



SIGMACOIN

# SigmaCoin

'Distributed' Trade ecosystem





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# sigmacoin.io

## **INTRODUCING SIGMACOIN \_ THE WAY OF THE FUTURE**

**Sigmacoin.io is a distributed Trade Commerce Ecosystem for the distributed Future.**

*Sigmacoin.io is a distributed global platform that connects exceptional startups, exporters/importers and investors worldwide and built **by the Blockchain community for the business community with a distributed ledger.***

## **Sigmacoin.io – A Priority Investment Platform.**

### **OUR VISION:-**

Ideas are always born outside the box and until now, great ideas had an advantage when born in Silicon Valley. Apple, Facebook, Google and Amazon all benefited from being in the right place at the right time and reaching the right people. The distributed economy will equally change this for Blockchain startups, simple business startups and trade commerce industries in the business arena utilizing a Blockchain technology for cross country trade and simplifying the whole financial economy.

Rather - Blockchain Technology with Blockchain Community Backed up by the Trade Commerce Exporters/Importers.

We have been working hard for months to find recognized experts and exceptional entrepreneurs who just need a little bit of extra help to reach their full potential. With your support, we will be able to showcase these hand-picked projects to visionary supporters like yourself.

But this is just the beginning for Sigmacoin.io

Today, Sigmacoin.io is a self-sustained business finance consultancy managed by eminent entrepreneurs, focusing on carefully selected trade and commerce projects. But just as we know that not all great ideas can come to fruition, we also know there are many experts all over the world who can help good ideas grow into exceptional businesses. That is why our ultimate goal is to build a platform where hundreds of thousands of the best startups, exporters/importers and trade finance community can go to expand their potential and find investment. A platform where millions of experts with proven track records offer their expertise. Platform where tens of millions of investors go to find the best projects to support without worrying about their legitimacy.

In doing so, Sigmacoin.io will become a platform that will harness the disruptive power of the Blockchain and translate the logic of interactions into successfully distributed business models that shape the future.

### **A distributed Trade Commerce ecosystem for the distributed future.**

This is our vision. We have started building it by forming a network of experienced advisors like Dave Wilson, Dan Schwartz, Ron Cartey and exceptional partners like PWC and Wachsman PR. We are constantly adding great experts to our network and have selected the first amazing projects to debut on Sigmacoin.io in the coming weeks.

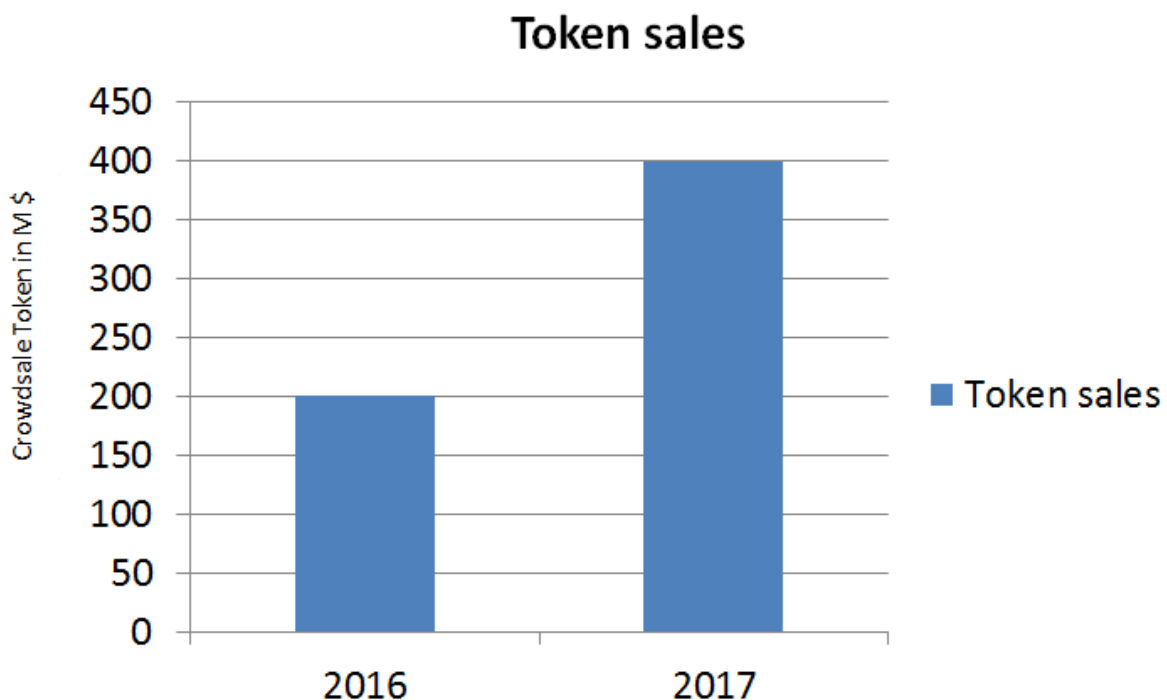


Sigmacoin.io is using the concepts, support, feedback and funding of the Blockchain's early adopters and will first be built **by the Blockchain community for the Blockchain community and then for the business community.**

## Opportunity:-

The token crowdfunding space is growing quickly. In 2016, a total of \$200M of investments was raised and, \$400M is projected for 2017 (source: Techcrunch). This represents around half of the traditional venture funding last year in the Blockchain space (source: Coindesk Report). This year we expect

Blockchain companies to raise more capital through ICOs than any other form of financing, an historic event that flips over the traditional venture capital pipeline (source: Harvard Business Review). There now is a clear need for a service providing additional structure - from carefully selected teams to active mentoring.



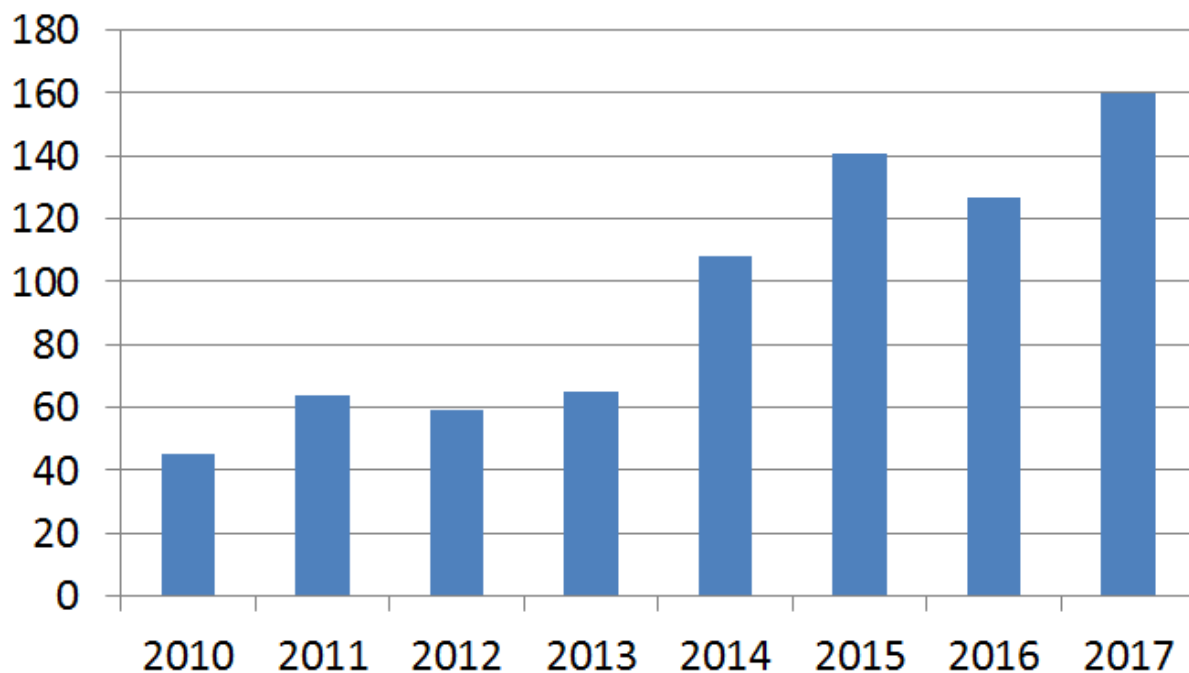
Such a service could capture the whole “high end” segment of around 25%-50% of the market (the Apple strategy).



Looking at the bigger picture, it has become apparent that the token ‘crowdsale’ model can not only provide funds to startups but also connect them to early adopters and evangelists - a marked improvement over the traditional Trade Commerce or Exporter/Importer model.

The service built for the ‘crowdsales’ of today could grow to support the startups of tomorrow, world-wide, capturing a significant percentage of the total investments (source: KPMG).

## Capital Invested in \$(B)



The booming number of token ‘crowdsales’ is making it ever more difficult for the **supporters** to pick the right ones. A large part of a project’s success depends not only on the idea or technology but, on the founders, their relationship and their tenacity. It’s impossible to judge that from a slick web page alone. Despite the rise of promising opportunities, supporting projects is becoming more and more of a gamble.

**The teams face a different challenge.** Often they have a strong technology background and a clear vision for their service, but are not quite so fluent in the language of business. The token ‘crowdsale’ process is a startup process on steroids: supporters



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expect the teams to start executing from the moment the ‘crowdsale’ threshold has been successfully reached. They are extremely engaged and vocal when feeling disappointed. But growing a company is not easy, especially for those new to it.

**Traditional startup investors** mostly still remain on the sidelines. Due to the lack of a structured due diligence process, it’s hard to pick the best Blockchain project to support. A more structured and secure space is required before we can expect a large amount of funds to flow into the distributed economy.

Despite the progress of technology, most **experts** still only work with local companies. While there are several platforms supporting the “gig economy”, they do not provide opportunities for world-class experts to work with world-class projects.

**Introducing The Sigmacoin Solution.io - Selecting the best teams:**

There has never been a shortage of ideas but, selecting the teams with the highest potential is very challenging. Sigmacoin.io has created an “extremely thorough evaluation criteria” model based on Daniel Zakrisson’s ‘crowdsale’ analysis to select only the best projects to work with on our platform. At the time of launch, out of 12 projects that Sigmacoin.io has engaged with, only 2 have been selected. In addition, selected projects will be audited by PWC, bringing an unprecedented level of investor assurance and clarity into the token crowdsale space.



Sigmacoin.io insists on meeting all the teams in person for at least one full-day workshop before committing to working together. We also constantly monitor and supervise progress and reserve the right to suspend collaboration right until the crowdsale starts.

### **Preparing teams for a successful crowdsale:**

Raising funds via a token crowdsale is superior to the traditional funding or VC model in many ways - especially for startups not based in one of the really great startup hubs. However, the similarity between “IPO” and “ICO” (“Initial Coin Offering”) is not coincidental. A good crowdsale has more in common with a company IPO than a company raising a seed or Series A round, and investor expectations after a successful raise are very different.

Sigmacoin.io communication and coaching processes are designed to **help teams conduct a successful crowdsale** and **get the business running** on a great foundation as soon as possible.

After the selection process (Building a crowdsale evaluations process), the first step for the teams accepted to Sigmacoin.io is to work on the business essentials. Sigmacoin.io identifies potential barriers to success and brings in experts with years of experience and a proven track record in each of these areas. The process is described in more detail here. The team and Sigmacoin.io then define different



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funding scenarios, business strategy, a roadmap and the minimum and maximum fundraising thresholds.

The second step is to define the key investor communities the project will be targeting during the token pre-sale process. Specific value propositions are defined for each, then built upon with a communication and PR strategy for each in cooperation with external partners like Wachsman PR.

Defining the token and the best legal structure of the token and company comes next. We work with partners like Price Waterhouse Coopers to explore the possibilities and decide on the best one.

Sigmacoin.io also helps in executing the communication strategy by helping write and optimize content, and monitor and engage with potential investors on social media channels.



### **Launching the business.**

Like all the startups, the teams planning on token pre-sale are understaffed by definition. Typically, teams would spend the weeks and months after their pre-sale trying to scale the company by defining new roles and finding the appropriate people—a very complex process.

A part of the Sigmacoin.io team evaluation is to define the key roles that are not only crucial for the token pre-sale itself, but for the business. We use our coaching network to find experts to temporarily fill the role and define both the basics of the role and guidelines for future hires. This means that once the funds have been raised the company can start hiring and executing at once, based on a solid foundation.

### **Market, business model, target segments.**





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As mentioned already, the combined amount of token crowdsale investment in 2016 was an estimated 200M USD, with 400M USD expected in 2017. The goal of Sigma is to capture a majority share of the targeted premium segment representing 10% of the total market share by the end of 2017.

### **Estimated Crowdsale of Sigma Coins Market Share.**

The token crowdsale model is superior in many ways to the traditional startup/VC funding model, especially for the Seed and Series A stages.

The total VC investments in 2016 was 130B USD, with around a third of that in seed and Series A. The goal of Sigma is to capture a majority share of our target group, amounting to 10% of that market by 2022.

### **Business model:**

Sigma business model: - **is accessible for teams**, - **aligns the incentives** of the teams, investors and experts - **allows a streamlined service** without a giant payroll - **is scalable** from a consulting service to a platform



Sigma has a value-added approach where it charges for its services only in the tokens issued, making it extremely accessible for teams. Our goal is to make the value that Sigma delivers a multiple of the actual tokens received. That means that our services are not only essentially free to teams, but actually add value.

Sigma finances all the costs related to the crowdsale process at the project stage when funds are usually not available. The value of token compensation is usually close to the actual costs. However, due to our scale, Sigma services can be much more efficient when compared by the teams hiring the experts themselves.

The project crowdsale tokens are used to power Sigma. The tokens are distributed among the experts, used to pay promotional costs that are pre-financed by Sigma, and used by the platform to pay for development and operational expenses. As everybody is paid in tokens, the interests of the projects, Sigma, experts and supporters are aligned, support and showcase the best



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projects, help execute successful crowdsales and provide a foundation for a future business that will give the tokens worth.

The initial Sigma percentage of the project tokens is between 10% and 5%, falling with the size of the project. The initial split of tokens is as follows: expert payment 51%, promotional costs 15% and platform share 34%. The tokens that are used to pay for promotion and operations are sold in the marketplace in a way that does not impact the market price (limit sell orders only, distributed in time).

This business model allows Sigma to provide expert assistance to teams without using Sigma's own funds, which allows for a smaller core team and, it will also work on the Sigma platform.

The token compensation model has been proven to work. It was developed by the crypto community and used for years with community members performing escrow, translation, marketing or other services to crowdsale projects - the so-called "bounties".

### **Sigma is simply bringing additional structure and elevating it to the next level.**

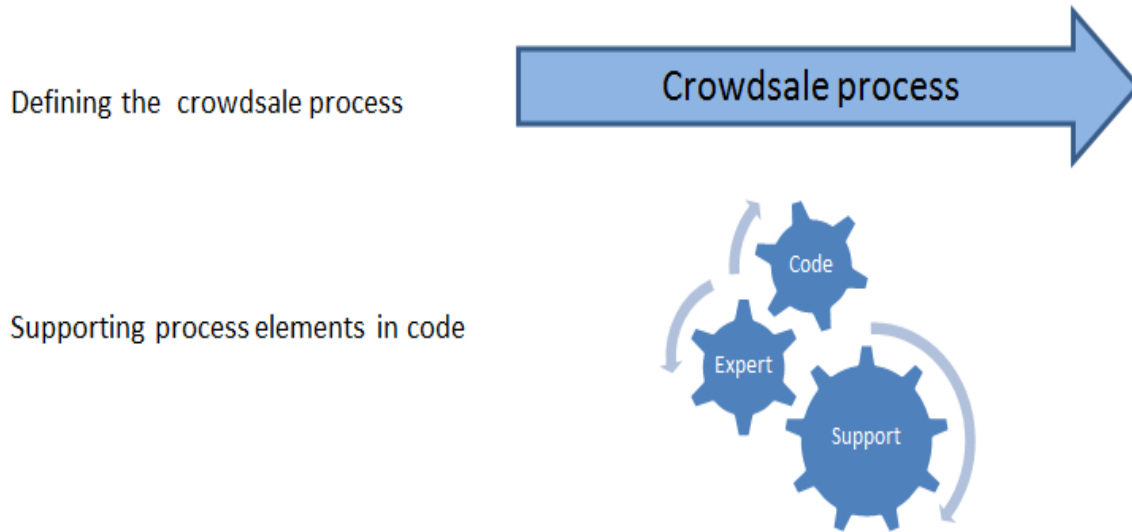
Sigma shares a similar go-to-market strategy as Uber: start at the high end, then expand towards the lower end. That is why we are currently working only with premium projects in a mature phase. Once the basic platform features are completed, we will launch a "Sigma lite" process, aimed at Blockchain startups directed at token presales before the real crowdsale without compromising our strict quality requirements. Once the token crowdsale model begins to dominate the traditional startup financing model, Sigma will be in the perfect position to capitalize on it.

### **Sigma Platform and Roadmap:**

At the moment, Sigma operates similar to a consulting company. We coach projects, help define the legal elements, prepare for the crowdsale, assist with the



PR and launch them using our initial platform. However, this phase has a definite goal in mind: to define and test the optimal crowdsale process, define the parts that can be supported in code and, define the parts that must be accomplished by experts.



Once the crowdsale process has been defined, the elements that can be supported in code, like project application, content definition and base project valuation, will be implemented. For each element that has to be performed by the expert, a roadmap to crowd source will be developed.

Once the full Sigma platform is up and running, experts will be able to offer their services right there on the platform, which will match them with the selected teams based on the needs of the teams and the experts' track records. A distributed global platform that directly connects innovative projects with supporters while enabling experts worldwide to provide necessary support to teams.

### **The goals for 2017:**



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- Launch and Support 75 Export/Import Project Funding.
- Develop the core foundation for the platform and define the included processes
- Define the initial elements of the platform to crowd source
- Prepare a foundation to on-board project supporters that are new to the crypto space

### **The goals for 2018:**

- Launch SME 300 trade finance projects.
- Develop and test the functionalities defined in 2017.
- Create a full roadmap for final platform development.
- Enable simple fund collection from project supporters that are new to the crypto space.

### **The Sigma platform and Sigma token.**

In the distributed economy, tokens are at the core of a project. Since presenting Sigma, we've had many interesting conversations about creating tokens that harness the full power of the distributed business model. A well-designed token increases in value along with the network. It incentivizes the community and early adopters to use, participate, spread and evangelize the platform that it represents. This bootstraps a global community where everyone shares incentives to make the project grow and succeed.

Two types of tokens will circulate on the Sigma platform — tokens issued in presale and the Sigma token sold in ICO. The pre-sale tokens represent added value and are distributed among the crowdsale participants and to Sigma in exchange for the services provided.

The Sigma token, on the other hand, powers the interactions on the platform. If pre sale tokens are the petrol that makes the car run, Sigma tokens are like the motor oil that keeps the engine running smoothly.

Sigma tokens entail certain actions and usage rights on the platform, including:

### **Contribution actions:-**



In order to register and be active on the platform, experts and service providers must hold a certain amount of CFI tokens. And then, when applying to perform a task a certain amount of tokens will be put in escrow until the task has been performed, in order to guarantee the delivery and completion of this task.

These actions include:

- Evaluators and project evaluation on Export/Import documentation.
- Specific task contribution, like video production, design or content creation
- Promotion and expert assistance
- Domain experts and expert assistance
- Team project management and coordination

#### **Access rights to exclusive content:-**

There will be some data and parts of the Sigma platform only accessible to members holding a certain minimum amount of Sigma tokens - for example, exclusive pre-release access or a more in-depth look at the projects during the evaluation stage.

#### **Payments:-**

Some services on the platform will require direct payment of Sigma tokens, like invoice submission. Each invoice submission will require expert evaluation - so the application will be paid for with a certain amount of Sigma tokens that will be distributed among the evaluators.



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These are the three core groups of token usage with some examples. The first phase of Sigma will serve as a learning process for better definition of all relevant actions.

### **The role and value of the Sigma token :-**

Unlike equity, tokens represent a unique link between value and functionality. Determining the role of the token in a business is crucial for a Blockchain startup. For some projects, tokens represent a share of a company and entitle the holders to some form of value return (including dividends, buybacks and revenue share). For other projects, tokens are a way of facilitating the transactions - either as a service currency or a way to facilitate desired actions.

The goal of Sigma is to build a platform that fully supports the crowdsale process. The token should help attract project evaluators, pay for some of the services rendered, and serve as an assurance of quality work. As the supply of Sigma tokens is static, an increase in platform usage will drive up the token usage.

### **Technology on Export/Import using Sigma Token:-**

The Sigma Blockchain can benefit the SMEs or the Exporters/Importers in the following manner:

1. Cutting down the fraudulent activities involved in cross border export/import documentation and also reduce cost.
2. Trade values are transferred securely with the digital ledger uniqueness.
3. Privacy on trade data is ensured through cryptography and tokenization.
4. Flawless execution of contract between the exporter and importer because of Ethereum SmartContract.



## **Creating and distributing value:-**

Some of the most intense discussions we had among the team, with our advisers and with potential supporters revolved around value return — should we do it and, if so, how it should be done.

In the end, we decided against pure direct value returns. Sigma is a platform and, most value will be created when building and leveraging the networks of projects, supporters and experts. We feel that this leads to unnecessary regulatory complexity and unaligned incentives — the supporters wish to keep costs down to increase returned value, which is counter-productive to rapid platform development.

Using the profits to speed up platform development, geographical and market penetration has the potential to bring multiples of value spent. For example — a \$10 Million profit would be miniscule when distributed among the token holders, while that same amount spent on an additional developer or a publicity campaign would bring much more value to the platform and indirectly to token holders.

That said, additional Sigma tokens will have to be bought on the market to fuel the crowd funded processes on the platform — for example, paying crowd sourced project evaluators. Once the platform is operational, the token flow should operate in a closed cycle, with an equal number of tokens leaving and arriving on the platform. But until that is complete, the team will have to “fuel” specific functions using the tokens bought on the open market. This will start as the first functions are transitioned to the platform in late 2017.





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### **Global expansion:-**

The Blockchain system is rapidly evolving at many global hotspots. A Sigma hub in as many of them will:

- ✓ Increase Sigma brand recognition and give greater access to regional projects and experts,
- ✓ Accelerate our capacity growth and incoming projects
- ✓ Simplify team selection and collaboration
- ✓ Help us keep in touch with the many talented individuals and engaged communities
- ✓ Build the brand for the crypto community but also in the old economy.

The basic Sigma financial model includes a European Sigma hub and two additional hubs. We have already started building our first Asian hub in Bangkok and are planning for a quick expansion to Las Vegas. Other hubs would be added as soon as revenue streams allow it.

### **Competitive Landscape.:-**

While there are companies in the Blockchain space that are focusing on crowd funding support or investment, we believe our approach is unique. We are blending the best elements of the traditional VC model with the advantages of the token crowdsale model. Our goal is not to compete with existing advisory, technical or investment crowdsale services but to partner with them - to be the catalyst that enables quicker growth.



|                                   | Venture capital        | Sigma Gains               | Current token crowdsale   |
|-----------------------------------|------------------------|---------------------------|---------------------------|
| Focus                             | Formalities & pitching | Entrepreneurship & vision | Vision & Entrepreneurship |
| Growth Speed                      | Still slow             | Very fast                 | Unpredictable             |
| Investor protection               | High                   | Medium                    | None                      |
| Early adaptors                    | Low                    | High                      | High                      |
| Fundraising                       | Low                    | Global                    | High                      |
| Investment Liquidity              | Low                    | Global                    | High                      |
| Project evaluation                | Yes                    | Yes                       | No                        |
| Business training                 | Yes                    | High                      | No                        |
| Team evaluation & scam protection | Yes                    | High                      | Low                       |

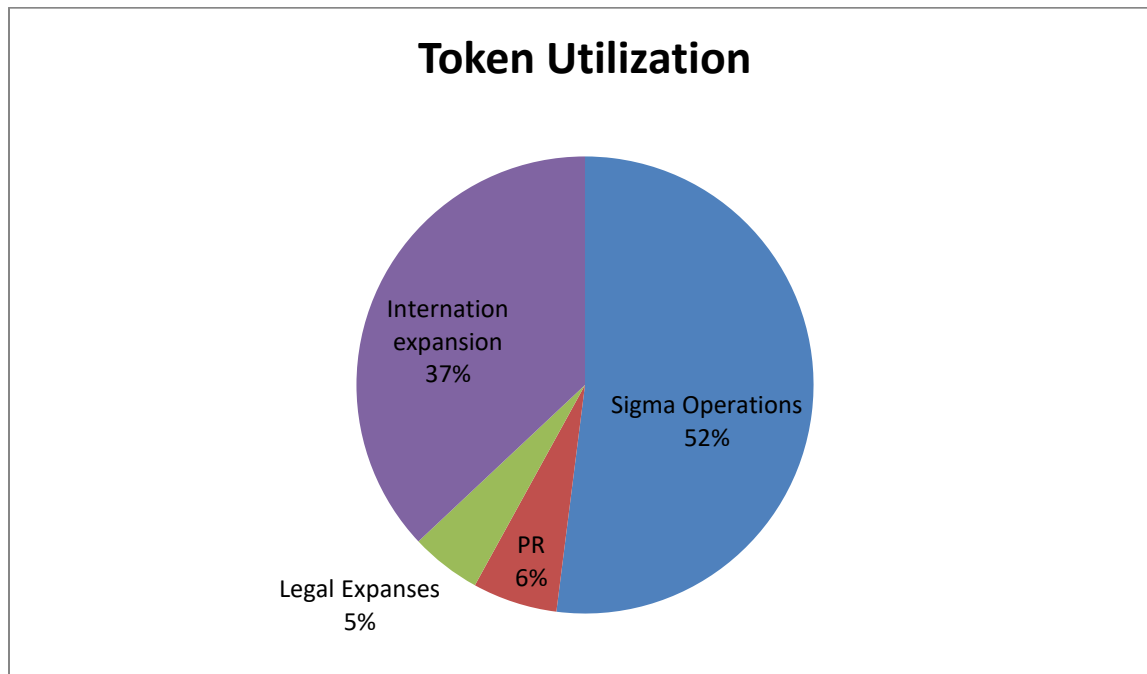
Our constantly evolving crowdsale process, expanding expert network and global reach will create a virtuous cycle - great projects and great experts will drive Sigma adoption and reach.

### Financial projections:-

The funds raised by crowdfunding will be used for Sigma operations, marketing and PR, legal expenses and international expansion. If the crowdsale does not reach the envisioned amount, Sigma operations will be scaled down to extend the runway to two years and rely more on operating profits to fuel growth.



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#### **Advantages of Sigma Token for an ICO:**

Trade Commerce Platform and SMEs have limited access to the working capital assistance which has caused the sector to have very slow growth. Trade Financing, Factoring, Bill Discounting are the terms that are very familiar terms which have a market volume of trillions and increasing at a rate of 24% per annum worldwide. Keeping this data in mind our Blockchain technology with the Sigma Coin tokenization and putting it into the ICO platform will render the following services:

Allowing small SMEs easy access to short term financing by turning their receivable accounts to tradable assets.

Allocation each invoice to our secured Blockchain hence creating a new source of financing.



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A common market place of trade commerce, exporters and importers for their financial data, credit reports and financial values of companies.

A meta-market is created for financial institutions to serve their financing options using Sigma Tokens as per their terms and criteria.

A proven risk algorithm created to perform checks on financial status and claim selection process. This algorithm actually determines the financing or the factoring procedure.

Both the exporter and importer are secured with the asset as well as the finance. This makes business easier and efficient.

### **Sigma (SGC) Token Functionality:-**

A Sigma token grants the token holder to purchase invoices on the Sigma Platform and obtain credit scores for certain entities which have a stable and sufficient financial track record on the Sigma Platform.

Invoices are uploaded in the Ethereum Blockchain regularly and at no cost by claim sellers looking for liquidity. Therefore Sigma Token is the entry point to Sigma Platform.

The Sigma Token holders will have the value of their tokens backed by Sigma's initial pre-sale liquidity pool, which will selectively invest in trade commerce, factoring discounting programs which will enable proper yield in risk reward terms.

### **Sigma Model and Sigma Token Distribution: -**

In traditional companies, equity is the key foundation of receiving investments, attracting great employees and, forming strategic partnerships for tokenized companies, tokens take over that role.



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Sigmacoin.io is an extremely ambitious project. The key challenges lie not in developing or deploying new technology, but in bringing together best practices from a variety of industries.

To overcome those challenges and build our platform, we have the best people in the world.

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