

KatalystCoin V 1.05



Powered by Waves Blockchain
5 October 2017

Asset ID : [DSakmDaduNHXgAXKP4LM7358yZYduWg9VGALA9auDck8](#)

Executive Summary

Historically, humans started to barter trade with one another as it was natural and accessible to do so.

A farmer exchanging excess produces like chicken with another farmer with excess fruits. The purpose of trade is that it makes the trading parties better off - the quality of life is better off for trading parties.

Subsequently, barter trade lost its significance because barter trade had its inefficiencies.

Firstly, it is inefficient to carry the goods to be bartered. Secondly, the goods may not be universally tradable - Johnny may not need the chicken, though Mahir may need the fruits. A common and convenient medium of exchange had to be invented - money (legal tender) was invented as a necessary tool to facilitate trade efficiencies.

Legal tender money by definition has to be issued by a central authority in a given country. Usually the central bank in a given jurisdiction. Money is facilitated as a common lubricating element to make trade between 2 or more parties easier and more efficient.

The recent blockchain revolution however resolves the 2 above mentioned inefficiencies of barter trading. Firstly, blockchain technology allows barter trading to be carried out without needing to transport the goods. Secondly, blockchain technology allows the matching of needs between more people across great distances - thus increasing the chance that common needs can be matched and met and in the process accelerating the pace of trading and economic transactions.

This gives rise to immense market opportunity as there is no unified exchange to facilitate the bartering of digital inventories all over the world. Present day cryptocurrency exchanges are basically functioning like a securities & currency based exchanges and not barter trading exchanges - this is missing the woods for the trees. To make things worse, securities & currency based exchanges need to subject themselves to a high degree of regulatory actions. Barter trading is legal in practically all known jurisdictions - they leave it as a private arrangement between citizens or corporate entities.

The accelerated rate of barter trading across national borders also creates new business opportunities. Existing resellers now need a platform for them to acquire digital inventory so that they may conveniently market, barter or resell to a greater market segment all over the world.

This also allows a business to realize its enterprise value faster than a traditional business. A traditional business may take 5 years to realize its enterprise value while a modern business only requires perhaps 2 months. Leveraging on blockchain barter trading, it can increase its customer base and also revenue in a much shorter time. Existing venture capitalists & private equity firms need a platform to discover and exploit these companies for massive gains for their portfolio.

Katalyst is the Blockchain platform that realizes these needs by implementing the following;

1. Ordinary Citizen's Access - Katalyst blockchain platform is cost effective such that every ordinary citizen all over the world can participate. This is incredibly important as there are still a lot of people who are unbanked. By not having a bank account, these people are effectively removed from participating in the global marketplace.

After downloading a wallet software free from the Internet, they would be able to participate in the platform to the degree of their readiness and comfort. On the first level, they would be able to barter trade whatever they have with any willing buyer on the system.

On the second level, they may become bulk purchaser / barter trader. They may be able to enjoy bulk discount. They are then able to receive a greater operating profits or benefits in the barter traded digital inventory.

On the third level, they can also participate in unearthing scalable & disruptive business models which would grow immensely under the incubation of Katalyst. From which they would receive greater financial rewards or benefits in the digital inventory.

2. Cryptographic Barter Exchange - Barter trading is already inherently legal in practically all jurisdictions.

So it would be rewarding for us to implement the first cryptographic barter exchange all over the world. With the inherent flaws of conventional barter trading made irrelevant by blockchain technology, it is about time to leverage on blockchain technology to empower more people in the world to participate in the global free market.

We believe as the first to implement a cryptographic barter exchange, we would be able to serve the unbanked all over the world. As long as they have access to a handphone and the internet, they would be able to participate in the global free market and improve their own lives.

3. Strict Compliance to Local Laws in Respective Jurisdiction - When it concerns deposits or withdrawals of legal tender currencies, strict compliance would be enforced to comply with the laws of the country of operations.

As far as Exchange regulations are concerns, the regulations predominantly deal with legal tender currencies. This is where logically we need to draw a line between barter trading exchange operations which are inherently legal and need no regulations and legal tender currencies related trading which have different regulatory requirements in different countries.

With the framework of Katalyst properly defined, it directly addresses the actual market gap and empowering more people to be involved in the global free market. It also allows the venture capitalists & private equity professionals to leverage on the gigantic growth of enterprise value for those companies which correctly leverage on the market gap addressed by Katalyst.

Katalyst Roadmap

Katalyst positions itself as the catalyst of what is inevitably to come. As a result of blockchain adoption barter trade all over the world and between distant participating nations, trade and economic transactions are bound to accelerate.

Katalyst would function as a blockchain platform which the following is to be achieved;

1. **Discovery of scalable & disruptive business models** – Business models that would grow even faster in a blockchain enabled world. For that to happen, a basic 4 parameter test is sufficient to filter them out for the next stage of growing them. Read **Methodology** section to understand how we discover those business models.
2. **Growth of these scalable & disruptive business models** – When these business models are discovered, they are to be grown in a conducive environment. This requires the involvement of capital market and also an exchange that facilitates the barter trade of its products and services. Read **Methodology** for more information.
3. **Massive Financial Rewards for Active Katalyst Coin Owners** – Katalyst Coin owners or even non coin owners who are active participants in the discovery and growth of the business model may enjoy huge financial rewards through the reward of Katalyst tokens, fiat currency rewards and also tokens issued by the said business model. Read **Methodology** for more information.

To achieve the above mentioned functionalities, we are going to embark on the following steps.

We have already discovered our first flagship business model to **Katalyse** its growth. **LiberaCoin** targets to cut the red tape & bring back the passion. It is a blockchain platform that allows creative producers to reach their market directly.

We are glad to have a highly successful film-maker living in California to lead **Ocoin (temporary working name, not yet finalized)**. Steve Oedekerk would be leading the charge for Ocoin. Being a film-maker that is involved in all these movies





Ocoin would be providing filmmakers a new way of making and distributing movies. Fans can pay for the tokens which can exchange for merchandises and creating a blockchain platform in which fans can be rewarded for contributing to the community. Either by sharing news about a new movie, distributing merchandises etc. It would be a disruptive platform which can revolutionize movie making.



For illustration only. Not related to Star Wars

Providing a means for filmmakers / artistic producers to make media materials and massive money from merchandising.

LiberaCoin is founded on the basis of bestowing the freedom to create back to creators. The situation as it is now, a lot of artistic works are barricaded by commercial cartels that charge all creators a fee just to have them redistribute to artistic consumers. Cost of artistic creations are artificially inflated in the process of delivering the artistic work to consumers.

To make things worse, those big commercial cartels sometimes dictate how the work is to be done. The artistic independence and creativity is limited by that.

Most importantly for LiberaCoin to work, creators must connect directly to serving consumers and customers. Thus LiberaCoin is here to connect the two sets of markets and cut down the middleman. In the process, of course LiberaCoin must be able to serve people who also have

commercial interests in it while not delineating from the main aim of independent creators creating value for their customers.

Merchandising provides a means from which early buyers of **LiberaCoin** can benefit from receiving the merchandises. The coin owners may also benefit from bartering it off for something that has financial value or any other form of value for the **LiberaCoin** owners. KatalystCoin being the blockchain platform that **Katalyses** the **LiberaCoin**, would be accepted as a coin that can barter for **LiberaCoin**.

The next flagship project would of course be a cryptographic barter exchange that would enable all these barter exchanges to carry out. There needs to be an exchange that is designed ground up from technological standpoint and legal standpoint to be completely compliant with laws all over the world.

We have got to acknowledge that Barter Exchange is legal throughout the world. It stems from the respect of personal property rights and that all ordinary citizens have the rights to deal with their own personal property the way they see fit. **Magna Carta**, the guiding principle in commonwealth laws and also enshrined in one way or the other in the Constitution of most Nations in the world personal property rights have to be respected.¹

Barty is presently the working name of our cryptographic barter exchange. It is a friendly name that signifies our mission to bring barter trade to every living being on our planet. It is the rights for every human being on our planet to be able to trade in pursuit of their own happiness and well being.

It also signifies our commitment to comply with international laws by focusing on the only activity that is legal – barter trade. Where it concerns fiat and securities, it must be dealt with categorically and all laws need to comply with the respective countries' currency and securities laws.

Barty is presently the working name of our project.



<https://barty.exchange> – Your friendly connection to barter exchange on the Blockchain.

Note : The above logo is not the final logo of the exchange, and the above mentioned slogan is still subject to change. However, the purpose of the exchange would not be changed. A friendly exchange that is geared towards the mass education of using blockchain for completely legal barter trade and empowering the masses to be part of the blockchain revolution.

¹ Money is a form of personal property as well, but legal tender money is centrally managed by the respective central bank of respective countries. There is an issuing party which can decide to issue as much as they want to, which is unlike any other form of asset classes. Same for Securities as well, that is why their issuance and sales have to be regulated by the respective Acts that deal with Company formation, etc.

To rapidly get up to speed with the implementation of a barter exchange, we are going to build on the success of **WavesDEX** – an existing open source distributed exchange that has already been tested. Upon start of implementation of **Barty**, we expect it to be done in less than 3 weeks. We would list trading pairs that are definitely barter trade related and as far as tokens that have fiat based or securities based behaviour we would remove them as trading pairs.

Barty would then proceed on to acquiring more users and focused on education and we would leverage on top of Waves strong technological strength and deliver a fantastic exchange and we would focus on the real things that matter – educating and empowering normal ordinary citizens all over the world to be able to participate in global barter trade and in the process achieving happiness and well being for themselves.

To facilitate the healthy growth of the related barter trade, we have engaged the involvement of capital partners. Our shareholder, MCG Capital is one such party. Where applicable, we would provide underwriting commitment to selected projects – that means we commit to purchase the cryptographic inventories should the need from the market is not ideal. At the same time, we may be the market maker to ensure that a selected coin would grow healthily by the market maker purchasing / barter trade the cryptographic inventories at a predefined value.

KatalystCoin, being the blockchain platform that **katalyses** Barty, would be used as fees and universal asset that may be barter traded with all the cryptographic inventories listed on **Barty**.

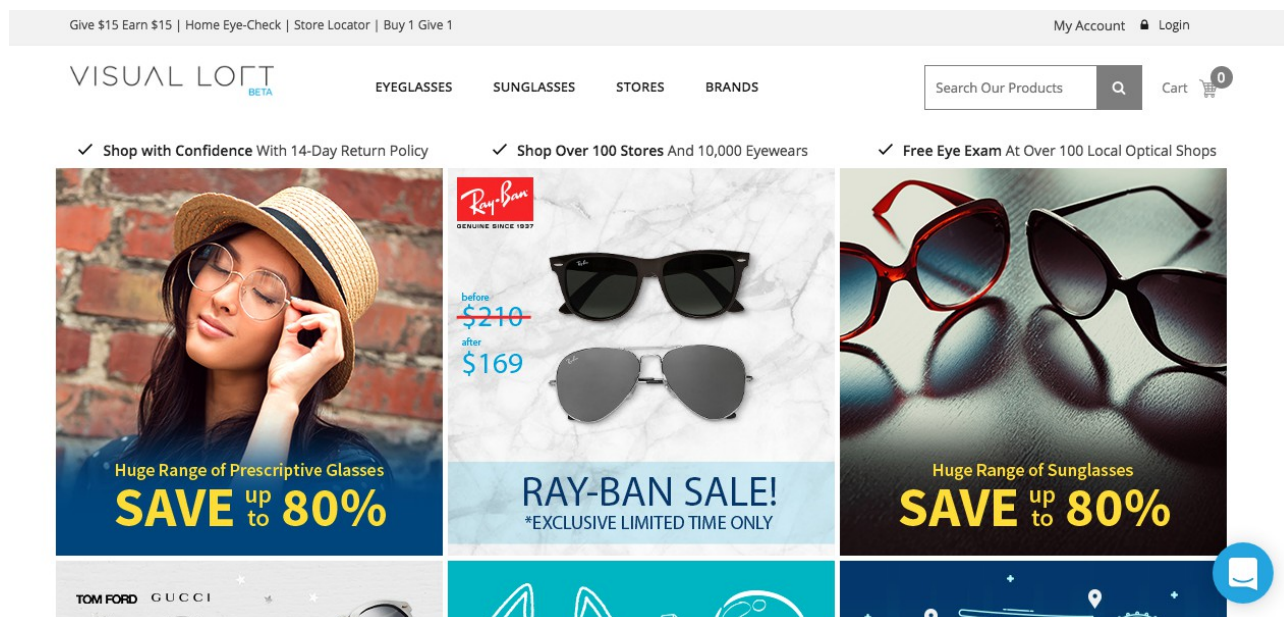
The third flagship project that **KatalystCoin** would katalyse is **ViolaAI** blockchain platform.



ViolaAI blockchain platform is started by the famous **Lunch Actually**, which is a leading lunch dating company in Southeast Asia. **Lunch Actually** has offices in the major cities in Southeast Asia. **ViolaAI** targets to be the Artificial Intelligence platform which would guide users in different stages of a dating roadmap. The **ViolaAI** would be made generic so that parallel industries / markets that have a similar problem of AI coaching can use the blockchain platform as well.

Again, **KatalystCoin** would **katalyse** the blockchain platform and would have a trading pair with

ViolaAI coin on Barty.



In this round, the last flagship project would be the **Visualloft** blockchain platform.

Visualloft is a blockchain platform that would make it easy for merchants to bring their eyewear online. Granting that even ecommerce is already quite prevalent at this part of the world, but it is not so for eyewear. The reason is because it is a highly regulated area which only qualified optometrists are able to sell online / offline. It is similar all over Southeast Asia, which poses a great opportunity for **Visualloft**.

KatalystCoin would **katalyse Visualloft**. **Visualloft** would be traded on **Barty**. **KatalystCoin** would be able to barter trade for **Visualloft** coin as an universal cryptographic inventory on **Barty**.

When these 4 flagship projects are ongoing or completed, it would set in place a self sustaining blockchain engine in which new projects are going to be **katalysed** by **KatalystCoin**. On **Barty**, the new projects would have a healthy environment to grow in. Where applicable, they would be underwritten and also when they are barter traded in the market, there would be a market maker to allow it to grow healthily.

Management Team



Mr Raymond Ng graduated about 20 years ago with an Honours Degree in Information Systems & Computer Science. In his Honours research thesis, he was innovating on Artificial Intelligence in the area of computer vision – he used open source resources like Linux & gcc in his research.

After graduation, he was active in the open source community in Singapore. He was part of a dedicated team that first brought in Singapore Linux Conference, LinuxWorld Expo to Singapore.

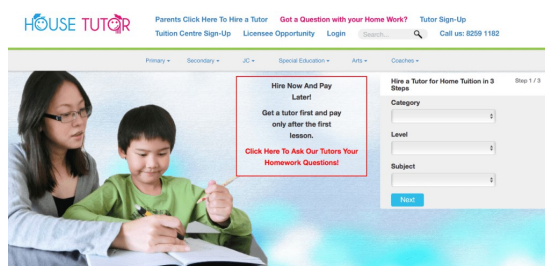
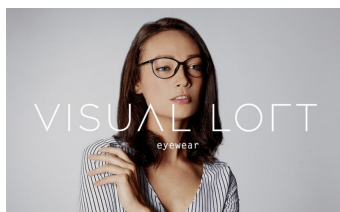
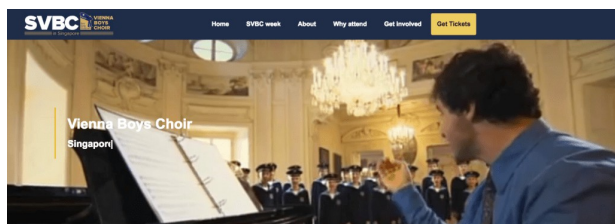
During one of the years, he was serving as Chairman of the whole event.

During this period, Mr Raymond Ng has been helping companies to restructure their business models so that they may enjoy the greatest chance of receiving funding both from the government and also from private investors & venture capitalists. So far, as long as the business model is designed & implemented according to his specifications, his fund raising, investment & revenue increment can be achieved to near to 100% probability.

In the past 16 years, he has seen over 16,000 business prospects and has actually served no less than 3,000 of them in a consultant-client relationship. As a result of these experiences, he has seen repeating patterns of what makes a business model sustainable, bankable & investable.

As a result of his proven experience, he also has been certified by a government supported certifying body known as the Singapore Business Advisors & Consultants Council. This certification allows him to apply for sizeable government related funding schemes to help companies to receive funding for potentially blockchain related projects.

In the recent years, he has also been investing in some companies. Among which, the more notable ones are as follows;





Mr Teng comes with great credentials.

Mr Teng Theng Dar is currently Singapore's Non-Resident Ambassador to Oman since 2008 and the former Chief Executive Officer of Singapore Business Federation – the apex chamber of the Singapore business communities. He graduated with a Bachelor of Arts (Commerce) from Waseda University, Japan in 1979.

Mr Teng Theng Dar joined the International Division of Kao Corporation, Japan in 1979 and was with the company until January 1992. From 1992 to 2002, Mr.

Teng served in various C-level positions at different companies including P T Rodamas Co Ltd, TV Media Holdings Pte Ltd, Nostrad International Pte Ltd and Consolidated Foods Australia Ltd. He also served as member of the Food Industry Advisory Council, Victoria State, Australia. In addition, he served as CEO of ABR Holdings Limited between end 2001 to end 2002. He was the Chief Executive Officer of Intraco Ltd from Dec 2002 to Feb 2008.

To know more about him, you may visit his illustrious LinkedIn profile to know him better.

<https://www.linkedin.com/in/businesscompassadvisory/>



Mr. Yuan has 24 years of management experience in the world's top financial institutions, including the Zurich Financial Services Group, Zurich Insurance Group, Bank of America and a number of private equity funds. He is the co-founder and CEO of Millennium Capital Group and MCG Holdings Group.

Mr. Yuan served as a team leader in Zurich Financial Services Group and was responsible for managing the development of financial products. Mr. Yuan also served in Zurich Global Assets, Zurich insurance, Zurich Capital Market, Zurich Reinsurance, Zurich Scudder Fund and Zurich Kemper Investments. Mr. Yuan has rich experience in financial products and Medium Term Notes. Mr. Yuan has also provided financial advice to international groups, including Fortune 500 enterprises. Mr. Yuan has guided and advised for many acquisitions of overseas top brands. Mr. Yuan was one of the founding members and General Partners of Yun Stone Fund and was responsible for equity investment and technical evaluation and acquisition of projects overseas.

Mr. Yuan was involved and led more than 40 complex financial transactions, including large-scale M&As, reinsurance projects, international securities transactions and cross-border transactions. As the co-founder of Millennium Capital Group and MCG Holdings Group, Mr. Yuan has built a team of more than 20 global partners with deep industrial connections at home and abroad in six major capital markets around the world (including China, the United States, Europe, Japan, Hong Kong and Singapore).



Ms Soh Wan Wei is the latest addition to management of KatalystCoin. The core of KatalystCoin is not about the technology. Technology is already a solved problem.

The present gap is the communication of blockchain as a solution to the greater market, and we are honoured to have Ms Soh with us. Ms Soh Wan Wei is a public relations professional who has interviewed more than 100 C-Level Executives to date, including presidents, ambassadors and politicians.

In 2017, Wan Wei was the first and only Singaporean selected by the Prime Minister's Office to helm Finland's 100th years of independence project.

Ms Soh graduated with a Masters in Corporate Communication from Aalto University School of Business and a Bachelor Degree with Honours from the National University of Singapore.



Mr Victor Tan is the owner of VTI Pte Ltd, a technology company specializing in contract R&D and turnkey product development services, involving computer imaging, video analytics, machine learning, encryption and security.

He has provided solutions to the Singapore military and Singapore government agencies ranging from wearable soldier systems, to biometric verification systems in electronic passport, intelligent video surveillance and secure communication systems.

He has also provided services to commercial companies in enhancing their technology capabilities and building their product lines which serves as their company core products. He is also the co-founder of a hardware/IOT startup, Transformesh which produces smart electronic locks.

Victor also provide advisory services to various companies as chief technology advisor; directing, guiding and formulating their technology directions. Some of his clients include Singapore Technologies, National Computer Systems, Ministry of Home Affairs, Singapore Prison Services, MINDEF and Comfort Delgro.

Mr. Victor Tan is a Computer Science graduate from National University of Singapore, 1994.

Rest of Management & Advisors



Mr Lester Lee started his first retail in 2009 and managed to break even within 6 months time. Went on to build his optical empire within six years.



Mr Joseph Kwok is currently the CEO/GM of SooChow Securities CSSD (Singapore) Pte Ltd, a licensed fund manager in Singapore that is 75% owned by SooChow Securities and 25% by CSSD (China-Singapore Suzhou Industrial Park Development Co. Ltd).



Mr. Ko is a select member of the Hong Kong Stock Exchange Derivatives Consultative Panel, with extensive knowledge in securities, derivatives and corporate finance. Mr. Ko is having experience in the big 4 international accounting firms.



Mr Zhang has 20 years of experience in venture investment and is a successful venture investor.



Mr Nick Johnston founded a recruitment company in Tokyo called Wall Street Associates (WSA) Japan in 1999. He is an investor.



Ms Ooi Lay Leng has extensive experience in financial markets. She was a fund manager as well as a local regulator for our sovereign fund for 34 years.



Ms Iris Koh has joined us as Advisor. Being a musician, she provides another perspective among the other more technically inclined members of management or advisors. Under the umbrella of Katalyst, she would be heading her own blockchain token.



Mr Jamie Lee co-founded Lunch Actually in April 2004 together with his wife Violet Lim which is Lunch Actually is South East Asia's biggest dating group. He helped expand the businesses from Singapore to Malaysia, Hong Kong, Indonesia and Thailand.



Mr Benjamin Yang is an internationally sought-after F&B and Retail Profit Strategist. He is known as an architect who has been working behind the scenes to assist many big international brand names.

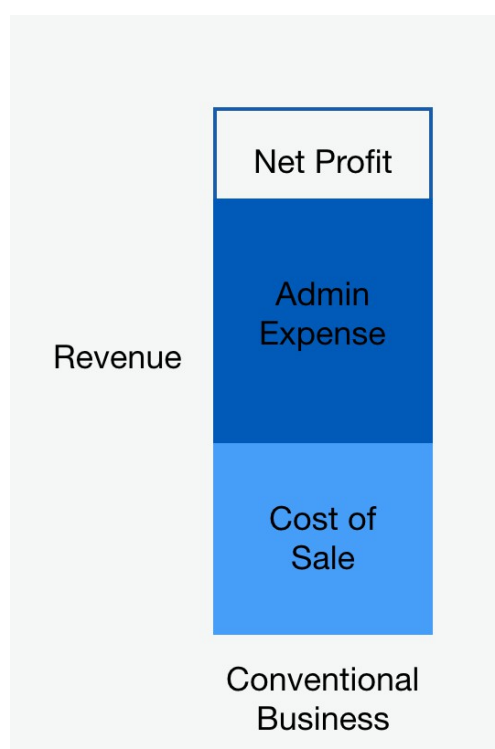
Methodology : Filtering out Scalable & Disruptive Business

Given the huge percentage of failure in the venture capital industry the layman would guess that it is very difficult to find winners like Amazon / Google / Facebook. These winners have given their angel investors 1,000 times or more than 10,000 times the returns of invested capital.

In fact, it could not have been simpler. There are only **4 main parameters** to look for in the financial statements of an evaluated business model.

Parameter 1 Net Profit Ratio with Revenue

In the contemporary venture capital market, disruption & scalability are overused words without people having a clear understanding what that is. In fact, people may have been using that term erroneously.

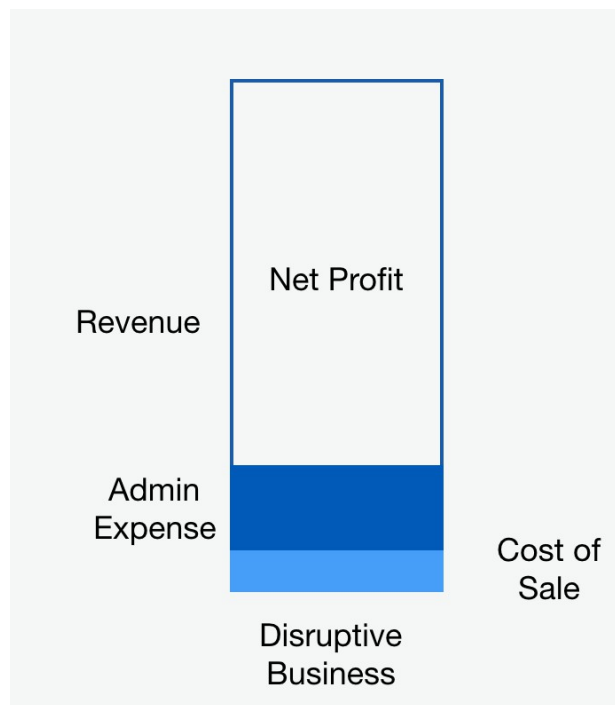


To clearly explain what I mean, let us look at the income statement structure that is common to everyone in the world.

The above is a typical income statement structure. The cost of sale is a direct cost that has to be incurred in providing that said service like buying inventory, etc.

The admin expense consists of fixed expenses like staff cost, real estate rental, and other miscellaneous costs that have to be paid independently of revenue.

For a business to be considered disruptive and scalable the business model has to have lower cost of sale or lower admin expense.



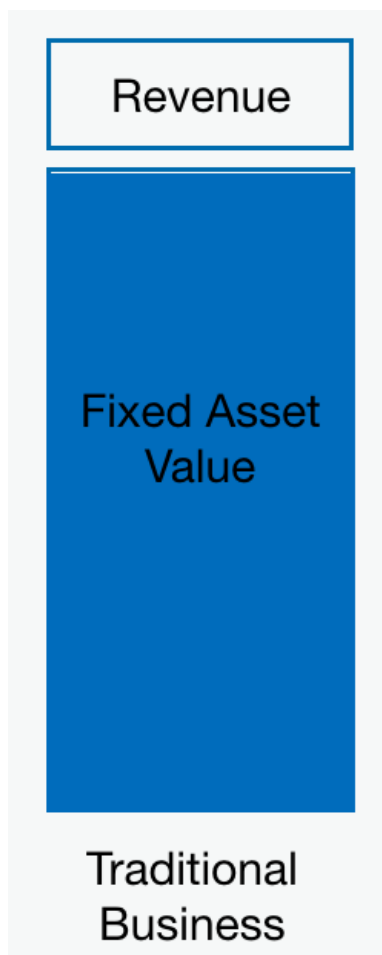
For a business to claim that it is disruptive as compared to a business that it is disrupting, I think it is fair to say that you have got to show that when the business model is implemented it has significantly lower admin expense and cost of sale.

Many may argue that disruptive & scalable businesses have proven to have no net profit at all. Sometimes incurring losses in the tune of billions like Uber. However, the losses of Uber is that Uber is incurring a lot of expansion related admin expenses (offering discounts, free rides, etc) in the conquest of the market - **a domain which should remain financeable by conventional equity financing.**

Parameter 2 : Asset Light Balance Sheet

A disruptive and scalable business also has to be asset light. A conventional business model is usually asset heavy.

Let me illustrate with an image of a traditional business model.

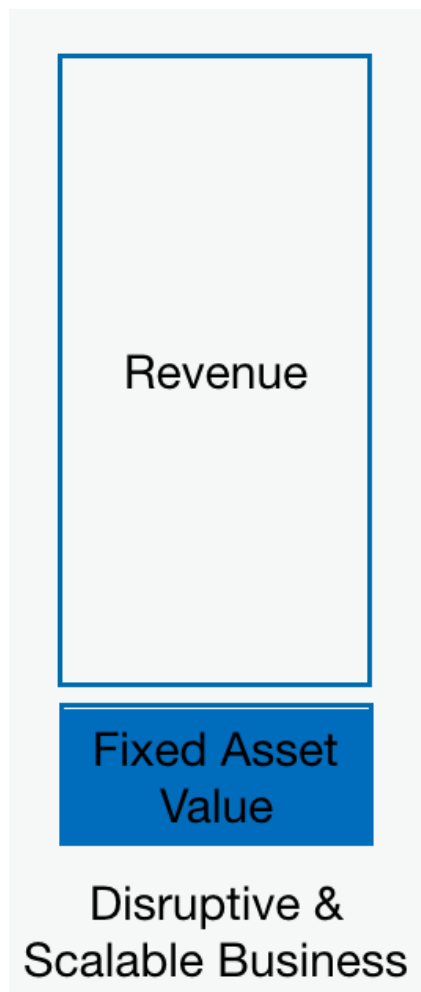


A few very good examples of traditional business is real estate business. Real estate business owners often have to incur the capital expenses of buying the real estate and yet the rental revenue is pittance compared what they have to pay.

The other good example of a traditional business is airlines. They have to spend hundreds of millions of dollars to buy a plane and they have to incur this capital expense over and over again when the planes are to be replaced.

Traditional business models are asset heavy and the revenue generation from such an heavy capital expenses is pitifully low. Compared to a scalable and disruptive business model, that is.

Let us compare side by side what a asset light scalable and disruptive business model is like.



A good example would be Airbnb. It manages big number of real estate units all over the world. However, it does not own these real estate units.

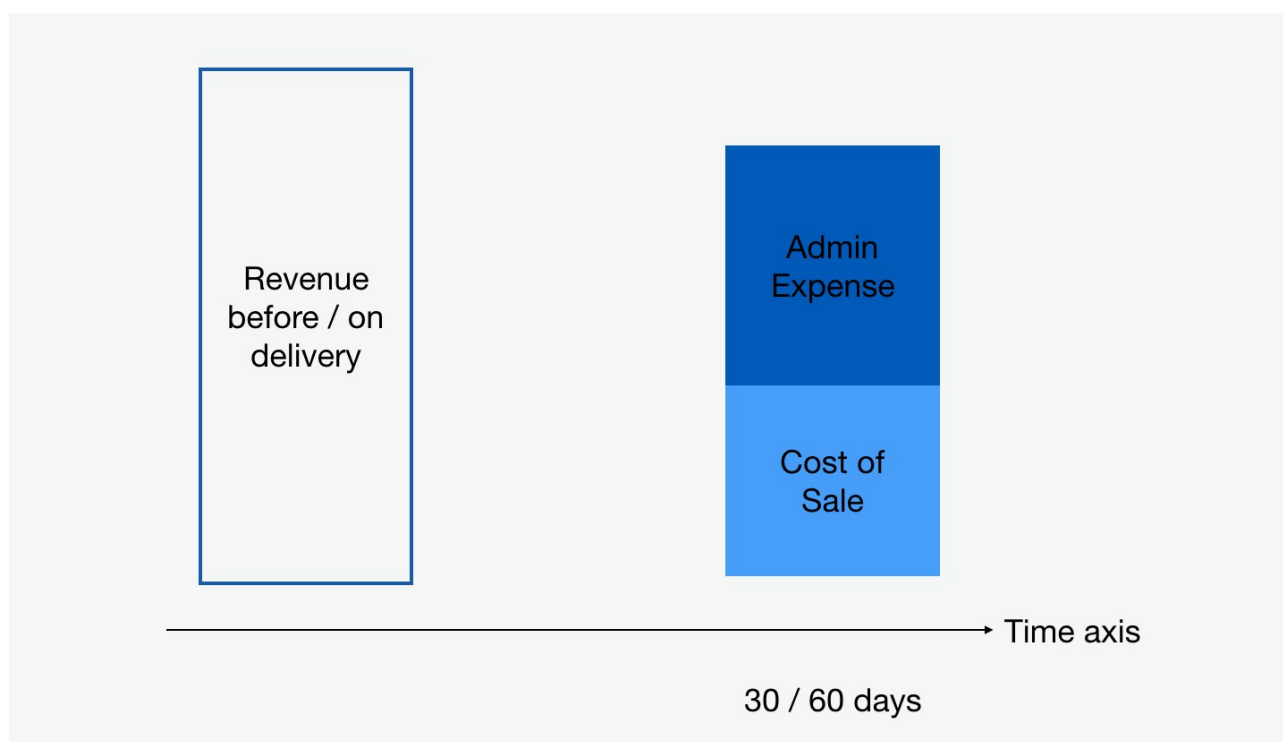
The revenue generation capacity from a comparatively lower fixed asset value is astounding for a scalable and disruptive business models as compared to a conventional business model.

This is an important distinction to get.

Conventionally, capital expenditure is financed by either equity or debt. It basically means that a conventional business has a large part of its equity or debt being used in an area that may not generate any revenue.

However, scalable & disruptive business models do not need equity or debt to focus on capital expenses. It would raise equity or debt for almost the sole purpose of revenue generation. **This is what conventional investors do not consider during investment.**

Parameter 3 : Short Working Capital Cycle



A business model can still be considered scalable and disruptive if its working capital cycle is short. In layman terms, a short working capital cycle means the following;

Customers are willing to prepay or pay on delivery – For certain kind of businesses, like Dell. Customers are willing to prepay them even before the computers are delivered to them.

Businesses that have customers willing to prepay them or pay them on delivery usually have something unique about them. It is either the business model is in an area in which the market is under served and that the business can make demands about payment upfront or pay on delivery.

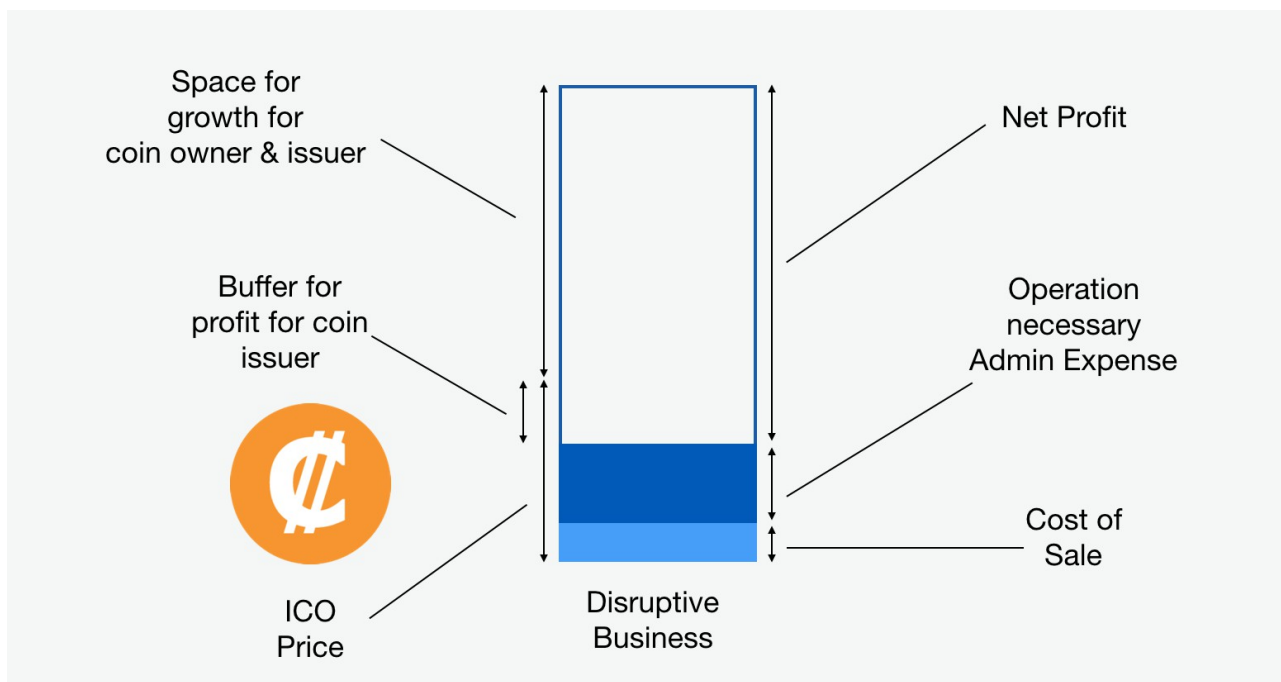
Businesses that are not able to do that are probably in a market in which the market is over served by a lot of competitors and so the customers are the ones who dictate the terms of payment.

Suppliers are willing to receive payments later – Again, Dell's suppliers used to extend payment terms (30/60 days or more) to Dell. The reason was simple. It was able to have market reach that its suppliers cannot have.

As a result of Dell resolving a key logistic and marketing problem for them, it has no choice but to extend Dell this financial convenience to allow it to make payment later.

Having an immediate payment or prepayment & a long payment period is the hallmark of a highly scalable and disruptive business model.

Parameter 4 : Multiple Value Creation from Token Event



For a scalable and disruptive business model we can easily design a digital token to represent the value difference & creation as a result of its own scalability & disruptive.

The digital token would offer the disruptive and scalable business to receive prepayments for services that are highly discounted for the consumers / token investor.

At the same time, there is sufficient buffer so that the disruptive and scalable business can utilise for the purpose generating a profit on top of paying for cost of sale & admin expense.

Over 90% of the disruptive and scalable businesses may still fail because they are not able to reach the market before they run out of money. Reaching the market is a big problem for most companies.

Tokens or digital assets earned during the process of Initial Coin Offering when deployed in marketing or reaching the market of customers.

In fact, the performance of the token event of a specific token would indicate generally whether there is a market for the disruptive and scalable business model.

Some may argue that having a market with the token speculators or trader does not mean that there is a real market for a service or product.

However, I believe in the wisdom of the crowd. Eventually as the token investors consolidate they would look more clearly at the different token events before placing their bets on it.

If the token event fails for disruptive and scalable business, then it is rational to explore all other options of reaching the market. If all options are explored and yet there is no way to reach the

market, then the business owners should explore stopping the whole business rather than wasting more time on it.

Value Creation from a Successful Token Event

Value creation from a successful token event is twofold.

The token issued by the said disruptive and scalable business would increase in its valuation or market cap.

The company issuing the coin would increase in its valuation. As a result of validated market need and realised asset flow.

It is therefore crucial to take positions in both the token ownership and the shares of the company in the case of an eventual listing on a stock exchange.

Conventional rewards based (i.e. not equity) crowdfunding that only collects a fee misses the whole point altogether, **as the greatest value is in equity & not in fees.**

Problems of Venture Capital Industry

The flaws of the venture capital industry is tied to the main framework of how it operates. Where the main framework is flawed, there is little you can do to improve within a flawed framework.

Venture Capital industry framework generally works in this manner;

1. Investing in a company when the value is still relatively low. Like for example, investing a sum from a few hundred thousands to a few millions for a small stake.
2. They would basically sit back and hope that the company would be able to enjoy a trade sale 1 to 2 years from now. Hopefully within the timespan of the desired fund. Generally the timespan of most of the funds is about 7 years.
3. They generally do still offer advisory, further capital fund raising assistance to invested companies on top of just providing money.

However, in spite of all that, 80% - 90% of the invested companies would not achieve their targets. They would either suffer a complete or huge partial loss of invested financial capital.

The failure rate is so commonly observed all over the world that it is treated as normal and acceptable for such a huge waste of resources.

What are the reasons?

Venture Capital investment framework can be described as mostly strategic and completely not tactical at all.

Existing investors are forced by their mental framework to think of returns in terms of 3 to 5 years. They rarely feel that they can do anything other than providing overall advisory work and also further fund raising assistance.

Tactically, they are not able to do anything much. To make things worse, they probably feel that they are not supposed to do anything tactically. In the process, exacerbating the problem as they would not find a solution to their tactical problem because conventional venture capital does not even see it as a problem. The root cause of this again, stems from the framework of conventional venture capital.

How would Katalyst Coin Resolve These Flaws?

Firstly, a successful token event is an indication from the market that the service is desired in the market. In the process, forming the first level market validation.

Secondly, in the process of structuring an token event the Katalyst Coin would receive benefits in the form of fiat currency fees and also a percentage of the newly issued token event coins.

The profits are realised from day 1, tactically speaking. When tactical concerns of capital preservation and in fact growth is achieved, strategic targets are likely to be achieved.

In any case, the most important thing to realise here is that the financial rewards are realised immediately in the order of 2 to 3 months and not 3 to 5 years.

Thirdly, you only invest only after the token event is successful. The investment capital should be well covered by the fiat currency fees & the coins received as rewards.

And for providing such a huge value added as an investor, we would invest at highly discounted share prices.

To illustrate with a simple example. If a company valued at **USD 2,000,000** is raising funding, we would then do an token event for that company.

Let us say that the company has a token event involving **USD 40,000,000** worth of digital assets. **15%** of the assets would be rewarded to us amounting to **USD 6,000,000** worth of digital assets. In which case, we would cash out **USD 500,000** to subscribe the shares at a much discounted valuation other than just **USD 2,000,000**. For example at **USD 1,200,000**, thus resulting in us becoming a 33% shareholder.

A company with **USD 40,000,000** validated need would be easily valued at over **USD 200,000,000**. Total gains, **USD 6,000,000** of liquid digital assets and **USD 66,000,000** paper capital gains.

Tactical-Strategic Capital Model

This model became possible with the emergence of various trends in technology. Namely they are;

- a) Rewards based crowdfunding.
- b) Pre selling tokens stated in this white paper.

The above mentioned form of crowdfunding and the coin offering either confirms / validates or totally falsifies the business model's market need.

If the market need is confirmed via a token event, moving on to take equity position and get part of their coins as rewards become brain dead obvious.

If the market need is verified to be a failure, then stopping any involvement in the said business model is not that bad an option either. Reducing exposure of resources to a probably failing project would preserve capital & resources.

Hundreds of millions, if not billions of equity financing are wasted on failed projects per year. If the conventional Venture Capitalists know how to perform token event tactically, the returns from invested capital would have been greater.

The existing venture capitalists are also made up from these groups of people;

- a) **Ex bankers** - meaning that they do not have sufficient experience dealing with the tactical concerns of running a business.
- b) **Ex entrepreneur** - venture capitalists are now also made up of some ex entrepreneurs who exit their business. Having run a successful business before and exiting it makes it better.

However, having exited 1 business before does not extend that experience to another business of another nature.

There is a need for a new breed of venture capitalists who excel at this tactical-strategic capital model.

With this in mind, we can repeat this manner of investing to multiple companies. Disruptive and scalable business models that fulfil this criteria can be repeatedly invested up using this tactical-strategic capital model.

Let me illustrate with an example of **LiberaCoin**.

Assuming **LiberaCoin** token issuance event is **USD 100 million**.

These are the examples that are truly considered for this capital model for the moment.

Let us just consider the collective benefits of the token event for a person executing the capital

model.

The digital asset fee is in the order of **US 15 millions**. The value of the shares depends on which stock market we may be listing the company, or trade sale offers we may have. Let's just average that to **10x** of token event sales. That amounts to a whopping **US 1 billion**.

However, do note that the above mentioned numbers are projections and actual numbers may differ.

The logical extension of this capital model would result in portfolio of invested business models contributing to the value of the Katalyst Coin.



In fact, the digital asset fee paid as a result to the Blockchain Platform of Katalyst Coin would be redistributed to the active coin owners of the Katalyst Coin.

The Katalyst Coin Blockchain platform would also contain tools in which anyone all over the world can use our methodology to evaluate the business models all over the world as per whether they comply to the massive and rapid growth of our tactical-strategic capital model.

Smart Contracts would be implemented to ensure the designated tokens are corrected disbursed to the owners of the Katalyst Coin. Individual tokens may have their own Smart Contracts disbursing the relevant rewards as well to the owners of the Katalyst Coin.

The tactical-strategic capital model is only made possible only in the recent years and more so in the recent months because the advent of technology allows the market need to be ascertained via crowdfunding mechanisms and now even more rapidly via token event.

That means that capital can be better preserved and also at the same time, it can be deployed for almost certain growth. Reducing the uncertainties to almost nil. Creating a capital model that loses near to nothing when a wrong guess is made, but massive gains in capital gains and digital assets when the right guess is made.

The Katalyst Coin would be used for the following;

1) Investors all over the world would be able to use the coin to use our system to confirm whether the business model is consistent with the model stated in this white paper.

Whether the business models have a high gross and net profit ratio to give a high margin of safety. Our system would also be able to suggest changes to the business model so that it can be changed to be compliant.

2) The Katalyst Coin would be used to invest in a compliant business model and execute a token event on the invested business model.

Through this exercise, the investment of token is done through highly favourable valuations and at the same time we get rewarded with the invested business model's ICO token.

3) The active owner of the Katalyst Coin would be rewarded a percentage of future ICO token (as a form of their performance rewards) that this tactical-strategic capital model.