

ICON (ICX)

SPEC BUY



Korea's answer to open source hyperconnectivity

Overview

Icon is a Korean based company which seeks to establish an open source blockchain ecosystem to be utilized by government, financial institutions and businesses.

The mechanics of the ICON project are focused on the following:

- 1) implementation of a smart contract environment named 'SCORE'
- 2) release of a consensus algorithm (named Loopchain) which processes transactions and data in realtime
- 3) creating flexibility in the ecosystem so that other blockchains can be connected to the ICON network

Icon is backed by a technology firm called 'theloop,' a blockchain focused company that has been the recipient of several private financing rounds already.

Token Sale

Under the code ICX, Icon will be issuing a maximum token supply of 400,230,000 and a cap set of financing at approximately \$42,000,000 at an Ether price of ~\$280.

The white paper stipulates that 50% of the tokens will be allocated for the crowd sale while the rest are split between various community/reserve funds. A total of 10% will be held by management and advisors.

A Use of Proceeds has also been detailed with roughly 50% of the funds used for operating costs, marketing and business development. The balance is allocated to further reserve funds.

General

Country:	South Korea
Team:	Transparent
White Paper:	Available
Stage:	MVP
Sale Period:	Sep 20 - Oct 12
Website:	Click here

Sale Info

Pricing:	1 ETH = 2500 ICX
Accepted:	ETH
Min Goal:	NA
Cap:	150,000 ETH
Escrow:	Smart Contract
Bonus:	View here

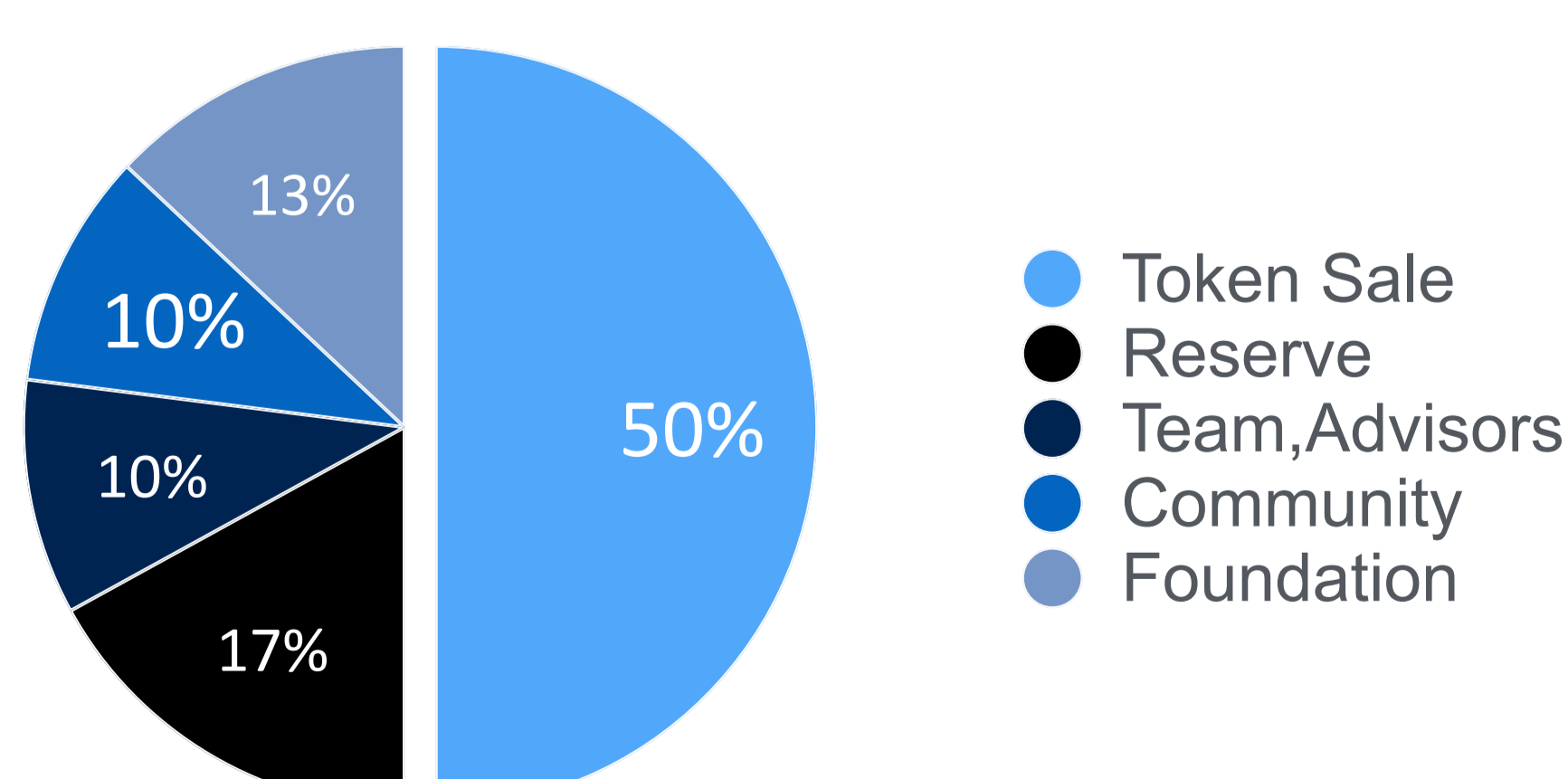
Bonus structure

Stage 1:	NA
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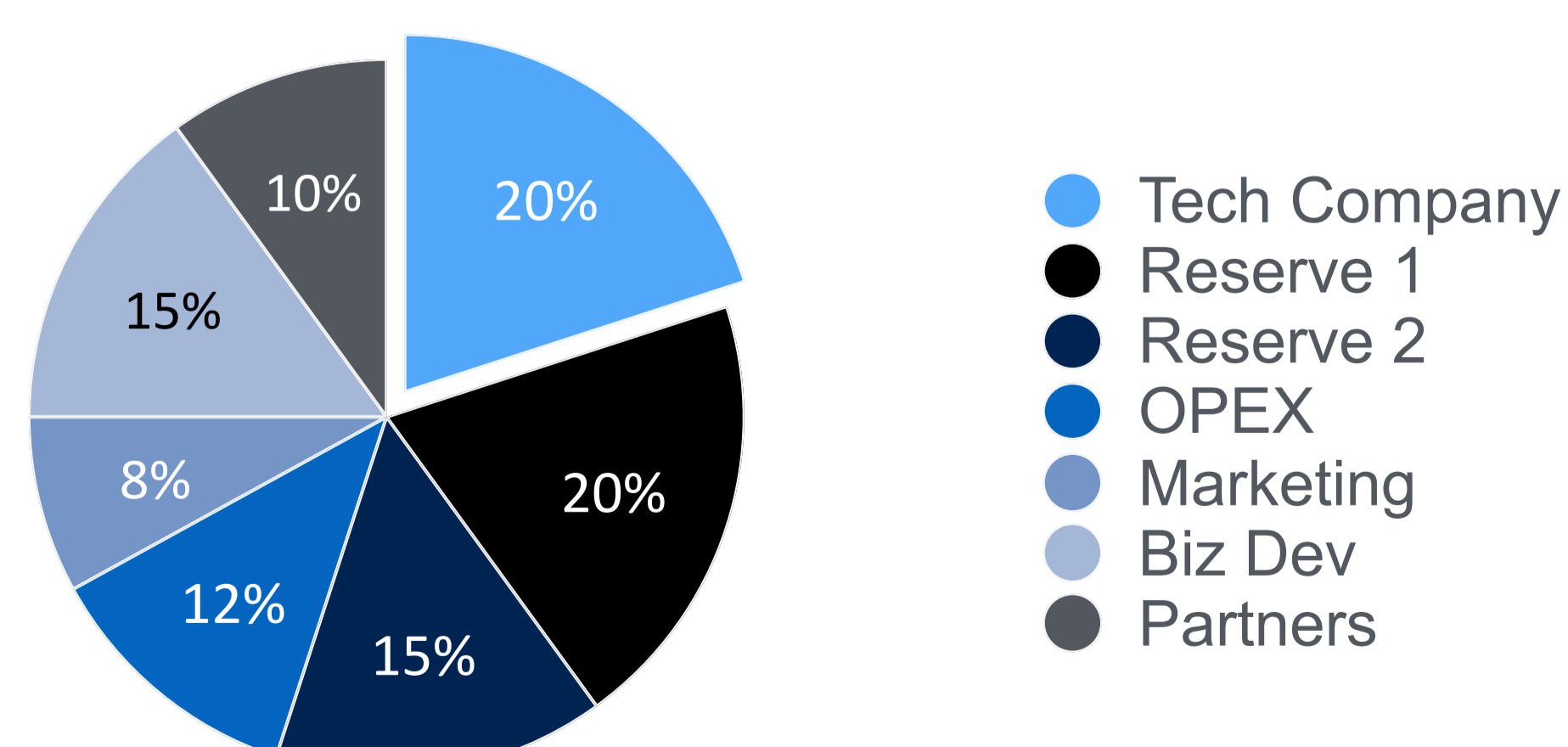
Checklist

Management team:	✓
Product definition:	✓
Commercial viability:	✓
Volume/interest:	✓
Fulfillment:	✓

Token allocation



Use of Proceeds



Tokens for Investors

Tokens issued by Icon will be utilized within the ecosystem itself as its own form of currency. In addition to this, ICX can also be used as a generator of new tokens that wish to adopt the same blockchain and smart contract structure as Icon.

It is anticipated that the token (ICX) will be available on the exchange in the latter part of 2017 as Icon moves over to its own blockchain.

Commercial Strategy

Icon has clearly stated both their technical and commercial roadmap for the next 12 months.

Technically, there will be several releases (almost every quarter) relating to a test launch (imminently) and a further Mainnet launch paired with an iOS and Android wallet before the conclusion of 2017. In Q1 2018, it is anticipated that all public channels will be open and available for full integration.

Commercially, Icon appears to be focusing on establishing major partnerships to boost the adoption of their blockchain. In addition to this, they highlight a number of business cases that will command their attention including blockchain Identification and an auto-claim protocol for insurance.

It is also anticipated that there will be intermittent developers 'meet-ups' to further grow interest amongst the community.

Management

The website released by Icon shows approximately 30 staff (including advisors) that are affiliated with the token. Duties are spread across development, marketing, operations and advisory.



Don Tapscott - Advisor

Don is a blockchain evangelist and publisher of "Blockchain Revolution".



KJ Eee - Foundation Council

Major in computer science and founder of Nomad Connection.

Strengths

- Icon's proposed initiative is currently being termed as South Korea's 'answer' to Ethereum or Neo. It would appear that a stable and open source solution will be widely backed and adopted by the development community in Korea.
- Icon is focusing on flexibility of the project allowing other blockchains to operate seamlessly with SCORE. This provides significant value to the development community and will assist in further market penetration.
- Through its parent company, Icon already boasts extensive access to existing capital, networks and relationships. The company has communicated a desire to form enterprise and government partnerships which it will likely succeed with given some of the brands current clients and trial testers of the technology.
- The Use of Proceeds and token allocation appears to be fair with only a small amount being kept by the management team. Approximately 50% of the funding raised will be used for operational expenses which is standard for a development of this size.
- Through its related entity 'theloop,' Icon has a proven track record of value creation and commercialization.
- The management team and advisory board are highly experienced and influential. While it is unknown how much input some of these personnel will have with regards to the direction of the company, the likes of Don Tapscott will certainly prove to do well during the company's financing initiatives.

Weaknesses

- The company has a vision of expanding the network globally, however we forecast that this may be harder than expected. It is likely that initial development and adoption will be via native Korean speakers, therefore, expansion of the blockchain across the continent to non-Korean speakers may prove to be difficult in the initial stages.
- There is a small lockup period as the tokens will not be tradable on the exchange until the end of 2017.
- The regulatory landscape for token sales and altcoins in Korea is largely unknown. We see the possibility of legislation or regulatory framework being introduced in Korea, leading to delays and the possibility of wavering adoption of Icon.

Conclusion

Icon presents a **speculative buying opportunity** for investors seeking medium/long term exposure in a new and innovative blockchain.

In 2017 we have witnessed segmented demand for tokens that provide an 'Ethereum style' solution across different geographies. We anticipate that Icon may follow the likes of NEO (China), becoming a leading and preferred base for smart contract generation in South Korea.

The white paper (and all other material provided by the team) has been quite informative, covering all the technical and commercial aspects of the business. There has been full disclosure of the token allocation and a satisfactory attempt at communicating the Use of Proceeds.

We take comfort in the fact that Icon has a track record of success through its parent company 'theloop.' We believe that the network and relationships through this business will assist in the ongoing market penetration and developer adoption.

The use cases presented by Icon within their white paper relating to finance and insurance are extremely large problems to solve and a solid starting point for their commercial roadmap.

The team and advisors associated with the project are highly influential and have a proven track record in growing successful businesses.

We would like to acknowledge some regulatory risk associated with investment in Icon as it is unclear whether or not the Korean government will implement any legislation or guidelines relating to cryptocurrency and altcoins.

With exception to the point above, we believe that Icon is a **speculative buying opportunity** where the potential ROI outweighs some of the smaller risks on a medium/long term basis.

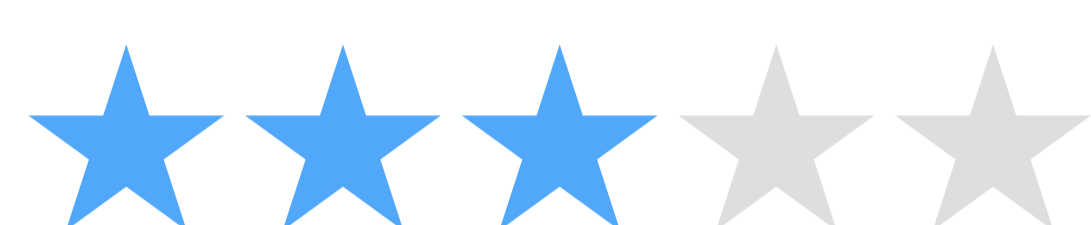
Ratings Overview



Either at concept stage, lack of commercialization/conviction or bordering a Scam.



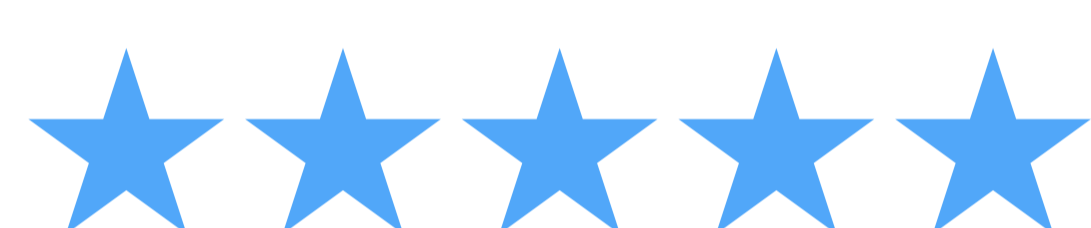
The company/tokens have merit, however there are questionable attributes and involves significant risk.



An investment worthy opportunity that should be considered and a healthy balance of risk vs return.



A good opportunity with no significant weaknesses and a clear path of commercialization.



A high conviction opportunity of investment with no visible weaknesses.

SCAM

A fraudulent initiative to be avoided at all costs.

RISKY

Due to a variety of factors, investment is associated with high risk of losing capital.

HOLD

Usually occurring in an updated release of coverage to advise maintaining current levels of position sizing.

SPEC BUY

A speculative opportunity for investors with a higher risk tolerance.

BUY

A high conviction buying opportunity.

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