will distribute seed funding to accelerator program participants. €1M will be used on finance and legal, with €1M more used on marketing. €1M will be used to launch new business units. The last €3M will be used to further develop and scale the program internationally to startup hubs such as London, New York, Singapore, Shanghai, Hong Kong, Moscow, Silicon Valley, Tel Aviv, Sydney and more.

4. Iconiq Lab Governance

4.1. Organizational structure

Iconiq Lab Accelerator GmbH is structured as a German limited liability company which operates and manages the Iconiq Lab Accelerator Program. Iconiq Lab Accelerator GmbH issues the club membership tokens, ICNQ, and covers the day-to-day operational aspects of the accelerator program. It is wholly owned by its parent company, Iconiq Lab Holding GmbH.

The Iconiq Lab organization has multiple oversight and management bodies consisting of a Token Consulting Board, an Executive Board, an Advisory Board, Strategic Partners and an Expert Mentor Network. Each has clearly defined roles and responsibilities in the organization.

4.2. Executive team and other key personnel

Token Consulting Board: Representing the interests of ICNQ Club Members

The Iconiq Lab Token Consulting Board ("TCB") will consist of three individuals or organizations which hold ICNQ Club Membership tokens, are nominated by the Executive Board and voted upon by a majority vote by ICNQ token holders. The TCB will be nominated and elected on an annual basis during the Iconiq Lab Accelerator GmbH annual review period. The primary function of the TCB is to communicate to the Executive Board the general sentiment of the ICNQ Club Members, making suggestions to the accelerator program, its applicants, participants, and its future strategic direction.

Executive board: Members with VC investment and startup experience

The Executive Board of Iconiq Lab Accelerator GmbH will maintain operational control over the accelerator program. It will be tasked with sourcing the top projects and startups for the program, and providing the resources and expertise to accelerate them towards their own ICO. The Executive Board will be charged with scaling the accelerator to future geographic locations. Additionally, it will be tasked with identifying potential strategic expansion opportunities into new business lines to enhance the position of Iconiq Lab within the crypto ecosystem and provide additional value back to the ICNQ token holders.

Each member of the Iconic Lab Accelerator GmbH Executive Team has formally resigned all other professional obligations in order to focus full-time on Iconiq Lab.



Patrick Lowry, CEO

Pat is a venture capitalist and investor with 8 years of financial industry experience. Prior to this he was a PwC auditor in the asset management team and a startup co-founder/CFO. He holds an MBA, a CPA license and a BS in finance and accounting.



Sandris Murins, Strategy Director

Sandris is a blockchain strategist and serial entrepreneur with 7 years of business development experience. He is a visiting lecturer on innovation & creativity at universities and a PhD candidate in sociology.



Maximilian Lautenschläger, Sourcing Director

Max is a venture developer and angel investor with 3 years of experience in consulting, company building, FinTech and private equity. He holds a BA in controlling and an MBA. He received the Chartered Alternative Investment Analyst designation in 2017.



Arabdha Sudhir, Marketing Director

Arabdha is a marketing expert with 5 years of experience in product design and management, creative advertising, technology and startups. She is a Computer Science engineer and holds an MS in Business Management.



Lukasz Musialski, Portfolio Director

Lukasz is an investment manager with 4 years of experience in private equity, venture capital and finance. An avid futurist, technology enthusiast and Podcaster, he holds a BA in Economic Relations with an MSc in Finance.

Advisory board: A world-class team of diverse professional experiences



Prof. Dr. Philipp Sandner
Blockchain Expert
Head @ Frankfurt School
Blockchain Center



Dimitri Chupryna
Token Investments
Co-Founder of TaaS



Mitchell Louriero
ICO Marketing
Marketing @ Steem.it
& Santiment



Dr. iur. Jochen Kasper
Legal Advisor
M&A and Investment
Banking Lawyer



Nina-Luisa Dr. Siedler
ICO Legal Advisor
Partner @ DWF



David Drake
Investor Advisor
Chairman @ LDJ Capital



Junxi Zhang
Asia Advisor
Venture Capitalist



Kristofs Blaus
Business Development
Serial Entrepreneur



Dominic Ward
Accelerator Advisor
Director @ Startup 52



Ismail Malik
Media Advisor
Editor in Chief @ ICO Crowd

Iconiq Lab will be advised by a board of diverse professionals with relevant professional experience related to running an ICO accelerator program in the crypto markets. The advisors are tasked with advising the Executive Board on best practices and developments within their respective professional spaces. Each advisor will be incentivized by holding a small percentage of ICNQ Club membership tokens to align their interests with token holders.

Strategic Partners:

Iconiq Lab has formed strategic partnerships with organizations that provide valuable insights and resources in the blockchain, financial, legal, venture and crypto ecosystems. The Executive Board will continue to engage additional strategic partners and arrange relationships that are beneficial to the accelerator program and provide value to the ICNQ token holders.

Figure 12: Iconiq Lab Strategic Partners



FinLab AG: Europe's premier Company Builder

FinLab AG, a publicly traded FinTech company builder, is a strategic partner and investor in Iconiq Lab Holding GmbH. FinLab, through their expansive international network in the startup and venture investing space, expands Iconiq Lab's dealflow generation capabilities. FinLab also establishes connections to global capital pools for Iconiq Lab and its accelerator program startups, and offers their expertise as experienced company builders to help develop and accelerate Iconiq Lab's accelerator companies to their own ICO.

LDJ Capital: Global Institutional Investor

LDJ Capital and its Chairman, David Drake, expand Iconiq Lab's global investor pool through their extensive crypto, and traditional, investor network, and provide ICO marketing-related advisory services.

Frankfurt School Blockchain Center: Academic blockchain research & development

The Frankfurt School Blockchain Center provides academic research, technical expertise, an extensive network and valued input.

Blockchain Bundesverband: German blockchain government alliance

The Bundesverband promotes blockchain technology to German politicians and regulators.

TaaS: World's first tokenized closed-end fund

TaaS is a holder of ICNQ tokens and provides an ICO participant's perspective to the team.

Ventureon: a project for decentralized investing in start-ups

Ventureon and its platform members aim to invest in Iconiq Lab projects as a strategic investor.

DWF: Crypto Legal Experts

DWF and its blockchain legal experts advise Iconiq Lab on its token sale to remain in full compliance with applicable laws in Germany and internationally.

Santiment: The "Bloomberg" of crypto

Iconiq Lab and Santiment will work together to bring transparency and self-imposed financial and milestone reporting to the crypto markets.

Liquet Associates: Crypto legal and technical expertise

Liquet Associates provides Iconiq Lab and its accelerator participants in-house legal advice.

F6S: Venture and startup sourcing partner

F6S provides Iconiq Lab a platform to source, manage and contact the best startups.

IICS: International ICO Council for Self-Regulation

IICS and Iconiq Lab together aim to bring about self-regulation, restraint and transparency to the crypto markets.

Expert Mentor Network:

Iconiq Lab will maintain a network of experts from whom start-ups can select their mentors during the accelerator program. Included in the Expert Mentor Network will be noted blockchain developers and other technologists, crypto market participants, industry experts and professionals who have had success launching ventures of their own. Program participants will be asked to select a team of mentors from each respective class to help them optimize their startup business and token models.

4.3. Transparency

Reporting & transparency: Annual and other reports

The executive board will be held responsible for providing an annual evaluation of the Iconiq Lab Accelerator Program and its performance to the Token Consulting Board, which will be submitted to ICNQ token holders upon review. Included in the evaluation will be the performance of Iconiq Lab in the year then ended and a summary of growth initiatives and strategic plans for the upcoming year. These reports will then be circulated publicly in the crypto markets to help set a new standard for transparency and reporting in the ecosystem.

Iconiq Lab will also issue periodic reports related to status of the accelerator program, its participants, and general crypto market trends and observations. Milestone tracking for developments within Iconiq Lab will be made available to ICNQ holders and the public crypto markets as well.

4.4. Regulation

Germany's first regulated public ICO

Iconiq Lab places a high priority on remaining fully compliant with all relevant laws in its home jurisdiction, Germany, and internationally. Iconiq Lab is in discussions with the BaFin, the German securities regulator, to validate the ICNQ token sale as a legally compliant Club Membership token instrument. Once compliance is validated by the BaFin, Iconiq lab will formally announce its token sale dates.

Additionally, Iconic Lab is engaging a "Big-4" accounting firm to perform all international tax work to ensure full compliance from a tax perspective.

The Iconiq Lab team and its legal advisors continually seek all potential legal risks associated with the ICNQ token sale, and will always ensure full compliance.

5. Iconiq Lab Roadmap

Figure 13: The Iconiq Lab Roadmap



July 2017: Foundation

The Iconiq Lab was formed. The management team focuses on sourcing the best startups and mentors for the program while finalizing the go-to-market strategy for its own ICO.

January 2018: ICNQ Membership Token Issuance

Iconiq Lab presents the first batch of startups for the program and launches the Iconiq Lab ICO.

February 2018: First batch begins

The first batch of startups begins the digital accelerator program in Berlin. The ICNQ token is listed on reputable crypto exchanges.

March/April 2018: First presale of startup tokens

The Iconiq Lab web portal is launched. ICNQ token holders can view the progress of the program participants and partake in the exclusive pre-sales of the startup's tokens.

June/July 2018: Graduation and second batch

The first batch graduates the program, issuing their ICOs, while the second batch begins.

September 2018: Iconiq Lab scales internationally, launches new strategic business units

The Iconiq Lab digital accelerator scales internationally by opening spaces throughout Europe, Asia and the U.S., embedding itself in the world's top tech and startup hubs. New strategic business lines are evaluated and launched, expanding Iconiq Lab's presence in the crypto value chain.