

The Decentralised Payment for E-Commerce Ecosystem



# SKOLKOVO

## BUSINESS ECOLOGY

### *White Paper 2.0*

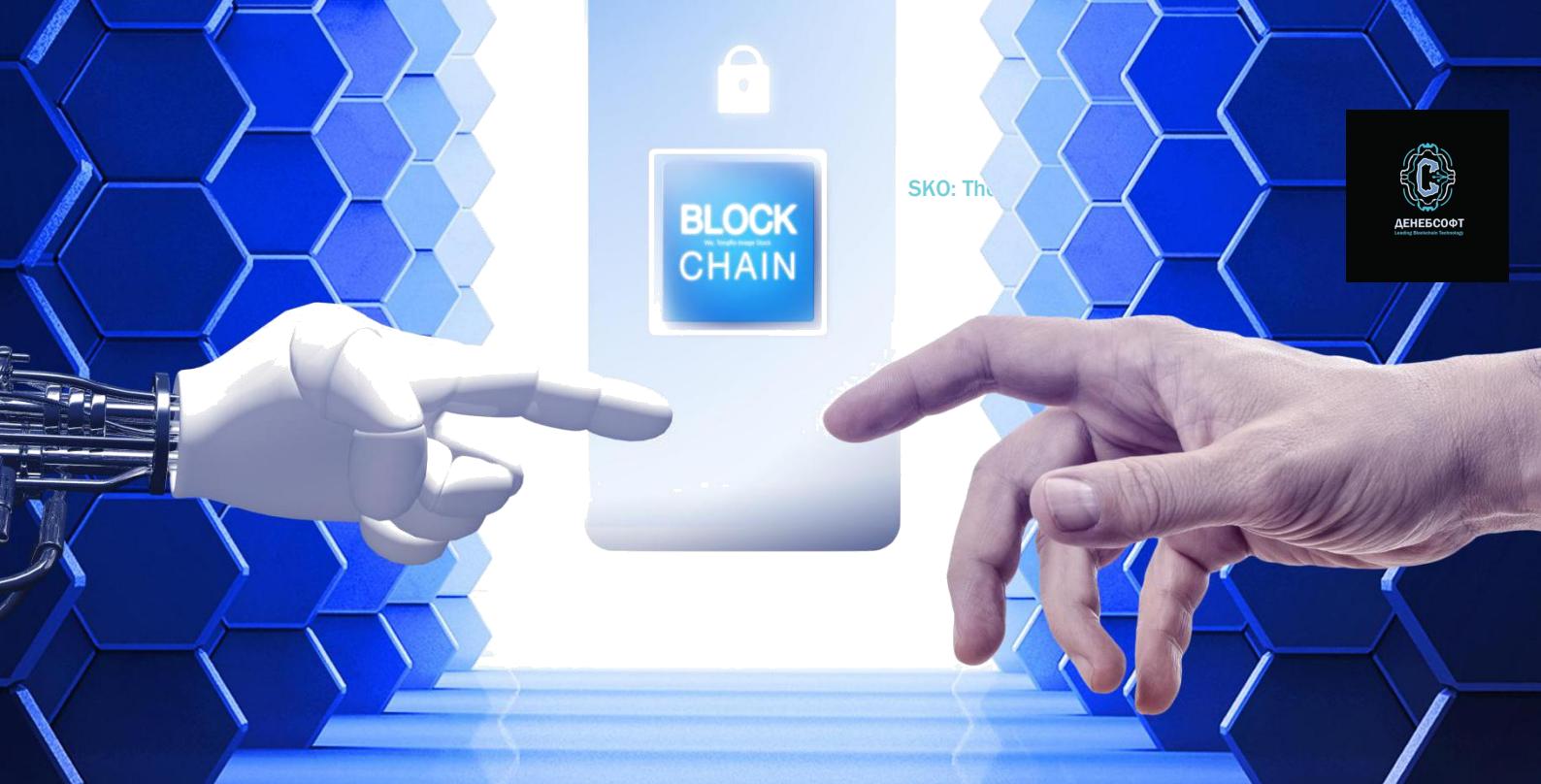
SKOLKOVO & DENEBSOFT

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## 1. ABSTRACT

This paper describes a revolutionary combination of the Ethereum Blockchain technology and e-commerce & payment ecosystem. The SKO token and its unique infrastructure offers e-commerce and service-providing companies to standardise reward programmes as well as expose the regular people to the cryptocurrency economy. Our solution is completely transparent and strives to make cryptocurrency accessible to the regular people. From the customer perspective, there will be no habitual change - for example, one of our offerings include the SKO Touch & Pay card to be used in tandem with every-day micropayments.

The main goal of the SKO token is to build the Decentralised Payment

Ecosystem for E-Commerce to increase the Blockchain adoption for regular people across the world. The SKO token ecosystem offers unified reward system which any service-providing entities can partake in. This allows virtually any company to further incentive consumption of their service as they provide real value via token distribution and expand their previously limited market of loyalty-reward consumers to the next level.

The paper focuses on cutting-edge technologies that support the e-commerce & payment ecosystem including 'SKO Pay for Online Payments', 'Open API Platform', 'SKO Touch & Pay Card', 'Unified Reward System', 'Peer- to-Peer Transfer', 'SKO Mobile Wallet', and 'Cryptocurrency Exchanges Integration'.

# SKO TOKEN

## DENEBSOF & SKOLKOVO

THE DECENTRALISED PAYMENT FOR E-COMMERCE ECOSYSTEM



## 2. SUMMARY

Today's e-commerce industry is growing at a rapid pace and global retail e-commerce sales are expected to reach \$4.5 trillion by 2021. For most commercial businesses, cryptocurrency is becoming a preferred mode of transaction highlighted by its current cap of hundreds of billions and expected to rise to trillions. According to research, most of the finance and banking industry is expected to move to the blockchain and hence adoption rate of blockchain across all industries will increase in the coming years.

By introducing the SKO Token, the heart of the decentralised payment ecosystem powered by the Ethereum Blockchain, we are aiming to increase blockchain adoption for regular people across the world. We are the first company in the world whose mission is to combine the benefits of the E-Commerce and Payment industries; provide end-to-end solutions for E-Commerce Marketplace, Touch & Pay Cryptocurrency Card, Online Cryptocurrency Payment, and Unified Reward System on the Ethereum Blockchain powered by the SKO token. The goal of the SKO token is to be a part of everyone's day-to-day online & in-store shopping.

The SKO platform addresses fundamental problems in the e-commerce and cryptocurrency economies. Firstly, retailers online and offline offer restrictive reward systems bundled with their services - they are often of little value to the consumer given their limited nature. Reward systems in commerce as a whole are underutilised

due to the lack of technological investment. Coincidentally, many companies find it difficult to provide attractive reward schemes as they risk undervaluing their services. The 'Unified Reward System' allows service providers to become an SKO token distributor, allowing them to control the format of their reward plans. The SKO token now acts as more than a simple reward point - as it is utilised and redeemable across all of SKO's ecosystem participants. Additionally, owners of SKO are able to convert their tokens into fiat currencies via SKO mobile wallet & take cashback to their associated bank account.

Secondly, the complex barrier to entry into the cryptocurrency market limits the potential value of the crypto market as a whole. The technologies surrounding SKO are strategically built for the platform to support a 'Unified Reward System' - ensuring ease of adoption and maximising consumer outreach. While the 'Unified Reward System' makes it possible to standardise reward tokens across industries, the SKO token will also allow regular customers to have a stake in the rapidly expanding cryptocurrency world - benefiting all parties involved. The key factors include the ease of adoption for the customer as reward schemes are already common. While the needs of an enterprise entity are met with SKO's technological offerings discussed in detail in the paper.

### **Challenges:**

- SKO Pay - accept online payments with a click of button
- SKO Touch & Pay Card - enabling instore micropayments
- Transparent ecosystem to increase adoption rate
- Increase the SKO token adoption by merchants
- Unified reward system enabled e-commerce ecosystem

### **Challenges:**

- Design and implement SKO Pay online widget that can be plug and play on any websites
- Easily redeemable rewards and rapid cash in will encourage customers to use SKO card for all their shopping needs.
- Intuitive user interfaces making it feel like second nature thus user do not notice the advance technology that power purchases and rewards system.
- Targeted and specialist resource dedicated to merchant on-boarding and support to ensure every client campaign is a success.
- Specific campaign management assistance to help clients maximise adoption rates.

### **Objectives:**

- Provide end-to-end solutions for E-Commerce Marketplace, Touch & Pay Cryptocurrency Card, Online Cryptocurrency Payment, and Unified Reward System powered by the Ethereum Blockchain regulated by the SKO token
- Create a Consumers driven floating ecosystem
- Create a Transparent ecosystem that can be used by regular customers across the world; and hence, increase the adoption rate of the SKO token, the Blockchain based cryptocurrency

## 2.1. Market State

E-Commerce and commercial reward schemes are experiencing massive growth - the global sales via e-commerce in 2014 was 1.3 trillion dollars - expected to double in 2020, and the number of online shoppers is also expected to increase from 1.46 billion to 2 billion by 2020. As a result, e-commerce platforms and existing reward schemes are highly saturated - every individual shop offers their own exclusive points system. Additionally, customer acquisition is a serious problem given the difficulty for service providers to distinguish themselves from the competition. E-Commerce also severely lags behind other industries in cryptocurrency adoption.

Similarly, the cryptocurrency market is growing rapidly. This growth is impeded by fundamental issues:

- A lack of a reliable, international exchange which allows individuals to convert tokens into fiat currency.
- No practical use for cryptocurrency in day-to-day activities
- Over-regulation or insufficient regulation in different countries across the globe which both hurts user adoption and leads to different fraud schemes that damage reputation of credible projects
- A requirement for specialised blockchain developers
- A reduction in token value due to transaction fees



## 2.2.The SKO Token Solution

The SKO Platform offers a practical solution to the problems outlined above as well as the potential to become the practical heart of e-commerce and cryptocurrency combined. It strives to reward shopping with cryptocurrency by exposing the common person to the SKO token. The key focus of SKO is giving effortless access to cryptocurrency ownership which comes with potential rise in value - without dealing with any of the underlying complexities which make cryptocurrency unattractive.

The Unified Reward System seeks to transform the poorly utilised loyalty industry by fusing the shopping reward potential of all retail stores together regardless of the product - focusing on rewarding the individual with cryptocurrency market access as well as a form of investment. With our technical offering, we seek to support individual sellers as well as enterprise vendors. The SKO token can be adopted in any location - this global decentralised potential represents virtually limitless growth of the token. This adoption will be seamless as we seek to penetrate e-commerce platforms as well as regular retail shops, without introducing any habitual change from the user perspective.

SKO Touch & Pay Card is our single card solution for all reward programmes a shopper may be interested in - the first of its kind in Russia. It allows customers to earn SKO tokens with their investments in smart investing funds. This ensures that an average customer can easily adopt the use of the card due to its similarity with existing technologies - but now empowered with SKO tokens which hold intrinsic value and never expire. This offering allows the SKO token to have a practical daily use which cryptocurrency has been struggling to fulfill as token value was previously disconnected from its contextual use until now..





## SKO: The Decentralised Payment for E-Commerce

The value in SKO tokens is accessed by the Banking System Integration as it offers both the buy & sell SKO tokens instantly between a customer's SKO wallet and their bank account. The liquidity of SKO tokens will undoubtedly attract customers to join SKO rewarding vendors, which combined with other SKO offerings will aggressively expand the opportunities for rewarding buyers, customer acquisition for vendors, and an unprecedented increase in crypto-market participation.

The SKO Mobile Wallet provides a seamless user experience - it acts as a gateway to SKO activities such as the sale and purchase of SKO tokens with user-configured bank accounts. The mobile wallet will also act as a Cryptocurrency Exchange where users can instantly exchange their SKO tokens into other cryptocurrencies (initially Ethereum and Bitcoin) - further simplifying cryptocurrency for regular people. For vendors, we offer an Open API platform which allow complete customisation of the kind of SKO platform you choose to run - giving arbitrary control over your re-distribution of SKO tokens without the need for specialised blockchain developers. We offer sophisticated yet simple to use tools to both the businesses and consumers ensuring global adoption of the SKO token. Since there are only a certain amount of SKO token that can ever exist, scarcity combined with a thriving underlying decentralised ecosystem will result in appreciation of SKO token value.

Ultimately, the SKO token functions on a revolutionary end-to-end e-commerce platform. It makes use of the Ethereum blockchain, ensuring development is secure and efficient as well as arbitrarily customisable for sellers using SKO. This presents an enormous opportunity for existing vendors to stay ahead of the technological curve - as adopters of SKO will be pioneers in unifying shopping rewards and trivialising cryptocurrency ownership. Our initial focus is to cultivate the SKO adoption rate to create an autonomous market driven by our token.

The platform will tremendously expand consumer bases on multiple fronts. Sellers and retailers using SKO will be able to offer an extremely attractive reward system which completely removes the complexity of owning cryptocurrency- removing any inhibitions a person would have to enter the crypto economy. This encourages the customers to participate in SKO offering purchases as they are given the ability to liquidate their tokens via purchase or fiat conversion, use them as an investment or convert to other cryptocurrencies - enabled by an enterprise-grade mobile application. As the SKO platform grows, the value of the token will be appreciated with the amount of users - this notably carries enormous potential as the platform allows any providers of goods and services to utilise the SKO platform. The platform and its components are designed to easily onboard vendors and provide a user experience that does not rely on changing existing behaviour.





### 3. Group Introduction



further enhance Russia's global transformation and development. In the period of high-speed construction and was completed in 2014.

The complex is led by Viktor Vekselberg, president of the Russian billionaire and Skolkovo Foundation, and co-chaired by former Intel Chairman Craig Barrett as chairman. The 2000 Nobel Prize in Physics, Zhores Alferov, served as a scientific director for a high-tech innovation project.

More than 300 companies engaged in innovative research and design have settled in the Skolkovo Innovation Center. Skolkovo has signed partnership agreements with partners Zurich Science Park, MIT Technology Park, Finnish Technology City, Singapore Science Park, and many of the world's top technology giants, all of which were established in Skolkovo. I have my own research center. Skolkovo also has a modern manufacturing process university - Russia

Skoltech University, Skolkovo is the first successful global project template for science, education and

The Skolkovo Innovation Centre Innovation Center is a high-tech commercial center developed by the Russian government. It is headquartered in Moscow, Russia, with a building area of 145,000 square meters.

On November 12, 2009, Skolkovo, the former Russian President Dmitry Medvedev, announced for the first time in the "State of the Union Address" that he proposed to establish a large-scale scientific and technological research and development center for the United States "Silicon Valley" to



innovation in 30 years.

In August 2013, the Skolkovo project was selected to be included in the government's "Economic Development and Innovation Economy" program, which again regained the 3.5 billion rubles allocated for its development in 2020. The skolkovo Foundation has taken on the mission of the Russian government. Since its establishment, it has invested in more than 3,000 start-up companies in the fields of space, medical care, AI, space technology, nuclear technology, energy and communication technology. The investment amount is estimated to reach 100 billion rubles to help these. The start-up project has developed smoothly. The skolkovo Science Park will also become a technology center throughout Eastern Europe.

The construction of Skolkovo gives great momentum to the advancement of human science and technology. Skolkovo Technology Park research clusters, without interference and collaboration. There are currently 35,000 people working and living in Skolkovo, working on new space and communications products, innovative medical devices, power efficiency, biotechnology, nuclear technology, space technology, information technology, blockchain technology, telecommunications, clean energy and new types. Research and development of energy-saving products such as LED lights. Dozens of innovative projects developed by Skolkovo startups have achieved great success in the international market, especially in oil and gas field dynamic modeling equipment, next-generation screen displays and soft tissue surgical laser systems.

Based on the development of blockchain technology in recent years, Skolkovo, the intellectual center of international IT companies, successfully signed a memorandum of investment of 400 million rubles with technology innovation company Denebsoft in July this year for the global commercialization of Denebsoft's global digital currency. The start-up project mainly addresses the problem of people's lack of confidence and trust in the French currency and the huge demand for global coordination of digital currencies brought about by the global integrated business needs.

Denebsoft was founded on March 16, 2012 and is headquartered in Ufa, the capital of the Republic of Bashkortostan, the Russian Federation. Since its inception, Denebsoft has focused on the application value of blockchain technology in the global payment ecosystem, creating a payment ecosystem that supports large-scale commercial payment scenarios. Traditional cross-border payments are cumbersome, from bank to SWIFT to bank, with long time periods and expensive fees. Through the blockchain, the point-to-point system will be used to complete the transaction quickly, and the cross-border payment ecosystem that Denebsoft focuses on can achieve the second-order reversal and solve the problem of international clearing and settlement. At the same time, based on trust blockchain technology, the global payment ecosystem will be widely used in financial services, sharing economy, medical, retail, logistics, media and entertainment, and also support disruptive innovation in industries such as intermediary transactions. Denebsoft is committed to promoting the application of blockchain technology in the physical industry chain and promoting the future of digital currency business global integration.

The SKO platform is a decentralized payment ecosystem developed by Denebsoft in 2019 to increase the blockchain's global use of payments. The SKO platform and its components will easily support vendors without relying on changes to existing payment user behavior. From the perspective of speed, cost and security, the blockchain's advantages in cross-border payment applications are unmatched. Denebsoft said it will build a blockchain global payment ecosystem in the future and will work with Skolkovo to take on the responsibility of driving global economic change.

At present, Denebsoft has cooperated with (HSCI) Human Stem Cell Research Institute, Institute of Human Stem Cells (HSCI), Generis Biotech, global pharmaceutical company AstraZeneca, innovative biotechnology company BIOCAD, international e-commerce Alibaba, eBay. Agreement, Denebsoft will eventually play a pivotal role in the application of blockchain technology entities.



## 4.DIVERSIFIED CHANNELS TO INCREASE THE ADOPTION OF THE SKO PLATFORM

The SKO platform aiming to target multiple channels to increase the adoption of the blockchain technology. There are two main verticals to achieve our goal.

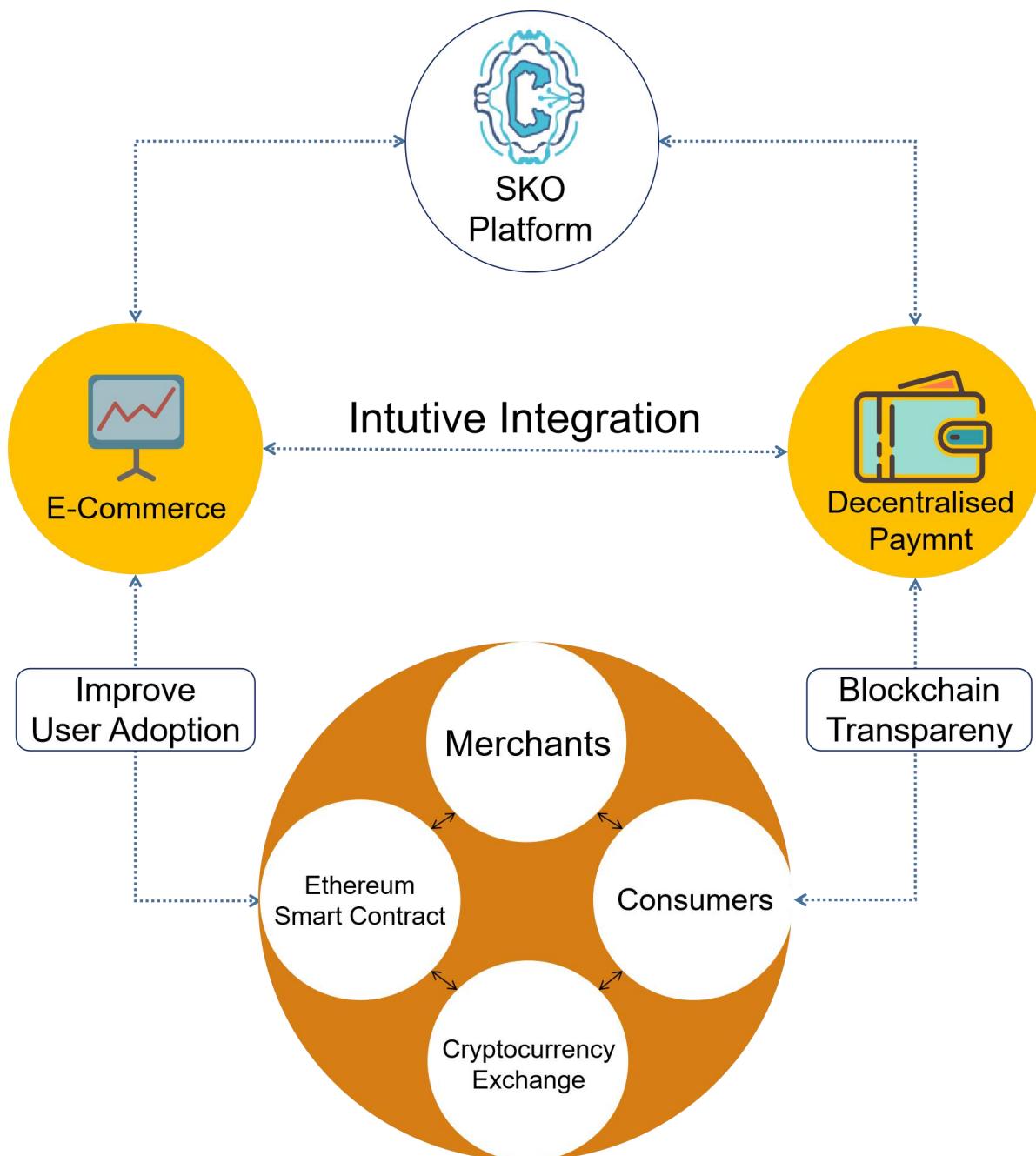
E-Commerce: The goal of the SKO token to be a part of everyone's day to day shopping without needing them to change their shopping behaviour. This can be achieved with simple and easy to use e-commerce website which is transparently integrated with the decentralised payment.

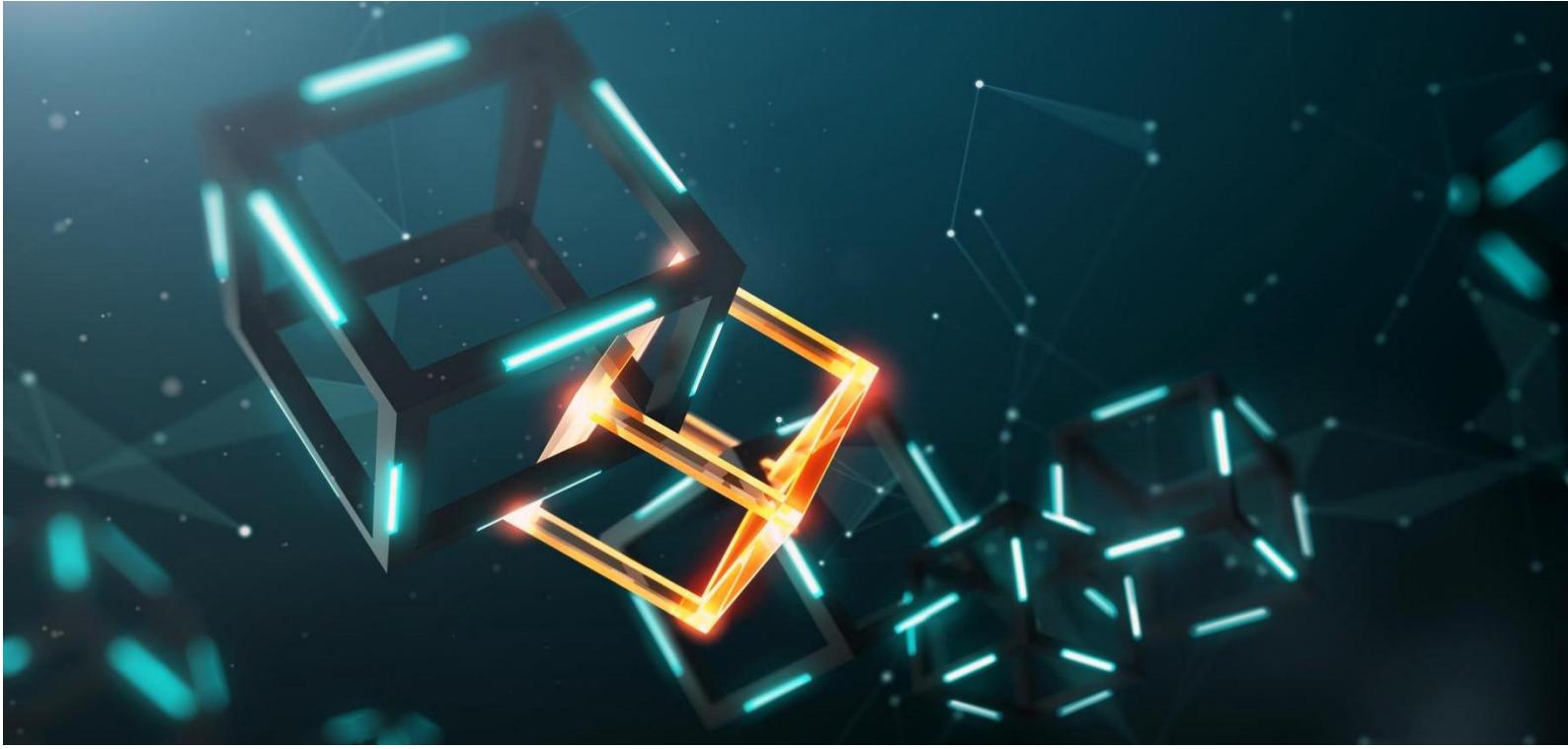
Decentralised Payment: The SKO platform will be a bridge between merchants, consumers, cryptocurrency exchanges, and the Ethereum smart contract that manages the liquidity of the SKO token.

Our goto marketing strategy to reach more customers and merchants.

- Referral / Tradeshows Exposure
- Time-to-time Rewards: This is our ultimate goal where regular customers will be accustomed to use the SKO e-commerce platform for their daily shopping and they get time-to-time rewards without needing them to do anything else.

- Encourage customers to use SKO Touch & Pay Card
- Believe in technology and create a robust solution that attracts leading merchants to join the SKO platform.
- Mobile wallet integration where customers will be able to exchange SKO tokens with other cryptocurrencies like ETH & BTC.
- Open Platform: Plug & Play e-commerce widget allowing third party integration.



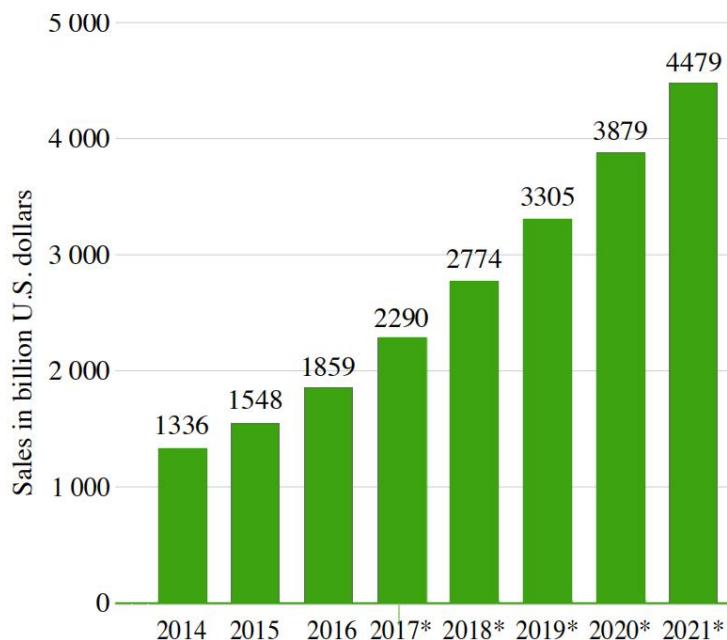


## 5. MARKET OVERVIEW

Throughout the world the E-Commerce industry continues to gain popularity. For each day that passes, the online shopping platform gains more customers and keeps increasing their trade volume.

In addition, the potential of the retail and e-commerce industry will continue to grow in the future. In 2014, the global sales of e-commerce were about USD 1.33 trillion and are estimated to increase to double this tally in 2020. Accordingly, the corresponding retail sales that come from E-Commerce are expected to increase from about 7.4% to 14.6% in 2015 and 2020 respectively. The number of online shoppers is expected to double the rate recorded in 2015 (1.46 billion) by 2020 (over 2 billion), Statista reports.

Retail E-commerce sales worldwide from 2014 to 2021 (in billion U.S. dollars)



Source  
eMarketer  
© Statista 2017

Additional Information  
Worldwide; eMarketer; 2014 to 2017

While preserving data integrity, the Blockchain records all the transactions ensuring that all the transactions carried out on the platform are secure as well as transparent. Furthermore, as well as the charges it will incur, Blockchain technology will also lower the number of intermediaries required to complete any transaction. Consequently, the integration of reward system on the Blockchain using smart contracts will be a significant improvement for the e-commerce industry.

The delivery rate with the automation of the purchase processes and rapid growth of e-commerce has made the industry extremely competitive. More price-sensitive customers, competitive prices on daily basis, and increased brand awareness today typify the industry. It is now obvious that customer loyalty, premised on referrals and repeat purchases is an important driver of profitability for the retail and e-commerce industry.

Today, customer acquisition is a key problem for retailers. Statistics reveal that the average conversion of traffic into actual sales in e-commerce is just 3%; however, the real figures are 1% and less. Businesses spend a reasonable amount of resources to gain the attention of customers: this is not only important but a step to retaining their attention. Reports reveal that retaining an existing customer is 25 times less costly than acquiring a new one. Particularly when the competition is severe, customers are always found switching between brands. Therefore, it is crucial for retailers to find the best means of gaining their customers' loyalty. Many statistics and reports indicate that loyal customers tell their friends about their experience, cost less to process, often buy more products, provide valuable feedback, and stay longer. Despite explosive growth in the e-commerce industry, merchants and customers are facing some problems outlined below.

## 5.1. Leading e-Commerce platforms today do not offer Reward Systems and Payment solution

We consider the lack of reward programmes in the biggest e-commerce distributors to be an enormous problem and a market opportunity. The largest e-commerce firms take a sizable commission for each product sold on their platform- and only provide a basic service of delivering the product to the consumer. However, with the introduction of a unified reward system we can enhance the consumer experience and introduce a consumer-driven market, encouraging customers to migrate away from basic e-commerce services.

## 5.2. Reputation and Trust Issues

Having to build trust is difficult as online marketplaces are managed by a few large entities. There is a difficulty in the transfer of trust from one centralised marketplace to the other; there's a need to create a strong relationship with the merchants. Unfortunately, the history of the merchant is not always recorded making it impossible to punish dubious merchants or buyers. Huge advertising and identity verification efforts are required for easy and safe transaction for a merchant to be trusted.

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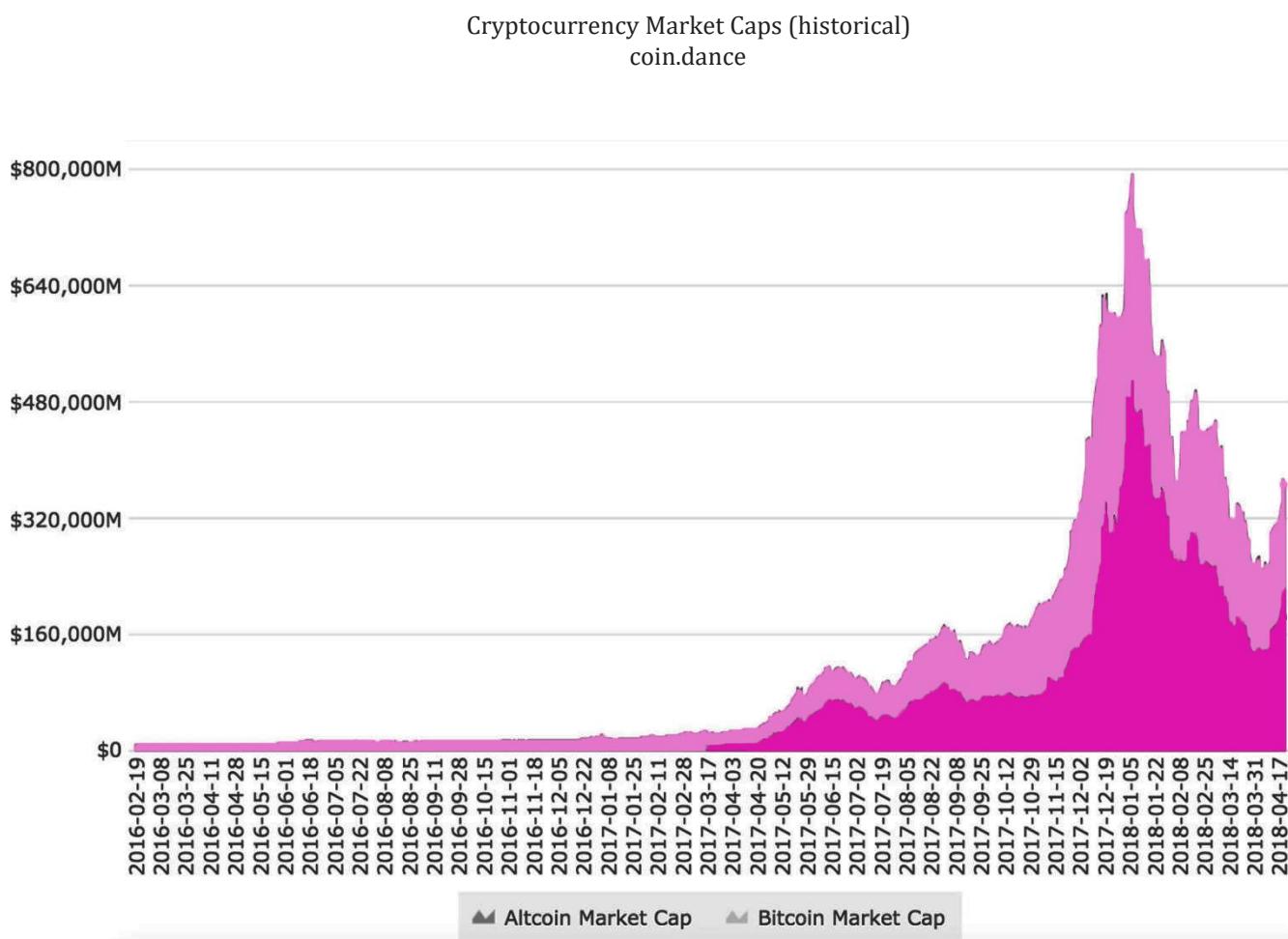
## 5.3. Long and Expensive Payment Processes For Merchants

The long and expensive payment process for merchants is one of the most obvious problems in the retail and e-commerce industry. At times, there may be more than 5 different fees for the payment gateways and half a dozen steps to finalise the transaction. Similarly, the transaction charges might range between 2-5% with a chargeback fee. Also, the existing payment gateway on the majority of the e-commerce stores rarely provides an avenue for the merchants to accept mobile transactions at their stores.

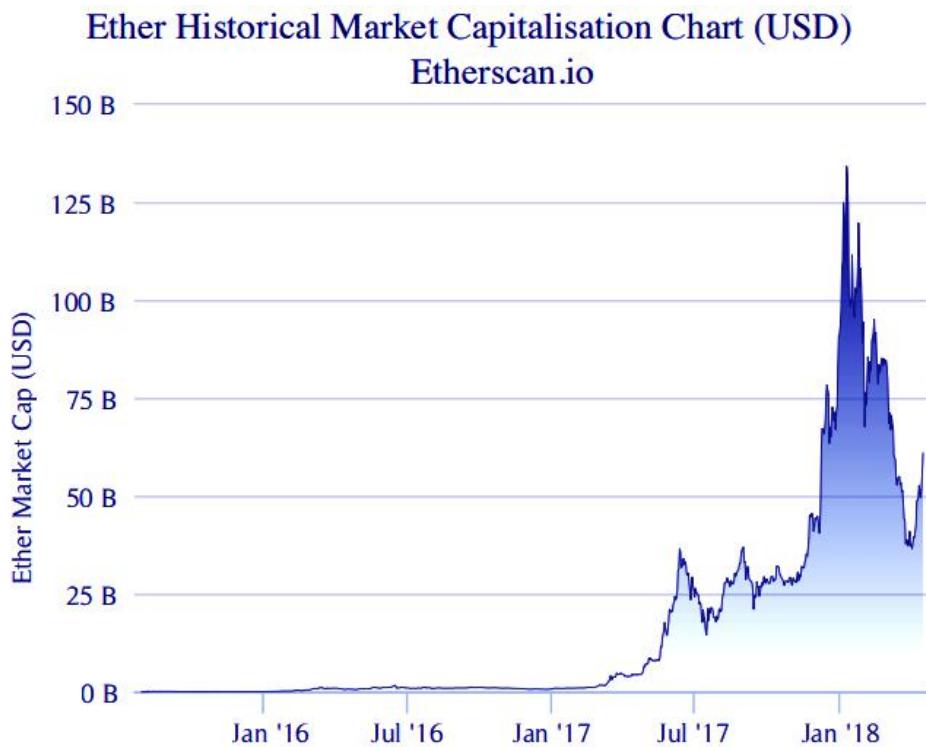
## 5.4. Failure to Adapt the Growth of Cryptocurrency Tokens

Today, the majority of the merchants do not accept payments made with crypto-tokens. However, a completely new digital asset class is undergoing creation: tokens of these products that are to be built-up on the Ethereum platform. The increase of a new wave of digital assets enhances the manufacturing of a token based digital asset economy. It is estimated that about 10% of the world's GDP will be created on the blockchain by 2025, leaving merchants with no choice but to be part of the growing blockchain economy.

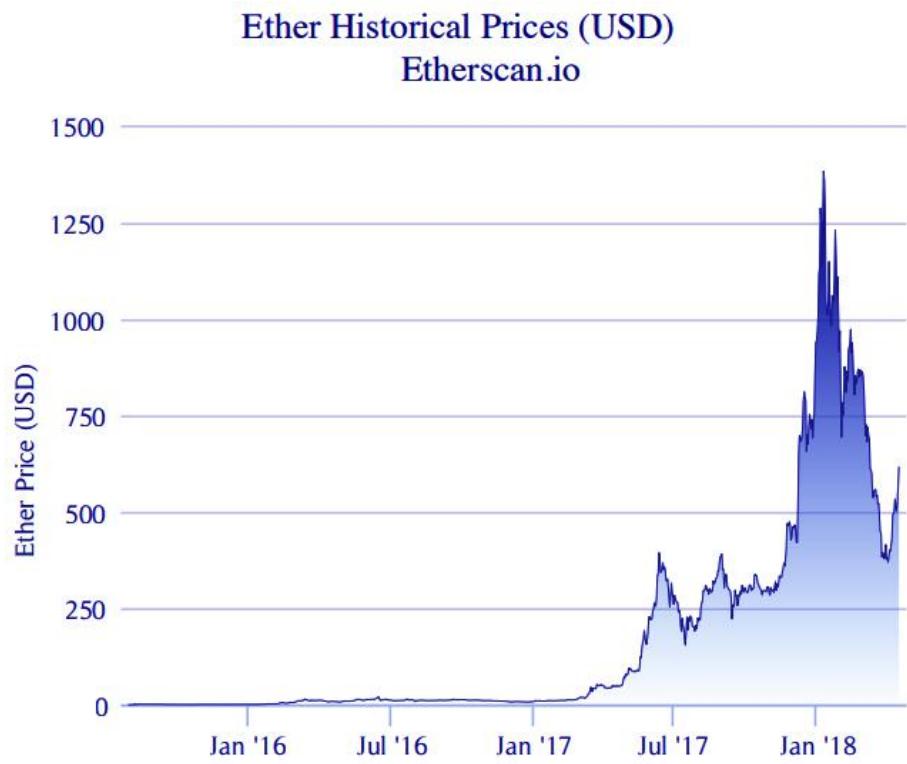
To illustrate this assertion, let us look at the chart below showing the growth of altcoins. It must be noted, however, that this growth is influenced by the ascendancy of Ether as a currency and the global expansion of Ethereum based tokens.



Similarly, the graph below illustrates the growth of Ether's market cap. Market capitalisation stands at approximately USD 68 billion as of March-2018. It has grown by 3750% since last year!



Below graph shows the continuous growth of Ethereum. We strongly believe that Ethereum founders has created such ecosystem that will continuously raise in the future. With upcoming versions of the Ethereum, transactions are expected to be more cheaper and faster. This is the main reason why SKO token team has decided to implement E-Commerce & Payment Ecosystem on the Ethereum Blockchain.





## 6. MARKET OPPORTUNITY

The global loyalty and reward industry was estimated to be about \$1.56 billion in 2015 and risen to about \$320 billion in 2017. Given this remarkable growth of the global loyalty program, growing at an annual rate of 6% and compound annual growth rate (CAGR) of 24.37%, this estimation is projected to hit \$471 billion in 2020. Unfortunately, this report is flawed with a shocking rate of under-utilisation of loyalty program in the e-commerce sector. About 76% of consumers in the industry fail to use their shopping rewards while these consumers belong to less than 29 loyalty reward programs specifically designed for the e-commerce world. MarketsAndMarkets survey revealed that loyalty rewards customers who failed to redeem their rewards were 2.7 times more likely leave a particular program and join another. SKO token is in a perfect position to champion the course of revolutionising the loyalty reward industry. Our loyalty ecosystem is particularly designed to enable a seamless integration with major e-commerce stores. Moreover, our ecosystem allows merchants to fully enjoy the benefits of SKO token; through sale, purchase or exchange of the token while cutting down unnecessary costs and expanding their customer base. This unique position in the industry presents us as the ideal choice for all our participating merchants. In addition, with these competitive advantages, we aim to aggressively expand and accommodate more retailers in the industry including but not limited to fashion, food, and other specialty retail businesses to benefit from the competitive edge of SKO token solutions. Apart from the market opportunities created by the Blockchain, we are also aware that there are enough possibilities for growth in the digital loyalty programs and e-commerce industries, which form the major components of SKO token.

Based on the study reported by KPMG in 2016, about 40% of the US companies and 47% Russia companies revealed that their customers prefer buying their daily products; about 63% of these companies have not been able to integrate a loyalty reward program into their business model accordingly. With better technologies and data analytics, SKO token is here to fill the spot.

We are taking e-commerce and reward industries to the next level. With SKO token, we offer unique and new technical implementation of data protocol, smart contracts, and blockchain in the loyalty program sector specifically for the e-commerce world. We strive to reward our participating customers for their daily purchases; without changing their current behaviour.

The SKO token is creating a global, decentralised and reputable payment for e-commerce ecosystem that work flawlessly with existing platforms supported by Ethereum smart contracts.



## 6.1. Consumers driven E-Commerce market powered by the Ethereum Blockchain

Our goal is to create a consumers driven e-commerce marketplace. We are aiming to challenge leading e-commerce platforms that do not offer much benefits to consumers. Consumers will be able to earn and redeem the SKO tokens on the SKO E-Commerce marketplace. The main advantage of being on the Ethereum blockchain is that we will be able to combine the benefits of Rewards and Payments in such a product that would be able to excite and drive consumer retention using blockchain and smart contracts as a backbone.

## 6.2. Solution Provided by Mobile Payment

Through the blockchain technology, we have been able to process payments with only fee and single step, which would lead to the acceptance of payments on the SKO token platform generally up to five times less expensive and up to ten times faster for our participating merchants. After the integration of SKO token ecosystem, participating merchants would have access to accept payments in the SKO tokens, use reward system features, and exchange fiat currency from the SKO token.

## 6.3. Enable Merchants to Participate in a \$10 trillion Digital Valued Economy

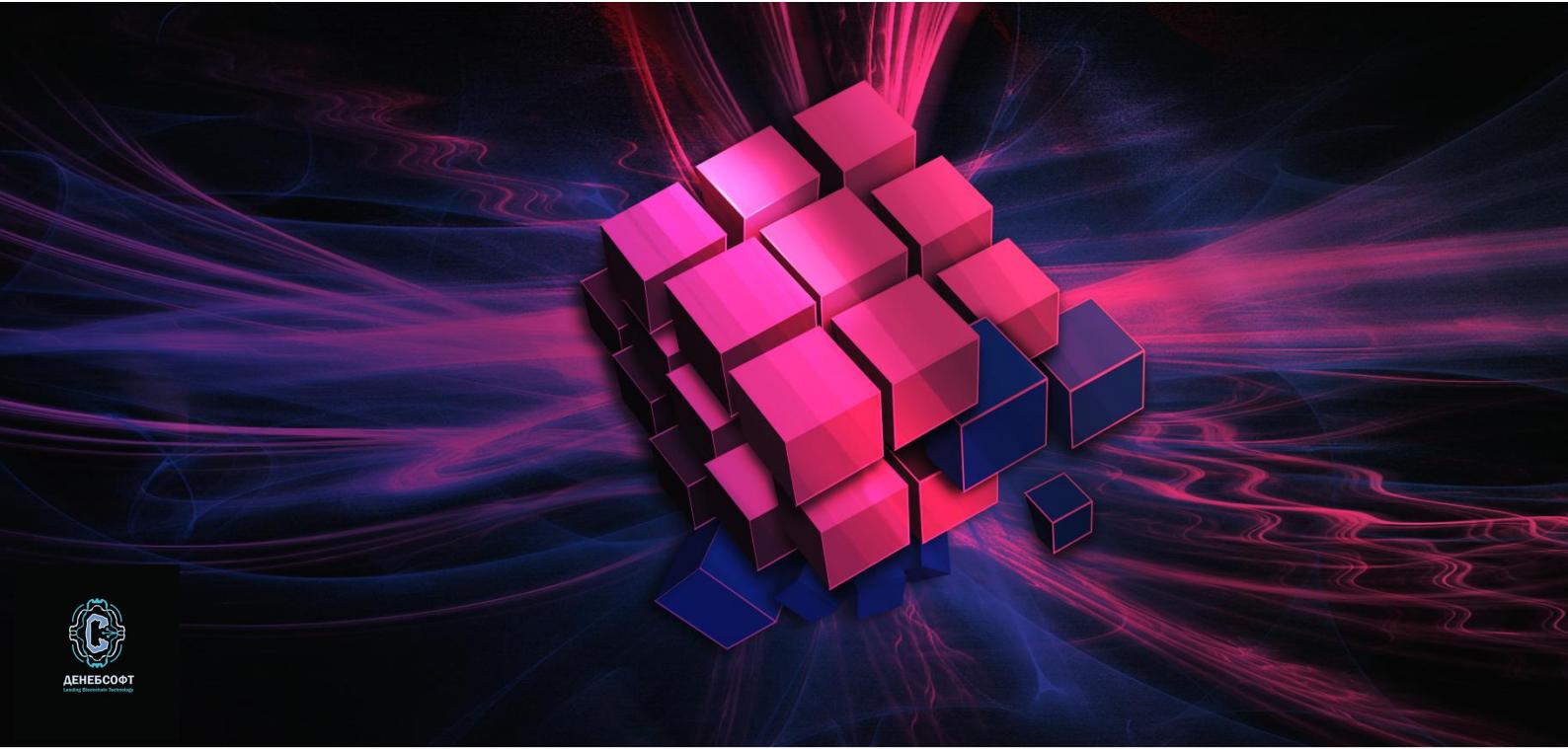
By advancing SKO token, not only would we allow our merchants take part in a decentralised economy that is trustless, we would also provide an avenue to meet up with the growing digital economic system through a unique loyalty program that we would provide. According to the World Bank report, about 10% of the world's GDP will be produced through the blockchain technology coming 2025. The GDP estimation for 2025 is said to be about \$100T meaning that the value to be produced through the blockchain technology is going to be about \$10T (10%).

## 6.4. Value proposition

The SKO token is an important component of the e-commerce ecosystem, with a particular aim to integrate our existing reward system into the e-commerce industry. It can be seen as a B2B2C unified reward system that is designed on the Blockchain. This platform allows our participating merchants to reward their customers with SKO tokens for their purchases. The management responsible for the decentralisation of rewards on blockchain makes the SKO token ecosystem unique and provides a lot of value to everyone of our customers and members:

- For merchants there is a blockchain based e-commerce ecosystem.
  - Offer cutting edge solution to customers by staying ahead of the blockchain technology, the future of Internet.
  - Acquisition of new customers around the world.
  - Open platform to create enterprise e-commerce platform on blockchain.
- For customers there is a cryptocurrency reward, which
  - Can be exchanged to fiat currency
  - Can be redeemed for other purchases
  - Never expires
  - Value appreciation due to scarcity and increased adoption

Since the SKO token is a decentralised ecosystem, its solutions and products are easily scalable with no restrictions or limitations to the participating members. In essence, the app can be downloaded from the app stores of e-commerce platforms and any merchant can be connected to SKO token platform.



## 7. THE SKO TOKEN: HEART OF THE DECENTRALISED PAYMENT ECOSYSTEM

One of the main goals of the SKO Platform is to provide unified reward system and marketing solution for e-commerce businesses, which aims to increase the footprint of customers, building meaningful relationships with them, and hence increase the growth of the business. We present the SKO Token as the solution to unlock the full potential of reward programmes and thus increase value for all participants in this loyalty system.

The proposed e-commerce ecosystem accepts both crypto and monetary payment. Customers have the choice of paying for goods and services using actual money, the SKO token or any of the other globally accepted cryptocurrencies.

It has also been noted that the most valued rewards in loyalty programmes are monetary in nature so loyalty programmes need to emphasise a more redemptive ability to move forward. The current loyalty domain has organisational problems with rewards that are unrealised, and customers are clamouring for more elasticity and actual financial benefits. SKO token seeks to ensure that customers get to make personal choices about their rewards. This is where SKO token steps up as a problem solver and a solution provider. With our broad experience and expertise in addressing businesses' needs for connecting to their customers, we are in a very unique position of understanding, developing and implementing a wide-reaching platform that makes it possible to have a unified reward system. This is the central idea for the SKO tokens that we will be issuing.

Through the e-commerce system, customers will be more involved with business loyalty programs and can acquire better rewards for their consumption. The SKO token will be used as a medium of exchange within the rewards system, and customers can earn the token when making purchases at participating merchants. When customers redeem any of the available rewards, SKO token is then restored to merchants.

We are partnering with businesses and merchants across the Russia, the US and other countries to support the omnichannel ideal of customer loyalty. When customers earn SKO tokens, they can then utilise them in different ways beyond the traditional customer loyalty programs. Customers can use the points earned from one merchant to acquire rewards from other merchants within the system. Thus allowing customers to do business and earn rewards across several industries without restriction.



The benefits to acquiring SKO tokens whether as customers or as participating businesses in the Loyalty program are endless. SKO tokens and our e-commerce system will facilitate peer-to-peer payment; facilitate micro payments between customers and merchants; and is slated to be used by virtually everyone from around the world.

Furthermore, we are introducing the SKO token which our customers would use for micro payment at gas stations, coffee shops, restaurants, supermarket amongst other retail outlets. This provides them the convenience of making payments using SKO token. Therefore, through the influence of the SKO cryptocurrency, we are establishing unlimited ecosystem in payments and loyalty.

We are creating an end-to-end ecosystem in the e-commerce marketplace, touch & pay, and unified reward system driven by the SKO token. SKO token is a distributed ledger e-commerce marketplace that gives people a two-way choice of buying and selling goods with online leveraging on the combined benefits of fiat currencies and crypto currencies. SKO token platform leverages on the benefits of blockchain technology to provide a unique and inimitable value to all users of our platform including individual merchants or businesses who deploy the platform for marketing and sale of their goods and global consumers who can now gain cross- border access to the product of their choice at a better bargain given the transaction cost reduction occasioned by the Internet which is further boosted by the blockchain technology. The smart contract digital escrow feature of the Ethereum based token also makes frictionless and secure transactions possible. The SKO token is programmed to adopt the security guidelines and ease of access of the ERC20. The SKO Tokens are required for all the transactions on the SKO token platform and represents the reward point for all participating customers or SKO token holders. For every transaction made on SKO token platform, be it issuance, transfer or exchange, the initiator of the transaction will pay a small fee for using the SKO token smart contracts.

All transactions in e-commerce marketplace can be carried out with the SKO token, which must be transferred through or held in an ERC20 compatible wallet. SKO tokens act as the legal tender for trading on the platform. It can be used to pay for goods or to make settlements. It can as well be used to certify that a particular deal has been completed.

The transaction is carried out on the SKO token exchange as a platform that facilitates trade between the two parties involved. The main purpose of the exchange platform is to facilitate trade and transaction between the two parties.

The SKO token is a utility based token specifically designed for the global e-commerce & Payment industry. SKO tokens will be released to various media channels. The SKO company only retains 5% of tokens and releases 1% per month. Which will be used primarily to improve infrastructure, product development, sales and marketing. 20% of the tokens are used by individuals who make a significant contribution to SKO, and the remaining 75% will be used for all commercial rewards in the SKO blockchain ecosystem.

For customers, there is an absolute value for every purchase in the form of Ethereum tokens that can be sent to other crypto-wallet for purchase. Since there are only a certain amount of SKO token that can ever exist, Scarcity combined with a thriving underlying decentralised ecosystem will result in appreciation of SKO token value. This is Significantly different than the current loyalty rewards that expires over time.

The retailers will just have to purchase from the open marketplace by employing the use of SKO token coins to appreciate the users. The customers on the SKO token ecosystem will receive SKO as a certain configurable percentage or amount on their purchases.

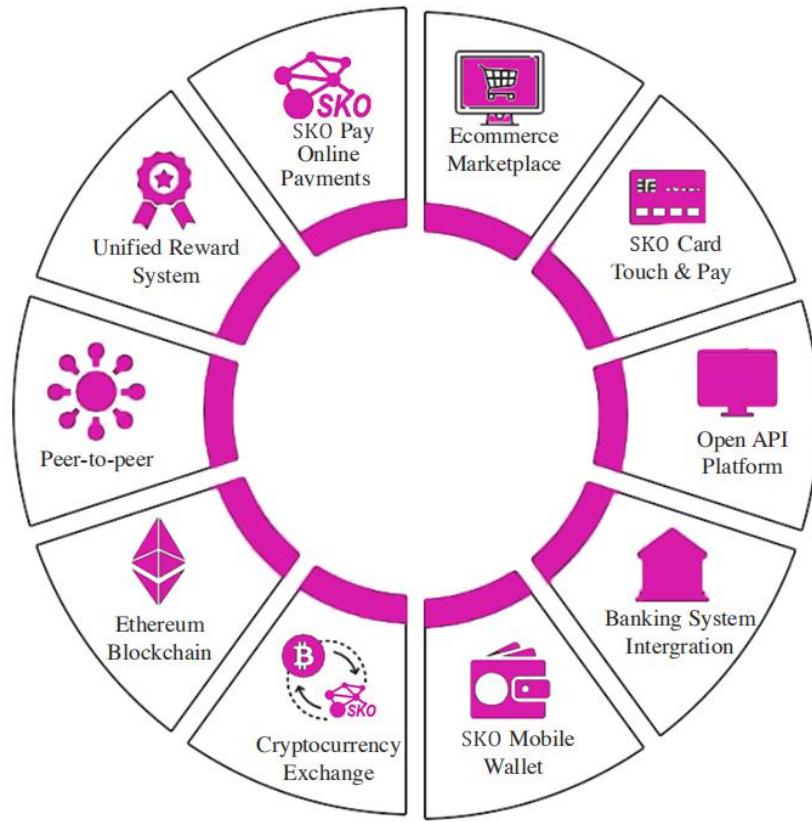
Our customers would be provisioned an SKO card tied to SKO token and a mobile wallet to enable convenient micropayments. Customers will appreciate this opportunity, as they gain access to liquid cryptocurrency instead of loyalty points. Similarly, the customers can also buy SKO tokens through the SKO mobile wallet or a cryptocurrency exchange. It is important to note, that the SKO token value is ascertained by the open exchanges of the cryptocurrency. These tokens can be traded for other currency. It is equally vital to emphasise that the token is acceptable to all the participating merchants that employ SKO token platform.



## 8. THE SKO TOKEN ECOSYSTEM

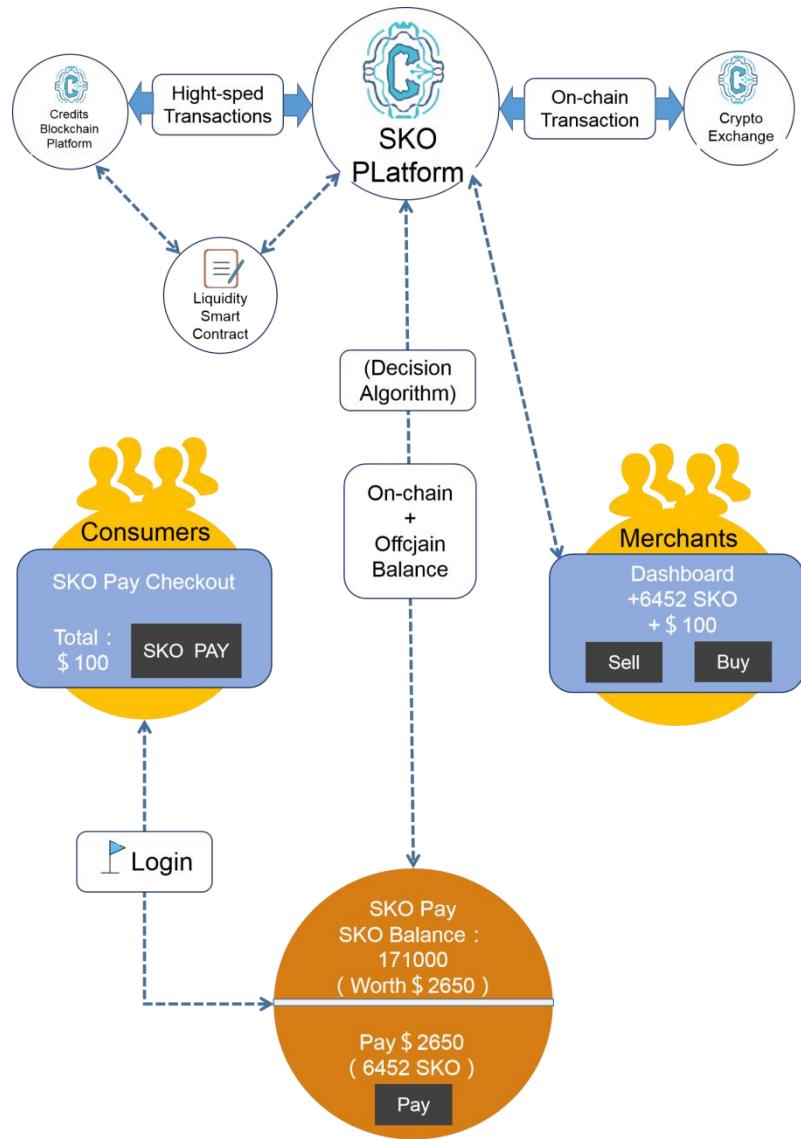
The SKO Ecosystem was carefully designed from the beginning as a supportive sphere in which users can be confident in their trades on the Blockchain. To capture a variety of users, we have provided an ecosystem platform that is scalable and effective, yet simple over the Ethereum Blockchain, where customers and brands can interact without restrictions in a dependable, trustless, and mutually beneficial manner.

SKO TOKEN ECOSYSTEM



## 8.1. SKO PAY

SKO Pay will be an open widget to accept payments in SKO tokens and can be used by any merchants anywhere online just like any other payment gateway providers. We aim to provide seamless SKO pay solutions in SKO mobile & web wallet, open API platform, and SKO e-commerce marketplace.



**On-chain vs Off-chain Transactions:** The SKO platform acts as a mediator between the credits blockchain to support high-speed transactions & the crypto exchanges. The liquidity smart contract will be responsible for handling off-chain transactions. We will be exploring Ethereum upcoming changes vs Credits Blockchain to decide which one will be better for SKO platform in the long term.

## 8.2.E-commerce Marketplace

Given our distributed ledger system, items for sale are gathered from different parts of the globe on the marketplace. Buyers and sellers from different parts of the world also come together in a peer-to-peer enabled environment for transactions. Users of the platform can thus have access to the entire list of all the offers available on the SKO marketplace. With our help and the SKO Platform, any shop



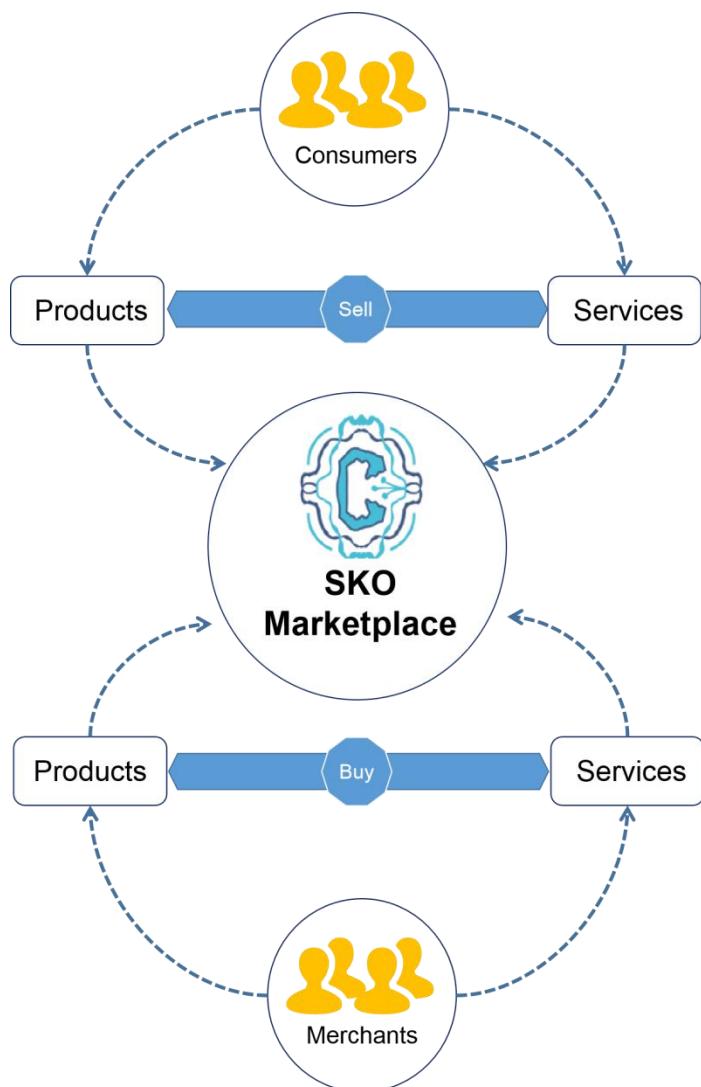
owner is free to execute a single sale or build an enterprise level e-commerce platform.

The flexibility offered by our e-commerce marketplace gives users the freedom to choose what they want to do on the platform whether to buy or sell or get involved in the loyalty program and earn rewards.

We aim to meet the need of every consumer, every merchant and every business no matter their location through our distributed ledger system. Our e-commerce market place gives you instant access to the global audience, removes transaction overhead (management and fees) and ensures they are secure and frictionless through our Ethereum blockchain based ERC20 tokens and smart contract implementation.

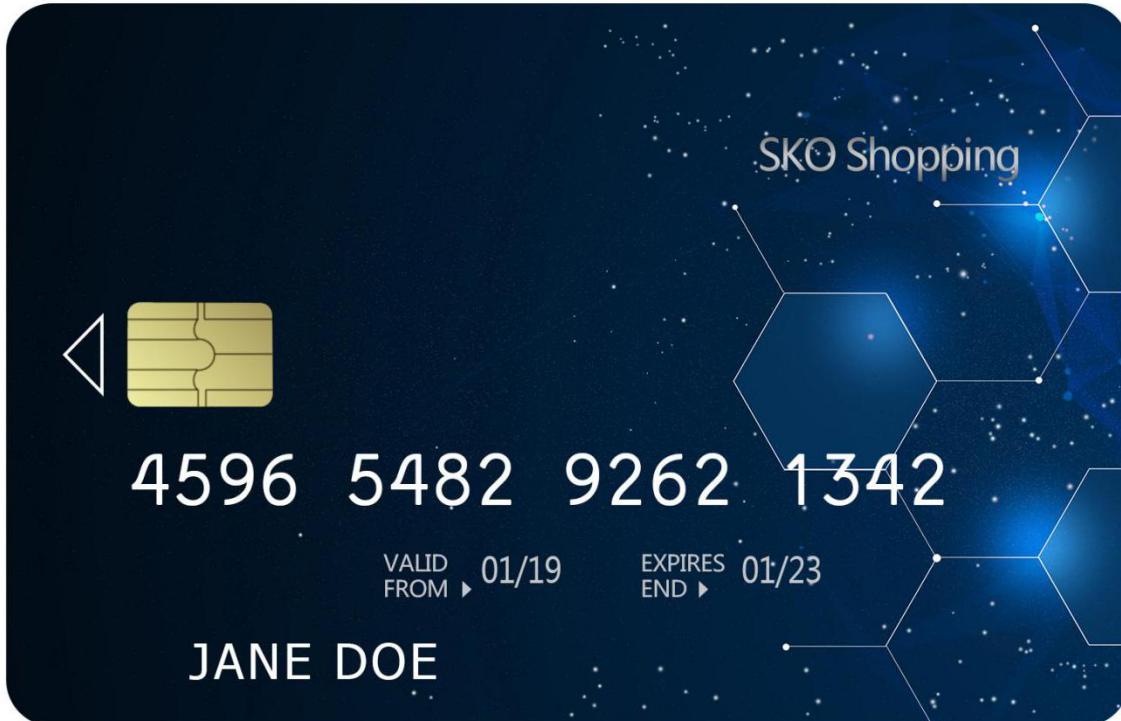
There are two ways in which our participating retailers can interact with the SKO Ecosystem. These include through a smart contract that handles the liquidity of the SKO token in the market or buying directly through the cryptocurrency exchange. Another way is through the SKO token Platform which maintains all the essential operations and controls relating to the purchases and sales of the SKO tokens with fiat currency. Using this, sellers on the platform can choose to sell goods and services for SKO tokens as well as distributing them with the Unified Reward System.

Extended support and software development tools to achieve a crypto based reward program will be offered to clients using the SKO token platform.



## 8.3.SKO Card - Touch & Pay

SKO-Touch & Pay card aims to enable customers to make micropayments at coffee shops, supermarkets and day-to-day online shopping. It contains radio-frequency identification (RFID) to communicate with card reader to enable contactless payments. With the release of SKO Card, we are expecting to raise adoption of the SKO platform by regular customers.



We are going to implement this solution in different phases.

### **Phase#1 Merchants accept SKO Card Payments using The SKO Card Reader Mobile App**

We are aiming to implement this as our quick solution. This will enable any Merchant in the EU to accept payment in the SKO token. Merchants will need to download SKO card reader App from Apple store or Google play store which will be able to communicate contactless with SKO card to do micro-payments or receive SKO tokens. After this, we will be working towards other countries to comply with their jurisdiction to support SKO token payments.

### **Phase#2 Merchants accept SKO Card Payments using standard Visa or MasterCard Readers**

The SKO token aims to integrate with Visa and MasterCard following our own mobile solution to ease the transactions for merchants and consumers globally. Customers will be able to use virtual SKO Card from their SKO mobile wallet for touch & pay micro-payments at their favourite retailers.

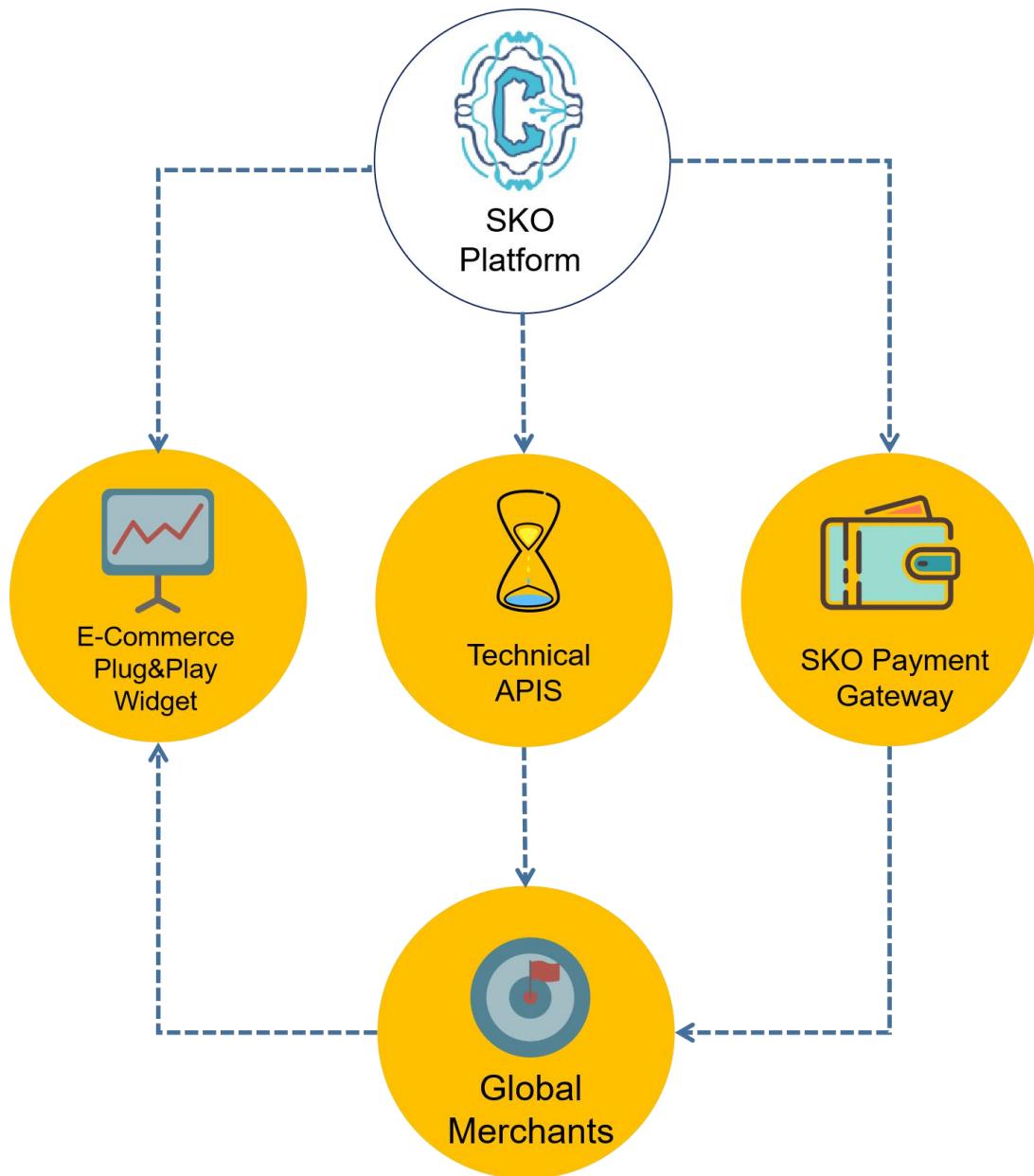
### **Phase#3 Merchants accepts SKO Card Payment using SKO Card Reader Hardware**

Depending on the funds raised; we will be targeting to develop our own hardware to accept payments globally. We will be targeting this after SKO token becomes a global cryptocurrency used by multiple countries. We expect increased adoption of SKO token with the introduction of hardware card reader.

We will aim to release another form of authorised paper to detail phase#2 and phase#3 by mid of 2019.

## 8.4. Open API Platform

With SKO Token Open API Platform, users do not need to know any form of programming code or language to make use of the system. It is structured to be utilised out of the box.



Open APIs can be structured in various ways but the main takeaway of every API architecture is that API itself can readily be used and accessed by as many customers as possible from every part of the globe. Open API is an application- programming interface that gives the owner of a network the chance to allow people from different parts of the globe to be able to access the services like developers. It provides transparency to all users with the functionality of the system - unlike



traditional private API's companies typically use.

It is not necessary to be a participating member of the SKO platform to make use of the SKO token or offer the SKO token as a reward. Our Open API ensures that merchants that are not SKO platform customers will have access to and participate in different transactions on SKO token platform. You can make payments, exchange and purchase SKO tokens using our web wallets or use the SKO token mobile app. These retailers can integrate their e-commerce stores into our system and maintain their apps using our API to offer redemption and receive payments. Similarly, their customers can use our wallet to purchase their goods and services using SKO token. Should the service-providers of our API choose to, they can create their unique custom solutions to process transactions with SKO tokens.

## 8.5.Banking System Integration

With seamless banking system integrated in the SKO Platform, Customers will be able to buy SKO tokens using linked bank accounts. They will also be able to exchange SKO tokens with fiat and send cashback to linked accounts.

## 8.6.SKO Mobile Wallet

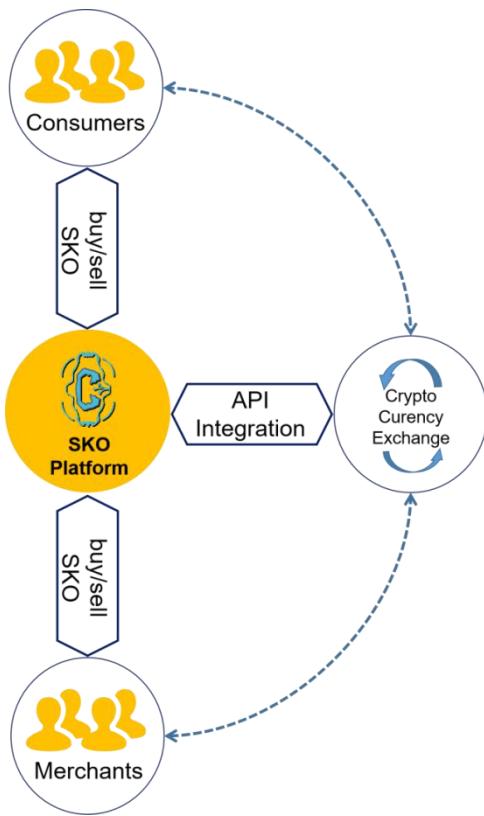
The seamless integration of SKO Mobile Wallet with Banking and cryptocurrency Exchanges will enable SKO Platform users to:

1. Top-up SKO Tokens with a click of a button
2. Send and Receive SKO tokens
3. Exchange SKO tokens with any other crypto currencies like ETH and BTC
4. Exchange SKO Token with fiat currency and get cashback

The SKO mobile wallet continuously connected to Cryptocurrency Exchanges maintains the live exchange rate of the SKO token and other cryptocurrencies.

## 8.7.Cryptocurrency Exchanges Integration

SKO platform integration with cryptocurrency exchanges would allow users to exchange SKO tokens with other cryptocurrencies (like ETH and BTC). Users of the platform can also convert from one cryptocurrency to the other and from cryptocurrency to fiat currency.



## 8.8. Ethereum Blockchain – Proof of Delivery & Service

The SKO e-marketplace leverages smart contracts to make the process of exchanging goods with SKO token fast, secure and add trust in the system. It generates secure escrow for two transacting parties. Through this method they are given a money – back guarantee for buyers if the product turns out to be substandard and for the seller, it ensures that the fund for the product they placed on the marketplace is securely transferred to them.

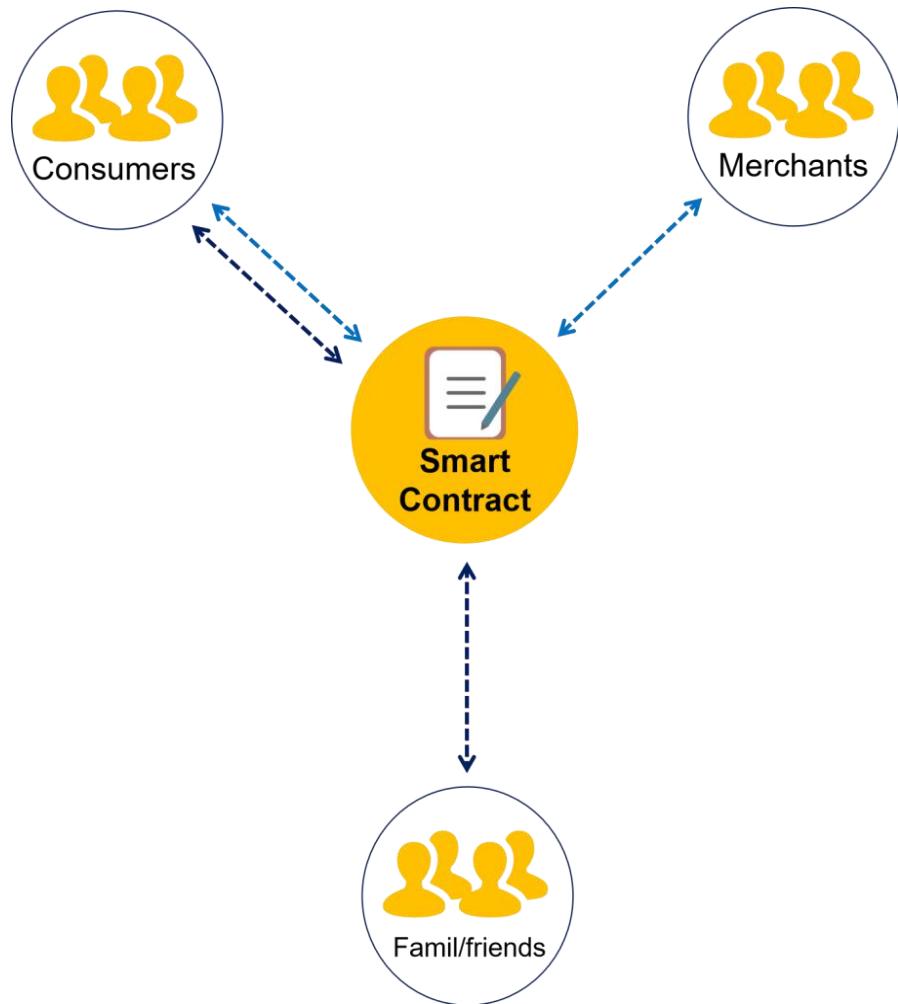
The distributed ledger system keeps funds secure and prevents any transaction participant from having control over the funds until independent delivery services confirms that product is successfully delivered to the buyer using external oracle. If the buyer is satisfied with the quality of product delivered, the payment is transferred to the seller and the share of payment that is owed to the delivery service will also be transferred. The Ethereum blockchain makes transactions between two individual possible without any need for an intermediary. This in turn reduces the cost of management and business transactions overall.

When customers make purchase using the SKO tokens, these tokens are stored in the secure escrow until the transaction has been completed from both the parties. Merchants can set preferences to exchange SKO tokens with fiat currency during this transaction period to protect against volatility of the market.

## 8.9. Peer-to-Peer Transfer

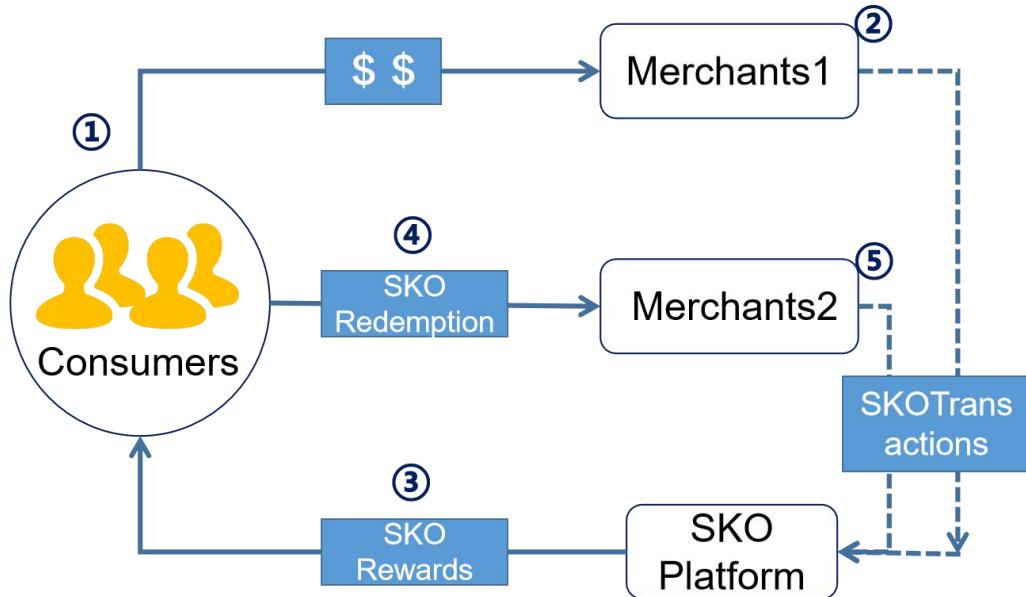
The SKO token platform enables peer-to-peer transaction to give users the chance to engage in direct

exchange of goods and services. This enables free trade between two parties anywhere in the world. A seller can sell directly to a buyer across the world without the usual services of middlemen or going through different currency conversions and exchange rate fluctuations.



## 8.10.Unified Reward System

With the various offerings of the SKO Platform, we are set to unseal the current limitations found in traditional customer loyalty programmes and hasten the development of a more cooperative, unified, and competitive customer reward industry. We aim to replace the traditional restrictive reward points system used by typical commerce companies with a blockchain based dynamic currency that increases participation and interaction between customers and services. We have the unprecedented opportunity to unlock the full potential of rewards programmes by combining all sales entities - pooling together a limitless customer base and rewards on offer.



1. the consumer use method orders the prize money from mercrt-1 (ETH or BTC)
2. sign up for the SKO ecosystem and get the ETH or BTC wallet
3. exchange ETH or BTC for SKO tokens
4. consumers exchange these SKO tokens to purchase goods, services, and investments from SKODAPP.

## 8.11.Unified Reward System

- Token Name: SKO
- Total issuance: 1.5 billion
- Project party holds: 5% lock position 5 years release 1% per month
- Reward mechanism: 20% lockout for 5 years, measured by the number of contracted SKO tokens. Quarterly rewards for those who have made outstanding contributions to the company's development and market share (top 50: 1--5 rewards 30%, 6-10 20%, 11-20 20%, 21- 50 30%)
- Exchange ratio: 1usdt=5SKO mining mechanism: 75% as SKO investment option reward

## 9. OUR TEAM



CEO

### Benoît Foulland

As chief executive of Denebsoft, Beno 802.1t Foulland has accumulated rich experience in software development, information technology, block chain and distributed book technology development because of his natural curiosity. The CEO of Denebsoft has accumulated extensive experience in software development, information technology, block chain and distributed book technology development by virtue of his natural curiosity. He began coding at the age of 14 and explored blockchains at the age of 19. In the end, his curiosity and efforts made him a blockchain developer. He envisioned the future of distributed books integrated into everyone's daily life, and he firmly believed that their applicability could be extended beyond financial and asset management. With this vision, he founded Denebsoft, to focus on exploring blockchains in financial technology. Potential applications in insurtech and regtech. He believes it is important to train people and communities through blockchain training at Blocklime College. He believes that the potential and impact of blockchain payment technology will be important for improving society and help pave the way for the adoption of blockchain payment technology.

**Маркевич**

Chief legal adviser

Responsible for legal issues, data confidentiality and government contacts. He joined the team in 2016 as part of our desire to ensure full compliance with all existing policies and further develop our business. Previously, he served as senior vice president and chief adviser to Riverbed Technology and held senior positions in the legal departments of Charles Schwab and Gunderson Dettmer. He graduated from the University of California Hastings School of Law with a doctorate in law.





CFO

## ДМИТРИЙ

The following departments are responsible for finance, law, IT and strategic projects. Since taking office in 2012, he has supported the transformation of Denebsoft from a private company to a joint-stock company and withdrew the company from (IPO) to the Nasdaq Stock Exchange in October 2013. Previously, he held chief financial officer and other financial management positions at SAP and Business Objects. He holds a master's degree in business administration from INSEAD, as well as a master's degree from Doven University and ESLSCA.

## Федор

Technical Director

Федор joined Denebsoft in 2013, responsible for the design and production department. He successfully expanded our world-class R&D team, ensuring our successful IPO and creating conditions for long-term growth. Before joining Denebsoft, Феопп worked at Google, Microsoft and HP, and co-founded two companies in the Bay Area, one of which was acquired by Microsoft. He holds a master's degree in computer technology and PhD from Stanford University and is an inventor with 50 patents.



senior engineer

## Женские имена

With 5 years of experience as an investor and consultant in block chain, he is an expert in block chain development and is committed to block chain application research and development in order to change the global financial securities pattern.

## Аделина

senior engineer

A cutting-edge technology enthusiast with extensive experience in cloud computing, big data processing, data science and software engineering. In 2014, she joined the (Ames Nasa Research Center of Singularity University) Future Technology, and she is currently studying for a four-year advanced certification program for implementation innovation strategy and technology operation at MIT-Sloan School of Management.



**Marketing**

## СЕРГЕЙ КУЧЕРЯВЕНКО

He has been engaged in actor roles in the early days and has been engaged in marketing since 1998. He was trained at GRUNDFOS's Russian branch, where he started marketing services from scratch and worked in related departments for six years. During this period, he was directly involved in the development of his author's project to improve the loyalty of B2C customers (Reseller support Program-Strategic Partnership). He worked with colleagues on a project to develop a way to evaluate the efficiency of public relations companies. In the next few years, I specialize in work. Strategic B2B marketing in the field of industrial engineering equipment.

## ВЛАДИСЛАВА КРОКОС

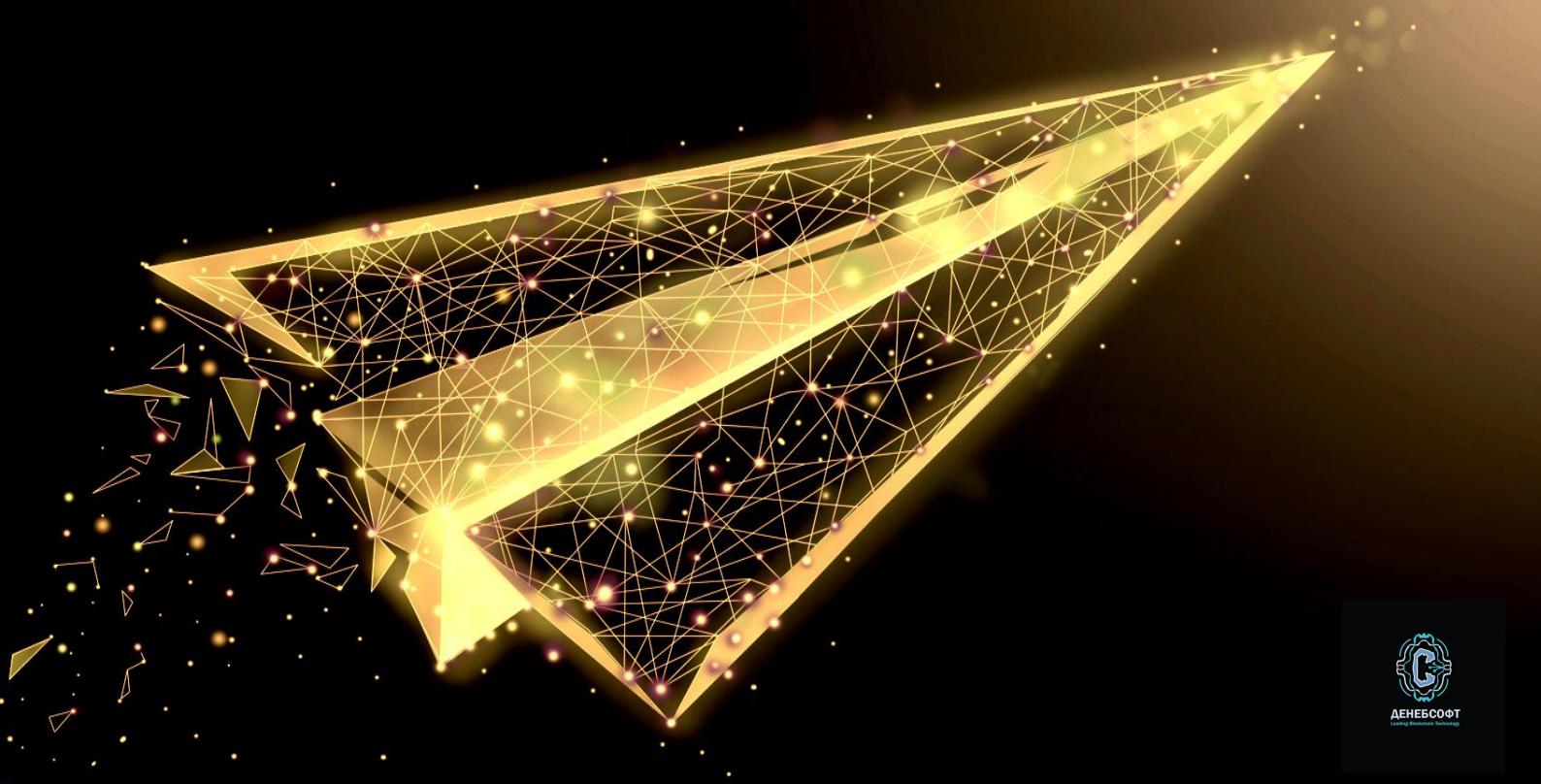
**Admin Director**

Since 1989, it has been developing and marketing from employees. She has worked as an administrative consultant at Evrazholding, ROCKWOOL, Econika Corporation, an industry market leader. She has also been an excellent actor.

**marketing director**

## МАКС ЗАХОЖИЙ

МАКС ЗАХОЖИЙ graduated from Moscow State University. MV Lomonosov Moscow State University (MSU), a master's degree in high-tech management. МАКС ЗАХОЖИЙ previously served as a key account manager for Mediatree. His track record is unparalleled and is trusted by European corporate clients. Since 2015, he has been involved in numerous transactions, mainly in the French and Spanish markets, along with the management of various corporate clients around the world.



## 10.ROAD MAP

In 2012, a company was established in Ufa of the Republic of Bashkortostan, Russian Federation, engaged in data processing in the field of technical computers, provided information placement services, and guaranteed information and Internet communications on portals.



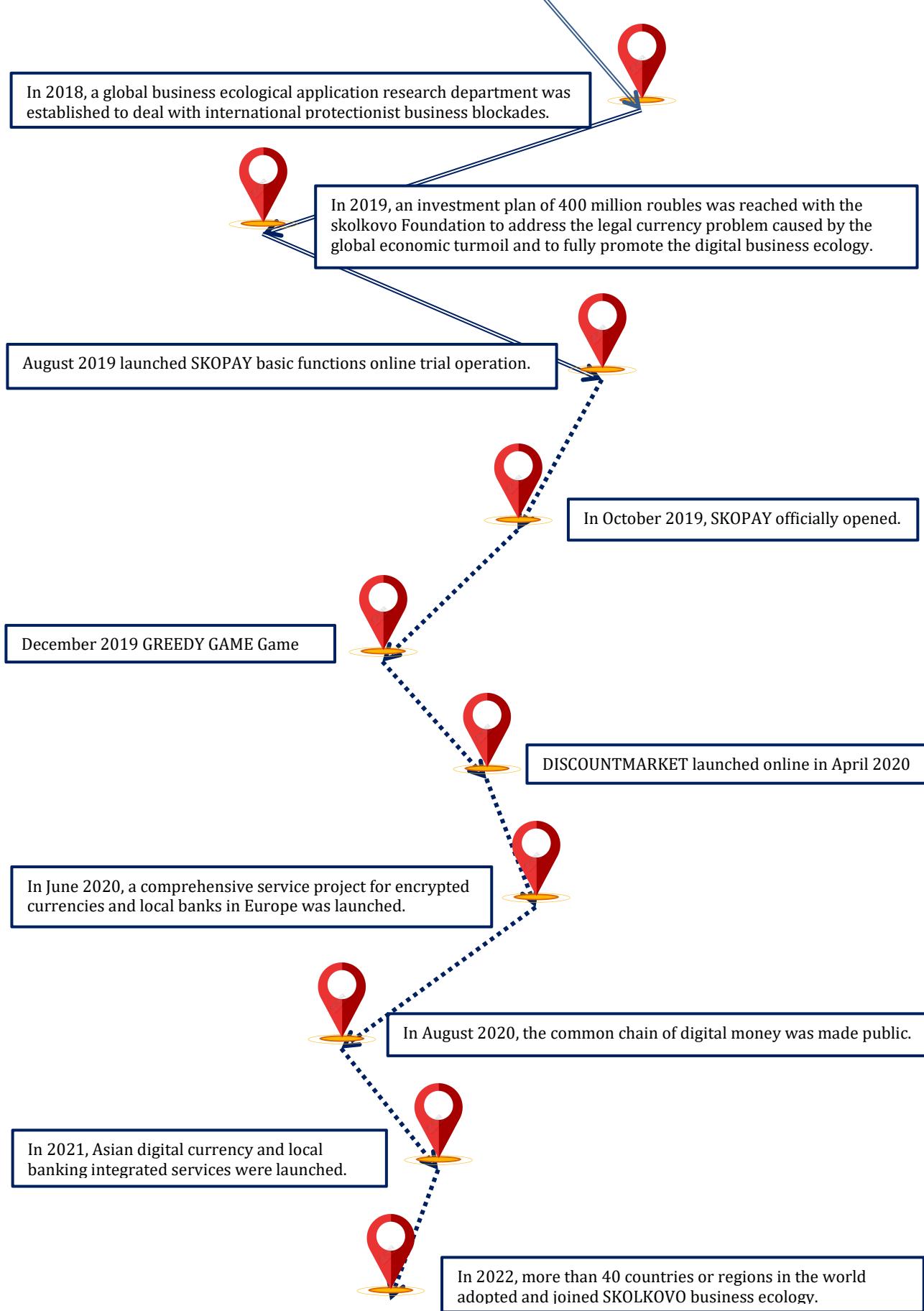
In 2013, a digital monetary research department was established to establish a global economic simulation system.

Cooperation with the information security services of the Russian Federation in 2013.

Participate in the skolkovo program in 2014 and provide blockchain technical services to the skolkovo Foundation.

Bitcoin offline payment app was launched for the first time in 2016.

In 2018, in Stalingrad, St. Petersburg and other cities and Gum department stores and other sales stores, the number of cooperative stores reached 1500.





## 11. CLOSURE STATEMENT

The SKO token will prove to be a revolutionary cryptocurrency for the e-commerce ecosystem to ensure merchants and customers get their optimum satisfaction from the services. With the aforementioned features of the SKO token, merchants will have a more convenient and economical service while engaging

their customers. This would also encourage customers to continue using the SKO cryptocurrency card as frequently as possible. This will help to boost several businesses, and also satisfy a millions of customers in the best ways possible.

