



CoLibra Whitepaper

Decentralized Insurance

*(CO: “together”; LIBRA: “balance”, “justice”)

May 2018

Executive Summary

What it is?

Colibra is a new type of insurance company built on the Ethereum blockchain. Colibra utilizes a decentralized network protocol to handle insurance claims in a trustless and fair manner by using a network of independent and certified claim handlers (jurors).

Colibra's first domain will be travel insurance.

How it works (claims handling)?

Colibra's network of independent claim handlers (jurors) decide whether a claim should be paid or not based on game theoretic principles, thus making the claim decision process decentralized, transparent and fair. Moreover, by requiring a certain number of tokens for participation in claim decisions and providing a reward for solving a case, jurors have incentive to act honestly. Here's how the claim decision network works, from a high-level perspective:

After joining the network, each juror undergoes a short training and passes internal certification for how to best evaluate claims. Before deciding a claim, each juror stakes a certain amount of "Libra" tokens (the network's native tokens) in a smart contract. Staked tokens act as a guarantee that the juror will not act maliciously. Once tokens are staked, the juror evaluates the claim's case and casts their vote. When a majority is reached, a claim payout is either approved or rejected. All processes within the network are governed by smart contracts, which are used to automatically fund claim payouts and reward jurors for their work.

Why own token (and not ETH)

Libra tokens are necessary for three key reasons: 1) To create a deflationary token economy with a burn mechanism (very similar to Binance Coin); 2) To provide increased incentives for jurors to vote honestly and thus create network effects; and 3) To fund operations.

What will drive the token's value

1) A certain number of tokens tied to the business' results are burned each quarter (scheduled burn), thus decreasing the total limited token supply; 2) Insurers using the network pay fees and reward jurors in tokens; 3) Colibra Insurance policies are paid in tokens, thus further driving demand.

Why it's important

1) Colibra brings justice, transparency and fairness to insurance by removing conflicts of interest from the traditional insurance model; 2) Any insurance company can use the network as an alternative claim-handling platform if it desires increased transparency and fairness for its clients.

1. Problems in the Insurance Industry

1.1. Clients don't trust insurance companies anymore.

A survey conducted by PwC in the UK found that 73% of people distrust insurance providers¹. Another survey by IBM² and the Institute of Insurance Economics had similar results, finding that 58% of people distrust insurance companies, and the well-respected Edelman Trust Barometer found a 47% distrust in insurance³. The main factors influencing distrust in the insurance companies are:

- Personal experience dealing with the insurance company (39%)
- Transparency of price and terms/conditions (25%)

"Consumer trust in the industry is low because transparency is lacking – and has been for years."⁴

1.2. Conflicts of Interest

Insurance companies are businesses, and as businesses, their goal is to bring profits to their shareholders. This explains why insurance companies are often so reluctant to release funds to insurance buyers. While it is normal and acceptable to scrutinize claims as a way to prevent insurance fraud, many insurance companies overdo this, using flimsy excuses and reasons to deny claims and capitalize on their policies. For a policyholder, few things are more frustrating than being

¹ How the financial services lost its mojo - a survey by PwC

² Trust, transparency and technology: European customers' perspectives on insurance - a survey by IBM

³ Edelman Trust barometer (p.26)

⁴ Trust, transparency and technology: European customers' perspectives on insurance (p.10)

treated unfairly regarding to a claim that you have been insured against for years.

The Morgan Stanley/BCG Global Consumer Survey⁵ supports this, stating that online satisfaction with insurers decreases along the value chain, with the lowest satisfaction seen at the claims stage, with a net promoter score of -49. The main reason for this negative attitude toward insurance companies is the centralized claims handling process, which lacks transparency and fairness.

1.3. Lengthy Claim Payment Process

When a claim is not rejected, it can still take weeks for compensation. After accepting a settlement offer for a personal injury claim, compensation is typically received within **14-28 days⁶** from the date of settlement. We live in a fast-paced world, and many people simply do not have the time or money to wait weeks or months to be compensated. At Colibra, we believe this has to change.

1. “An affiliation of pirate-gamblers who accept bets called premiums. The dollar amounts of the premiums are non-negotiable but the amounts of the claim settlements, should the company lose the bet, are rarely delivered without argument.”
2. “Evil multi-billion dollar corporations that earn a profit from your premiums, and then find any loophole they can so they can refuse to live up to their responsibility in order to save money. An insurance company is really a legal form of fraud.”

⁵ Morgan Stanley/BCG Global Consumer Survey 2014 (p.38)

⁶ How long does compensation take to come through

It's time to reinvent the insurance business and make it trustworthy again.

2. Vision

Our vision is for a fairer, more transparent and autonomous insurance industry in which the most sensitive sector (insurance claim decisions) is handled independently from insurance companies or their subcontractors to prevent conflicts of interest. An industry where regular people can be trained and help determine the rightfulness of a claim; bad actors are filtered and not tolerated, while good actors are rewarded for righteously evaluating a case.; and people don't wait weeks to receive claim compensation payment. Our vision is simple: a transparent, fair insurance industry.

3. Solution

To achieve our vision, Colibra is building a new type of insurance company that runs on a decentralized platform for insurance claims handling (iHIT) to facilitate a fair, transparent and autonomous claim process. The company would be fully digital (mobile first) and have a user-friendly, chat-like interface. In the following section, the iHIT platform is explained in full detail.

3.1 Insurance Human Intelligence Tasks (iHIT) Platform

Colibra's primary innovation is the introduction of iHIT, a decentralized platform for handling insurance claims. iHIT is essentially a transpar-

ent, community-driven, autonomous way to decide whether or not an insurance claims should be paid. This crowdsourcing approach is based on extensive research^{8 9}, which has shown that crowdsourcing complex work is not only possible, but also leads to better long-term results.

iHIT will be used for decentralized claim and customer analysis, claim processing, and autonomous claim payments. By pushing claim decisions to a global community of independent operators and jurors who are rewarded for their work with LIBRA tokens, iHIT represents an innovative new solution for resolving insurance claims in a decentralized manner. Viewed in another way, the iHIT platform is **a market-place for insurance claim processing tasks that require human intelligence.**

Roles

Two roles will be involved in the human portion of iHIT:

- **Operators:** Will collect, analyze and resume all required information for processing of claims*;
- **Jurors:** Will use the summarized information provided by operators to vote on claim payment decisions. Jurors will also be involved in evaluating the quality of operators' work.

**Every operator will be allowed to contribute as a juror, and vice versa.*

⁸Kittur, Smus, Khamkar, Kraut - CrowdForge: Crowdsourcing Complex Work

⁹ Valentine, Retelny, To, Rahmati, Doshi, Bernstein - Flash Organizations: Crowdsourcing Complex Work By Structuring Crowds As Organizations

Every involved human operator will have **Human Operators Ratings (HOR)** and the languages that he supports.

- After successfully passing the online exam, the initial HOR of the operator's profile will be settled and recorded on the blockchain.
- HOR will be a variable number and may increase or decrease, depending on the operator/juror's performance.

Modules

The iHIT framework will consist of two modules:

- Online Exam Module: Operators and jurors will be required to pass an online exam.
- Online Operating and Voting Module: Operators and jurors who successfully passed the online exam module will be qualified to contribute to iHIT tasks.

Approach

Our goal is to support the coordination dependencies involved in complex claim processing with the use of task management. Operators' tasks are complex, while jurors' tasks are simple.

- These tasks will be self-selected and executed by operators and jurors for payment in LIBRA tokens.
- Depending on their HOR, operators and jurors will be qualified to work on claims or various sizes and risk exposures. This will be managed by smart contracts.

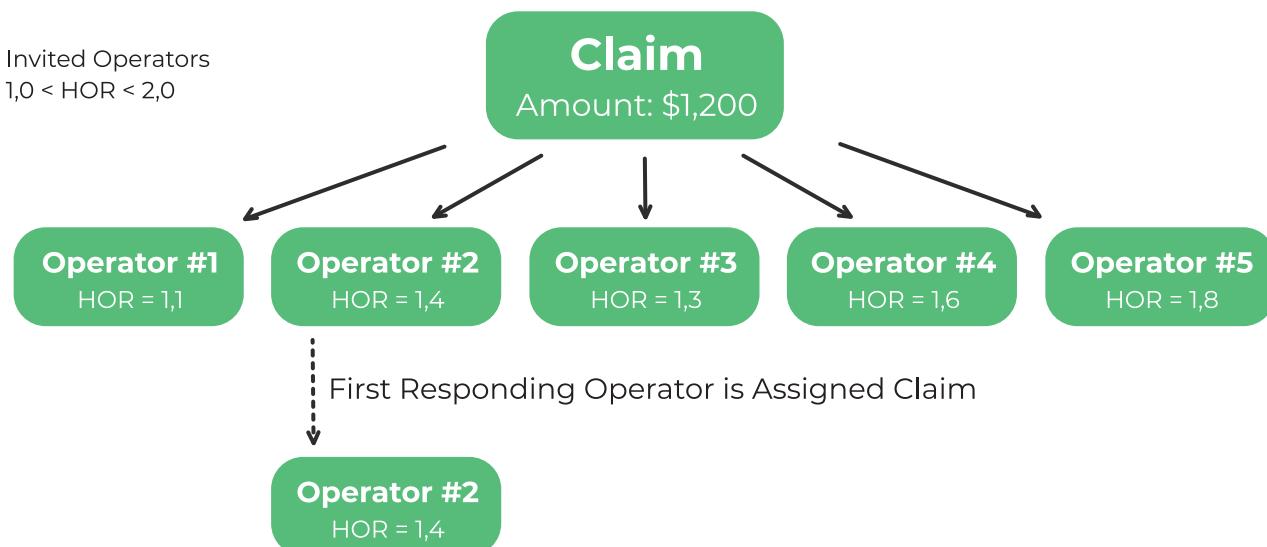
Claim sizes and risk exposures will be divided to the following groups based on claim amount:

- Less than \$500
- \$501-\$1,000
- \$1,001-\$2,000
- \$2,000-\$5,000
- \$5,001-\$10,000

[smart contract example of random selection of operators for a claim]

```
[(if(claim > $1,001 & claim < $2,000; Operator_1; Operator_2))]
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As a claim is reported, based on the country and the languages spoken in the region the claim originated, the smart contract will select operators with similar and appropriate HOR. An invitation will be sent to these operators to compete for the claim processing. This process will be repeated every 60 seconds until one of the invited users respond. The first responder will then be selected as the claim's operator. This process is mandatory for every claim and is outlined in the diagram below.



The operator performs the validity check using the Operational Internal App (call the hospital, check the validity of all documents and other evidence following a list of procedures specific to the claim country). When the operator is ready for processing the claim, they submit a resume with all procedures they have completed, mark documents they have validated, writes a summary for the claim, and then moves it along to the next stage.

Voting

According to the Condorcet's jury theorem¹⁰ a greater number of people in the jury creates a higher probability of identifying the right outcome, because we assume that the probability of a juror to be right is greater than 50%. For example, a 3-person jury containing members with an 80% success rate each will end up with a correct outcome nearly 90% of the time. Of course, Colibra will not utilize such a low number of jury members. Based on the Nagel & Neef¹¹ study, the optimum jury size is between six (6) and eight (8) members. Our approach will be to use an odd number of jury members, and so we will start with seven (7) people

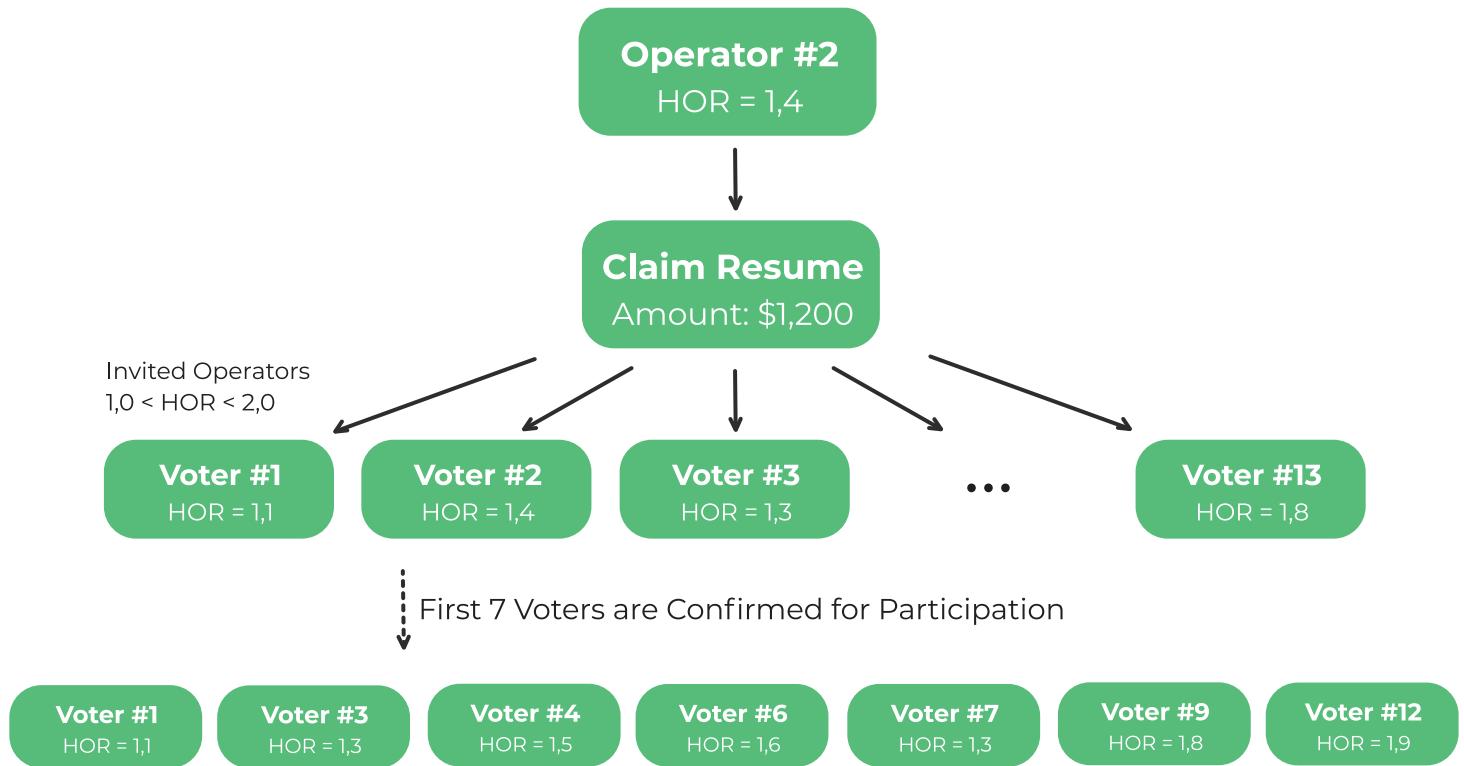
Jury Selection

When summary is submitted in the system, based on the size of the claim, languages/country, gender, age and HOR, jurors are selected and invited to participate in the voting process. Invitations will be sent until the predefined number of jurors accept. Time for voting will be

¹⁰ Condorcet's jury theorem

¹¹ Nagal and Neef study

no more than five (5) minutes but not less than two (2) minutes – enough time to become familiar with the summary and vote accordingly.



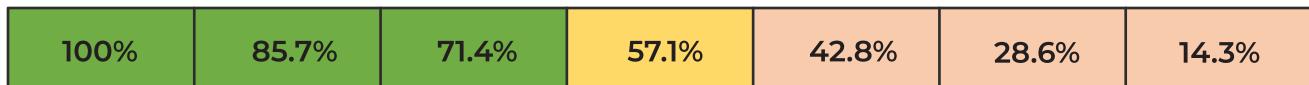
Voting Results

Example:

- Claim price is average 1,200\$: average risk
- Insurance is made two (2) weeks before claim: low risk
- Claim is made in the last days of the insurance period: high risk

Based on the voting results, the system requires at least 61% acceptance of a decision to approve it.

7 jury members



9 jury members



11 jury members



Claim is approved

System invites two (2) additional jury members

Claim is rejected

The system summarizes the risks and decides that the jury must be comprised of seven (7) members. After voting, the results show that only four (4) jury members approve the claim. This means that the system should invite two (2) additional agents to vote. This passes the case to the next row, where nine (9) jury members are presented with the claim. If both of the new jury members vote to approve or reject the claim, then this stands as the final decision, but if the votes are split, the claim is returned for additional video, information or documents to be provided.

Jurors vote on:

- The operator's summary (Will be evaluated by the jurors): YES / NO
- Claim approval: YES / NO

Operators receive payment for the claim based on their HOR:

P_n: the price which juror n receives.

V_nHOR: juror n's HOR

P_{tot}: the entire price dedicated to jurors

HOR is a variable and can go up or down depending on the performance. An operator's HOR will change based on the jurors' evaluation of the claims summary. As an example, let's select a scenario with 7 jurors (n). Jurors are separated into two (2) groups based on their opinion. In the bigger group is 'm,' and the other is 'k,' because 'n' is even, $m \neq k$.

If the juror is in the larger group of people with same opinion, they win (losses) 5 % of the difference between the sums of the two (2) groups' HOR. This means that wins or losses.

Example: In a jury of seven (7) members with HOR of 1.0, one (1) person votes negative, and the others vote positive. According to the formula:

$$V1HOR = (6). 5\% = -0.30$$

Others

$$V2-7 = (1) = 0.05$$

Travel insurance includes different coverages (health, flight issues, trip cancellation, baggage issues, etc.). Our goal is to develop an iHIT framework that supports the crowdsourcing of all specific processes of these highly complex tasks. Specifically, our framework aims to support:

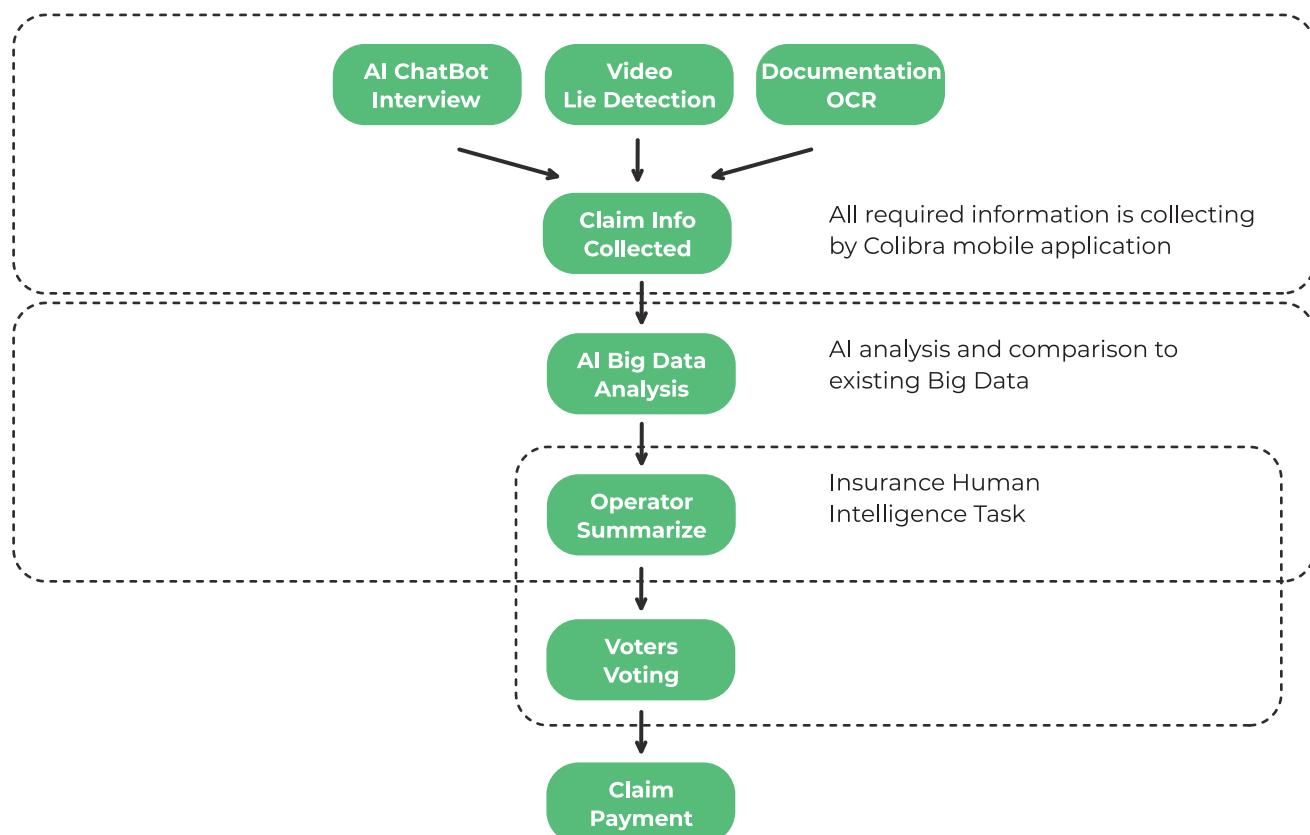
- Intelligent selection of operators and jurors with experience in different insurance coverages
- A variety of quality control methods, including voting
- Intelligent decision-making on claims made both automatically and by operators and jurors

To accomplish these goals, we will combine organizational behavior and decentralized decision-making. This can be viewed as a decentralized system in which each contributor (operator, juror) is analogue to a computer process that can solve a task requiring human intelligence. Our approach builds on the general approach to simplified insurance claim processing, using computer systems to help the contributors and human intelligence by breaking down a complex process into a sequence of simpler tasks and self-managing the quality.

Case Study

The following example illustrates how the system works in practice through a case study of a hand injury in Costa Rica.

Injury is among the most widespread travel insurance claims. Injury claims are challenging and involve many different tasks: collecting information for the insured, collecting evidence, collecting required information about hospitals and prices, fraud detection, and final decision. In traditional insurance companies, these tasks are outsourced to third-party companies like Coris. Third parties like Coris have enormous teams to handle claim processes, and the cost of their service is up to 10 times the price of the insurance policy. iHIT challenges this process by decentralizing it with the help of blockchain, artificial intelligence (AI) and big data.



Peter from Italy travelled to Costa Rica. While enjoying the country's great nature, Peter injured his palm. Peter reports the claim via the Colibra mobile application. As he initiated the application, Colibra already knows that this is Peter, that he has an active travel insurance policy, and that he is currently in Jaco City, Costa Rica. An AI chatbot asks Peter a few questions, helps him locate the nearest hospital and calls him a taxi. The hospital is informed about Peter and his injury and then provides medical treatment. After successful treatment, Peter uploads all the necessary documents (prescriptions, photos, invoices, bills). He completes a short video interview with the AI chatbot ... and that's it. Peter's claim has been made in just a few minutes via the Colibra mobile app.

In the 10 minutes following Peter's claim:

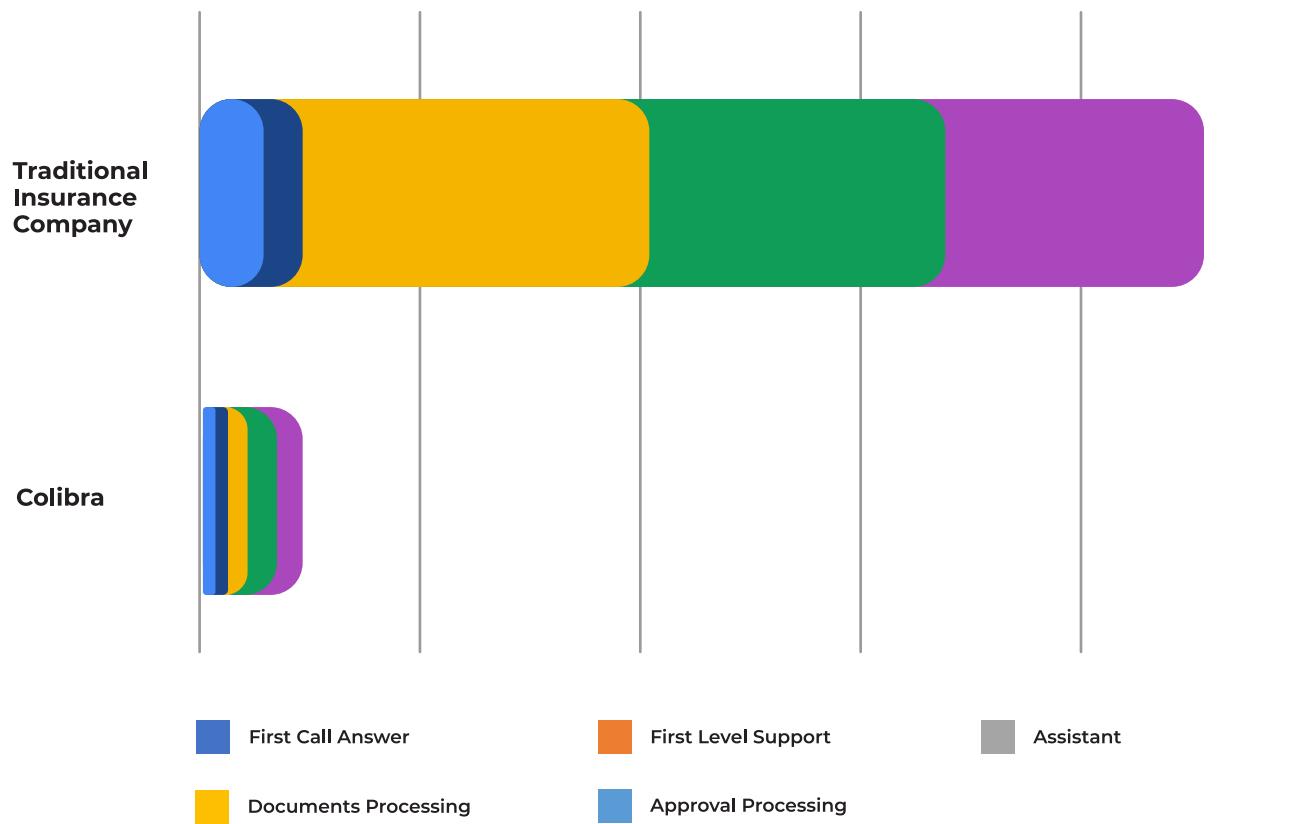
- AI analyzes all the information from Peter, applies OCR on all the documents and compares the case to all existing similar cases in big data
- The smart contract selects an operator to handle the claim
- Operator checks all the information, confirms it with the hospital and proceeds to vote
- Smart contract selects a particular number of jurors and presents them information on Peter's case
- Jurors rate the operator's work
- Jurors vote for the claim payment
- Payment is completed (if approved by jurors)
- Jurors and operator are rewarded in tokens for their work

iHIT, AI and big data help to significantly decrease the cost of the claim process, making it more suitable and trustworthy for both the insured and insurer. Finally, since neither the Colibra business nor the operator or jurors depend on the decision of the claim payment, they work with a high level of professionalism. Traditional insurance companies pay for claim processing on average more than \$50 per case and require huge team worldwide to handle cases. iHIT will have contributors from every country with specific local knowledge, which will reduce the cost of claim processing to less than \$24 per case (\$10 for the Operator and \$2 per juror). Prices are based on the time of work to be done based on a wage of \$25/hour.

Traditional insurance companies spend up to five (5) hours on a claim. For Colibra, we aim to reduce this time to less than two (2) hours for the initial phase. Following versions of Colibra will decrease this time to 30 minutes, near-instant and instant evaluation. In traditional insurance companies, each person works on several cases at a time. Decentralized participants, decentralized decision-making, AI and big data will help Colibra to handle each case in total less than 30 minutes.

In the beginning, the-less automated OCR process would slow us down to two (2) hours. In the mid-term, we will work with iHIT for about 20-30 minutes. Finally, once we have fully automated deception detection and EDI, approvals will take several minutes. Challenging cases would still require manual work by the iHIT and therefore take up to 30 minutes.

Average time to process a claim

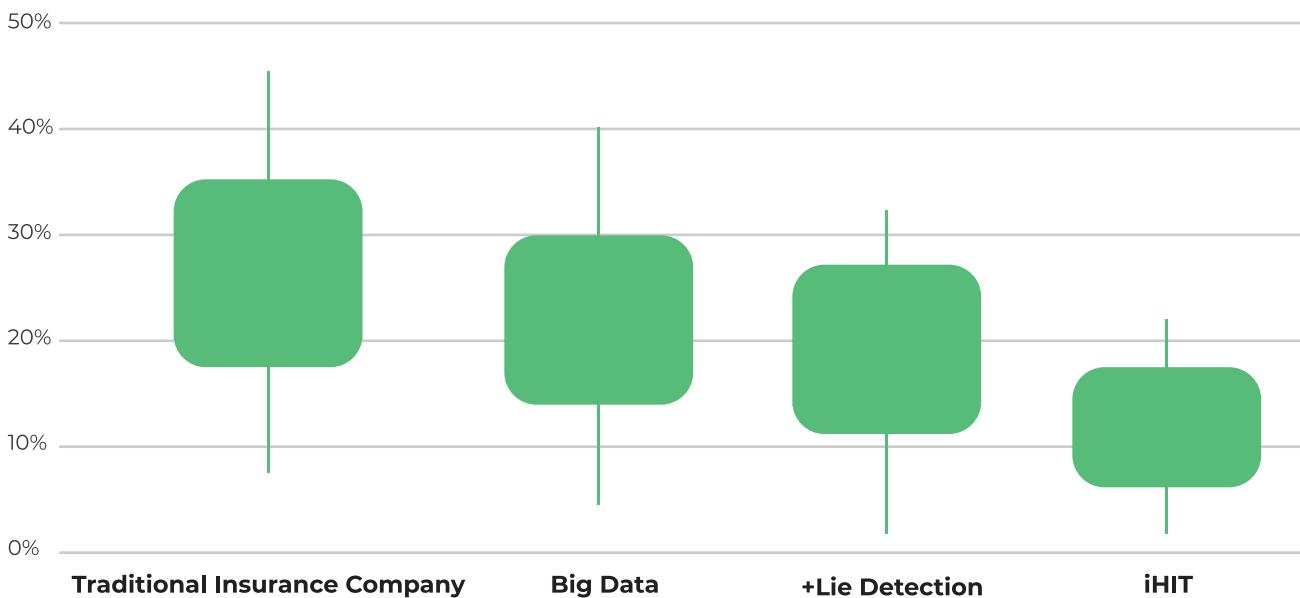


To verify the quality of these collaborative insurance claim tasks, we compared the traditional claim processing approach with iHIT. In existing insurance companies, there is one (1) team lead that randomly checks the work quality of 25 team members. With iHIT, every operator's job is reviewed by seven (7) jurors.

| | Traditional Insurance Company | iHIT |
|--------------------------------------|-------------------------------|-------------------------|
| Quality Assurance - Team Lead | 1 lead per 25 workers | 7 jurors per 1 operator |
| Specialization | Yes | Yes |
| Improvements - Courses | 1x annually | On every case |
| Big Data Support | No | Yes |
| AI Support | No | Yes |
| Fraud | 28% | 14%* |

*Target fraud percentage in claim processing

Average time to process a claim



* Predictive fraud percentage with different approaches and technology involvement

Overall, we believe using iHIT to crowdsource the complex and independent claim tasks of insurance claim processes will work surprisingly well. It will take some time and gradual improvements in order to develop the proper algorithm in combining data from AI, iHIT and big data. The lack of efforts needed for coordination and focus on simple evaluation tasks, paired with significantly higher operational efficiency and additional system support, will result in lower fraud percentage.

Quality Control

In iHIT, claim processing tasks are completed by a single operator, creating a risk that could negatively impact claims. By evaluating the work of operators, we attempt to minimize the possible failure of any task due to low quality. Our approach to dealing with this challenge is the evaluation of the operators by the jurors and changing the HOR of operators based on their performance.

Operators, Juror Availability and Payments

- Operators will be paid based on their past performance and reliability of data provided, as described above.
- Jurors will be paid based on their case-specific performance in comparison with their peers' performance.
- Most costs will also be variable based on scarcity of resources. At times/locations where the system maintains a lower number of human operators, the price would be higher in order to ensure SLA for claim processing as promised in the insurance terms and conditions. Furthermore, our marketing team will focus efforts in those regions in order to acquire a greater number of operators.

“Skin in the Game” (Staking)

Before a juror is allowed to evaluate a claim and cast their vote, they will be required to stake LIBRA tokens equivalent to between 10-30% of the total reward pool. The percentage of staked tokens depends on the juror's reputation and past performance. Staked tokens act as a guarantee that the juror will not act maliciously. Once tokens are staked in a smart contract, the juror evaluates the claim's case and casts their vote. When a majority is reached, a claim payout is either approved or rejected. Approved claims trigger a payment from the smart contract to the end user. After a claim has been resolved, jurors who voted in the majority split the reward pool evenly. Jurors who casted a vote against the majority lose their staked tokens and are penalized.

The reward pool is comprised of three components:

1. Staked tokens from each juror
2. Claim decision reward allocated by Colibra's operational expense fund
3. Bonus reward (for the first 10,000 claims) allocated by Colibra's network growth pool to further incentivize early adopters of the system

Reward tokens, however, are not instantly credited to the jurors' wallets. They will be linearly vested for four (4) weeks with a 25% cliff. This is done due to the possibility for dispute resolution.

Dispute Resolution

If there are no disincentives for malicious voting, the system would not function properly because jurors might conspire to vote in the same manner in order to form a majority and take the reward without solving the claim in an honest and independent manner. This possibility of conspiracy may negatively impact on Colibra's claim reserves. In order to avoid the possibility for conspiracy and unobjective behavior, Colibra's network will have a dispute resolution process. This dispute resolution process will act as a "Claims Supreme Court" within the system.

Any claim case can be disputed. Three types of people can initiate the dispute resolution process:

1. Jurors who have voted against the majority on a claim case but believe their decision to be the true/correct one
2. Clients whose claim payout has been rejected
3. “Claim Prosecutors”- jurors with an excellent rating that seek to act as guardians of the network

To open a dispute, one must pay a dispute fee in LIBRA tokens equivalent to 25% of the reward pool. Once the tokens are paid, a “Claims Supreme Court” is gathered to decide whether the dispute is valid or not. Jurors with the highest network ranking will serve as members of the court.

If the court decides a dispute is valid, a smart contract instantly transfers all tokens from the initial reward pool, multiplied by a factor of 10, to the juror who opened it. The additional tokens will come from the bug bounty pool (described below). The jurors in the court split the dispute fee regardless of the dispute outcome. However, they are incentivized to act honestly in order to preserve their reputation, which can provide them with extra token rewards and benefits in various situations.

Bug Bounty Pool

2% of each case reward will go to a bug bounty pool, which will be used to pay when “Claim Prosecutors” open a dispute which is approved (serving as a major stimulus for catching bad actors), as well as for paying other players within the system who report bugs/bad behavior or prevent attacks on the system.

4. Roadmap

4.1 Long Term vision

Our vision is for a fairer, more transparent and autonomous insurance industry in which the most sensitive sector (insurance claim decisions) is handled independently from insurance companies or their subcontractors to prevent conflicts of interest. An industry where regular people can be trained and help determine the rightfulness of a claim; bad actors are filtered and not tolerated, while good actors are rewarded for righteously evaluating a case.; and people don't wait weeks to receive claim compensation payment. Our vision is simple: a transparent, fair insurance industry.

VC Funding and Private Sale

Goal: Secure soft cap.

Target: June 2019

Pre-Sale

Goal: Secure soft cap.

Target: July 2019

Public Sale

Goal: Hit hard cap.

Target: July/August 2019

Our team wants to deliver the first insurance application to the market as quickly as possible in order to provide value to our Coin investors.

The first application version would feature a conversational bot to insure flights and vacations against weather oddities. Those types of insurances do not require claim filing and iHIT decentralized decision-making, as flight and weather data can be obtained from APIs, and smart contracts will take care of the rest of the flow based on pre-defined logic and insurance contractual data.

Colibra V1

Goal: Get a foot in the market and start collecting data.

Target: Q4 2018

This is the first release of the iHIT application, which will allow for our first jurors to handle the first cases. This will serve as a test for the application algorithms for managing the juror community for positive insurance claim handling motivation. It is planned to release the travel insurance into the customer app for beta testing. The release will be scheduled for a portion of the users of the customer application in order to carefully manage the iHIT evaluation process.

Colibra V2

Goal: Drive down costs by increasing efficiency.

Target: Q3 2019

The second version of Colibra would focus on ensuring more reliable and quicker OCR document data, improving the iHIT performance and basic product monitoring and customization. It will allow for placing risk where it's due based on global data by adjusting different insur-

ance and add-on prices based on location, season and more.

Colibra V3

Goal: Provide near-instant payments to any health facility, increase operational efficiency.

Target: 2020

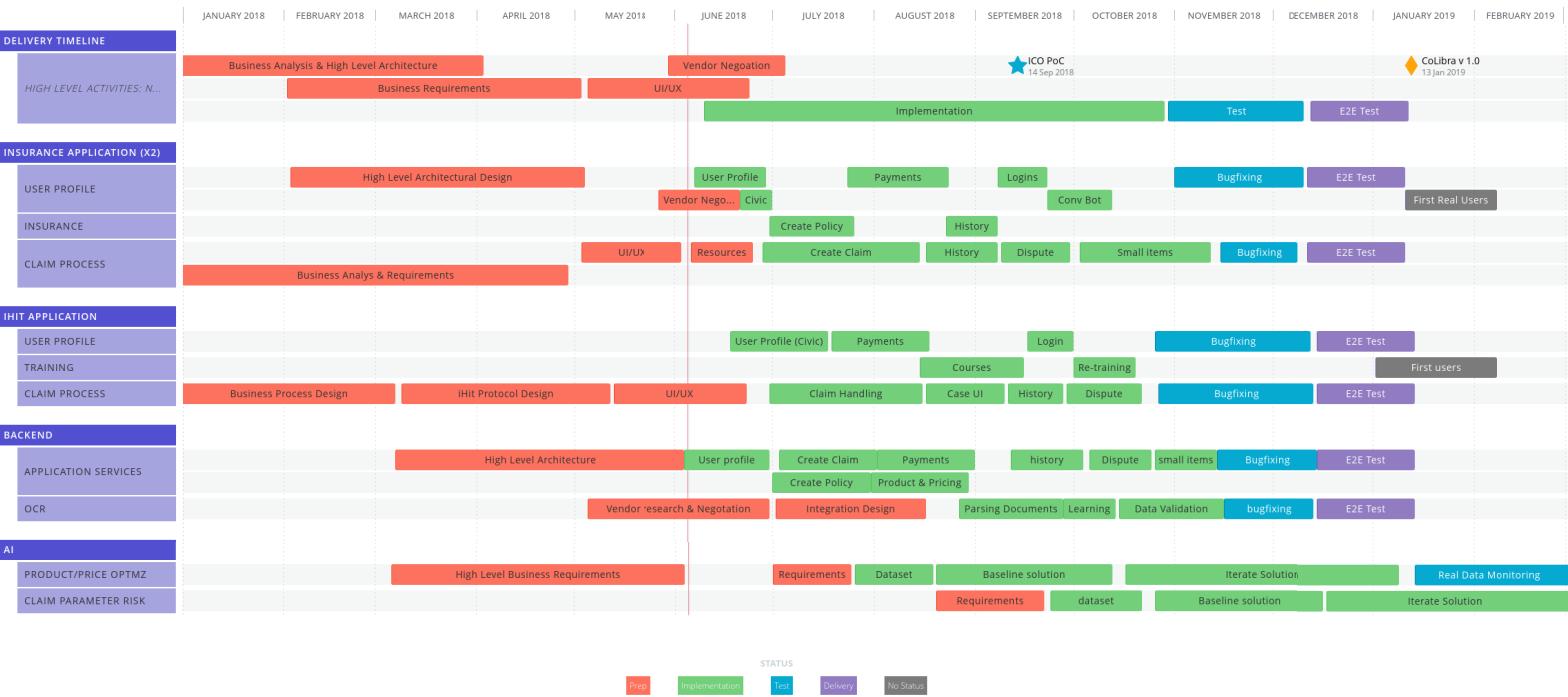
Colibra v4

Goal: Almost fully automated insurance company with personalized insurance products and decentralized claim processing.

Target: Long term (2022)

4.2 Detailed project plan for Version 1

Colibra's token, to be called "LIBRA," is designed as a 100% utility token with a deflationary mechanism. Within the ecosystem, Colibra tokens (LIBRA) will have several utility functions:



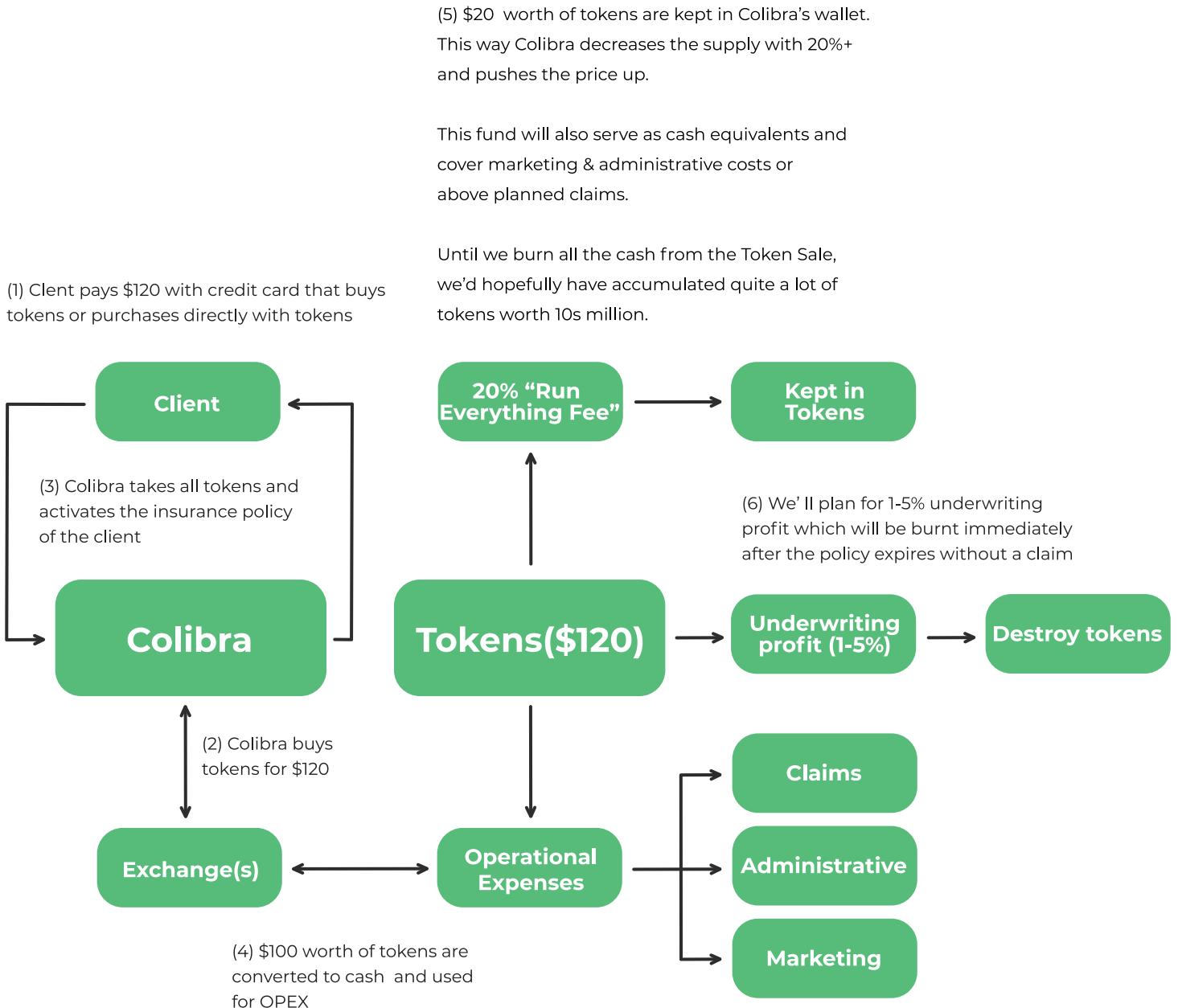
5. Token Utility

Colibra's token, to be called "LIBRA," is designed as a 100% utility token with a deflationary mechanism. Within the ecosystem, Colibra tokens (LIBRA) will have several utility functions:

Currency

- a) **Payment for insurance policies:** Insurance policies will be purchased only in Colibra tokens from the native app. Token holders who store their tokens in other wallets can deposit and pay for insurance with Colibra anytime they want. All they have to do is transfer their tokens in their Colibra wallet and then pay for the service;
- b) **Receive claim payments:** Payment for claims would be made in tokens, so that clients can receive them almost instantly. We would also offer the option to auto-convert tokens to fiat or other crypto at the client's request. This will be done by Colibra acting as a market-maker and purchasing the tokens of a client in exchange for fiat from the actuarial reserve of the company.

The typical flow of the token when buying insurance and paying a claim is outlined below:



The LIBRA token has two additional important utilities, which are connected to the iHIT platform:

Participation in the iHIT platform

a) Receive the right to vote in the claim handling platform.

In order to be able to vote on claim decisions, one must first possess LIBRA tokens. Second, a juror must “put skin in the game” and stake LIBRA tokens, thereby facilitating honest behavior.

Example: Let's assume John wants to be a juror within Colibra's iHIT platform. Right after he qualifies through the online certification process, John can choose a claim task that fits his profile. The task will have a minimum stake token amount (ex: 30 LIBRA) that each juror must commit in order to be able to partake in the decision process. Once he commits the required amount, John will be able to evaluate and decide the claim.

b) Get rewarded for claim-handling decisions on the iHIT platform.

Once the operator/juror has voted, the claim has been settled with a majority vote and the majority's vote coincides with the one of the juror, a smart contract will be triggered and all jurors who have been part of the majority will split the reward pool. The reward pool will be comprised of:

- The stakes of each juror (ex: 30 LIBRA)
- Job reward set by Colibra (ex: 140 LIBRA)
- Additional reward set by Colibra (ex: 60 LIBRA), which will be available only in the beginning

To prevent malicious or unethical behavior, all recent rewards for jurors will be locked for period of four (4) weeks.

Deflationary Nature

1. A certain number of LIBRA tokens, equal to the positive financial result from the underwriting activities of Colibra, would be burned. This burning mechanism will be executed every quarter on a strict, publicly-listed schedule. The process would be very similar to the Binance Coin burn. Therefore, as demand for the Colibra insurance services increases, there would be a corollary decrease in the token supply, making the token deflationary. However, as the price of the token increases, the number of burnt tokens will lessen, following a natural logarithmic function.
2. Colibra would keep its “run everything fee” in LIBRA tokens.
3. Jurors have a 4-week “lock-in” period.
4. Colibra would not mint more tokens.

6. Token Sale Metrics

6.1 Summary

Colibra's goal is to raise a maximum of **\$25 million (hard cap)** and a minimum of **\$10 million (soft cap)**.

- **Token contract address:** TBD (Published through various channels 48 hours before crowdsale launch date)
- **Launch date and time:** TBD

- **Token launch time-frame:** 28 days
- **Token launch completion:** Token launch will end when either all tokens are sold, or hard cap is reached. If the soft cap is not reached, all contributions will be returned.

- **Exchange rate*:**

Private Sale: **\$0.05**** (minimum investment - \$100k)

Pre-Sale: **\$0.075**** per token (minimum investment - \$10k)

Public Sale - Week 1: **\$0.10** per token

Public Sale - Week 2: **\$0.11** per token

Public Sale - Week 3: **\$0.12** per token

*(ETH at the time of the investment)

** Vesting schedule

6.1 Summary

Total amount of Colibra tokens: **500,000,000**

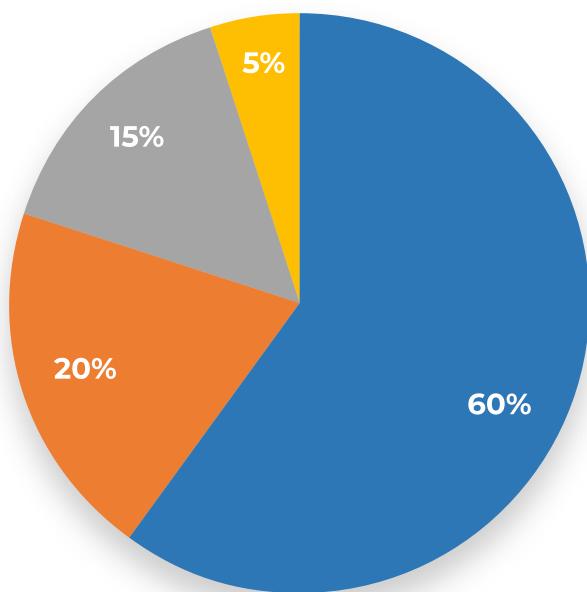
- **45%** will be available for sale to the public*
- **20%** will be allocated to the Colibra Team & Advisors and will be vested for 24 months with a 6-month cliff
- **20%** will be allocated to Colibra Reserve to keep good solvency (paramount for insurance companies)
- **14%** will be used for network growth (payout to jurors, affiliates, etc.)
- **1%** will be set aside for bounty and airdrop programs

*because of the hard & soft cap, not all tokens will be sold in the initial crowdfunding event.

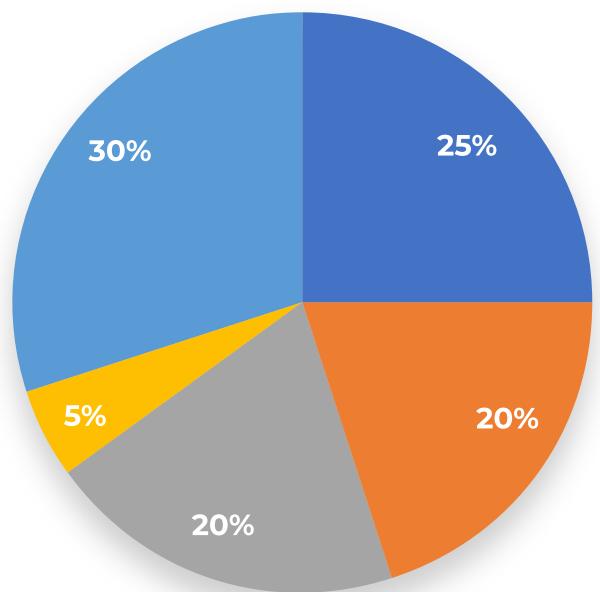
6.3 Budget Allocation

| | Soft Cap \$10M | Hard Cap \$25M |
|----------------------|----------------|----------------|
| iHIT protocol | Yes | Yes |
| Mobile App | Yes | Yes |
| Insurance License | Yes | Yes |
| Actuarial Reserve | \$4M | \$9M |
| Product Development | \$3M | \$5M |
| Marketing | \$2M | \$5M |
| Business Development | \$0.75M | \$4M |
| Legal | \$0.25M | \$1M |

Soft Cap



Hard Cap



█ Product Development

█ Marketing

█ Business Development

█ Legal

█ Product Development

█ Marketing

█ Business Development

█ Legal

█ Actuarial Reserve

6.4 Bounty Program

In total, up to 5,000,000 tokens will be allocated for the bounty program:

- 2% will be allocated to translators.
- 12% will be allocated to the bitcointalk signature campaign.
- 12% will be allocated to the Facebook campaign.
- 12% will be allocated to the Twitter campaign.
- 12% will be allocated to joining Telegram.
- 50% will remain for additional rewards.

7. Team & Advisors

7.1 Team

Kalojan Georgiev, CEO

Kalojan is the founder of K-Pharm Global Group (KPGG), \$100mln+ pharma trading group of companies. The company is a one-stop shop offering services such as logistics, distribution, marketing and regulatory support for pharma manufacturers covering over 50 countries in Africa, Europe and Asia.

Kalojan previously worked as a VC advisor in the United States for projects related to leading US VC firms such as Sierra Ventures, Storm Ventures, NEXIT, Walden VC, BlueRun VC, Trinity Ventures, e-Planet Ventures, Singtel Innov8 and T-Venture. He has vast experience in Sub-Saharan Africa being engaged as strategic financial adviser for number

of private projects as well as the sovereign bond placement for a gigantic hydroelectric power plant project of the government of the president of the DRC Congo - Joseph Kabilo.

Kalojan started or has participated in the early age of the following companies:

Nippon Bells Matrix Ltd: Startup wholesale pharma distribution company based in Central Africa - DRC Congo

AllTelecoms JSC: Startup company that developed and patented the world first steering of roaming solution for mobile operators

Airlines Group: Low cost air carrier in Eastern Europe

Act Soft JSC: Microsoft exclusive distributor for Bulgaria

Orbitel JSC: Startup telecom operator later acquired by MATAV, a part of Deutsche Telekom Group

Boris Strandjev, Chief Technology Officer

Experience: Google, Musala Soft

Boris is a solutions architect with a proven track record of designing and delivering complex technical solutions with multiple front-end applications and high availability backend systems. He has a B.Sc. in Informatics and a M.Sc. in Artificial Intelligence. Boris previously worked at Google and Musala Soft, where he developed software solutions for companies such as the insurance giant Allianz, IBM, Cisco and many more.

Teuta Oruci, Chief Financial Officer

Experience: Barclays, Credit Suisse, Willis Towers, Vanguard

Teuta is a CFO/Executive Director with 19 years of experience in regulated financial markets covering investment banking, insurance and asset management. Former director at Willis Towers, one of the largest insurance brokerage companies in the UK, she brings invaluable insurance expertise on the team.

Ivan Belomorski, Chief Operating Officer

Experience: IBM, Deutsche Telekom, Musala Soft

Ivan has extensive experience as a product and project manager in multiple successful mobile and backend systems. Understanding product added value from a customer standpoint and translating it via meaningful functional and UX design into a software product as a coherent solution is something Ivan excels at. He has gained experience with developing large-scale operations with multiple teams and deliverables from scratch.

Miroslav Zaporozhanov, Chief Marketing Officer

Experience: E.On, OMV

Miroslav is a former business consultant to some of the largest energy companies in Europe, OMV and E.ON. He's also a co-founder of Zapomedia, which is one of the most prominent digital marketing companies in Bulgaria. Miroslav is a former international markets stock

broker in the largest investment company in Bulgaria, Karoll.

Velizar Velichkov, *Chief Commercial Director*

Velizar is a co-founder of Grabo.bg, the biggest daily deal website with 2 million visitors per month and EUR 15 mln. annual turnover. He is also a co-founder of Trendo.bg, an online shopping club in Bulgaria with 2 million annual revenue and co-founder of worldwide digital company for online personal meal plans, operating on more than 100 markets with annual revenue of 10 million euro.

Borislav Petrov, *Product Designer*

Founder of BLINK

Working at the intersection of product design and brand identity, Borislav had the privilege of influencing products used and loved by millions. He worked as lead product designer & art director in companies like Safecharge and Mobicom. Borislav is a founder of BLINK, digital agency specialized in product design, art and creative direction.

7.2 Advisors

Atanas Raykov, *Viber - Head of Global Telecom Partnerships & Director Business Development CIS & CEE*

Currently as Director Business Development CIS & CEE I'm responsible for leveraging Viber's incomparable reach and exposure opportunities across 25 countries in the two regions to build a strong eco-system

and partnership network in order to drive increased customer growth, user engagement and revenue opportunities. In my other role at Viber - as Head of Global Telecom Partnerships - I'm responsible for the forging of strategic partnerships with the leading telecom groups around the world to create winning B2C propositions based on Viber's cutting-edge technology.

Anton Titov, Security/Technology

Founder of Hotfile.com, one of the largest p2p file sharing websites. Co-founder and CTO of the leading hosting company in Bulgaria. CTO of the Top5 Cloud Storage service pCloud with 7 million users.

Tunio Zafer, Technology/Marketing

Top5 Cloud Storage service pCloud. Former CSO of one of the largest hosting companies in Bulgaria, Host.bg. Web marketing veteran with 12 years of experience.

Marin Panekov, OCR & EDI Specialist

Experience: Coca-Cola

Marin has extensive experience as a document management system designer of one of the highest volume document systems in Europe. As such, he has gained experience as Optical Character Recognition vendor manager and functionality designer, Electronic data interchange and document archive expert. He holds key knowledge and

skills to deliver a working and highly efficient claims processing solution in a short period of time.

Zlatolina Mukova, Insurance

Managing partner at the largest private equity fund in Bulgaria NEVEQ. Former CEO of Euroins Bulgaria. Former deputy prime minister of transport and telecommunications. ACCA holder. Master's degree in Mechanical Engineering.

Ivaylo Strandjev, Artificial Intelligence & Machine Learning Algorithms

Ex: VMWare, Google

Ivaylo is an advanced machine learning and AI solutions architect. Ivaylo excels at delivering high performing algorithms for machine learning. His role on the team would be to design and monitor the implementation of the self-learning AI modules to monitor the system's performance and adjust product pricing, product generation, customer segmentation and more.

George Stoyanov, Conversational AI

Experience: Uber

George has launched two Deep Learning products with hundreds of thousands of users, processing millions of images per day and containing millions of analyzed events, first to commercially pioneer video

style transfer. Currently focusing on bespoke Deep & Machine Learning consultancy – delivered Predictive and NLP solutions for companies with millions of users. Featured on the cover of Forbes Bulgaria as part of the selection for 30 Under 30. Previously worked for Uber prior to starting his entrepreneurial journey.

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