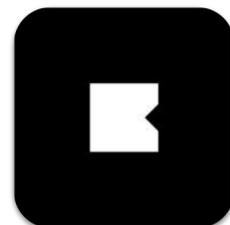




Token Launch  
Experience and Data



Software Provider for  
Token Launches



Venture Capital Funding  
of Startup Companies



Research in Equity  
Crowdfunding



Financing of Mid Cap  
Companies

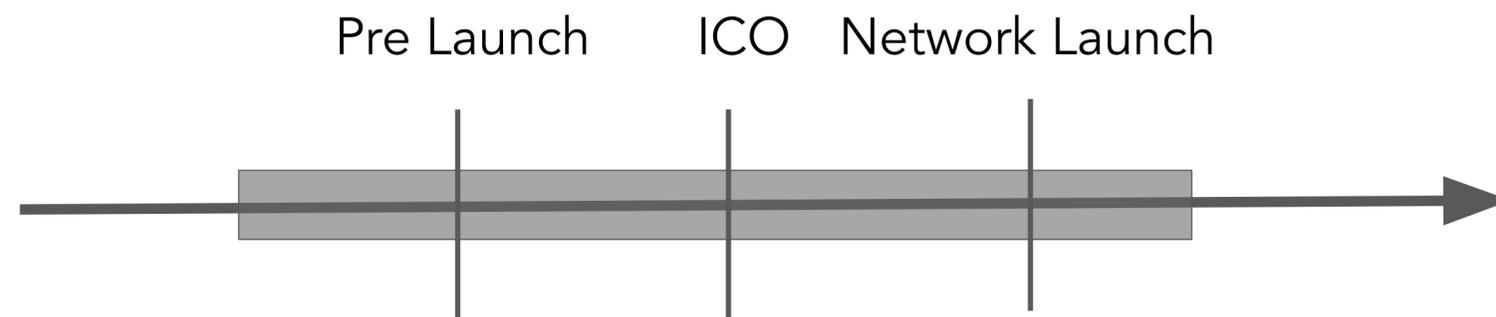
# How to conduct a token launch from an entrepreneurial perspective.



# *Token Launches started as an innovation in funding Open Source projects*

- open and transparent
- upfront payment
- for future consumption
- provided through (not by) the protocol
- granting self-enforcing rights on a code-is-law basis

## Token Launch



---

Token Launches could keep  
a *professional PR agency*, an  
international *law office* and a  
*software development agency*  
busy for a year.

---



# *Components of a Token Launch*

Blockchain Design

Token Economics & Launch

Security Measures

Legal & Tax Setup

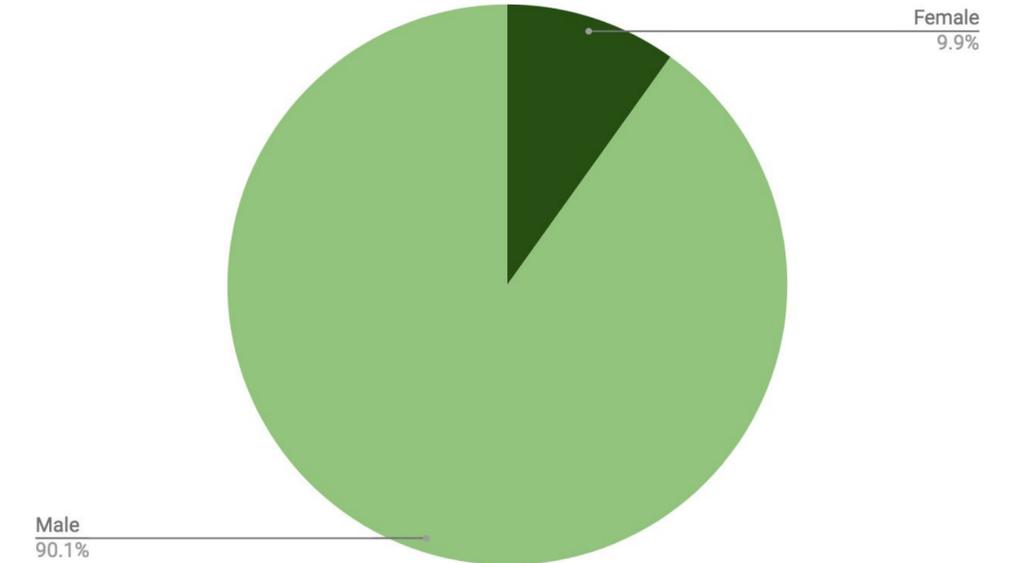
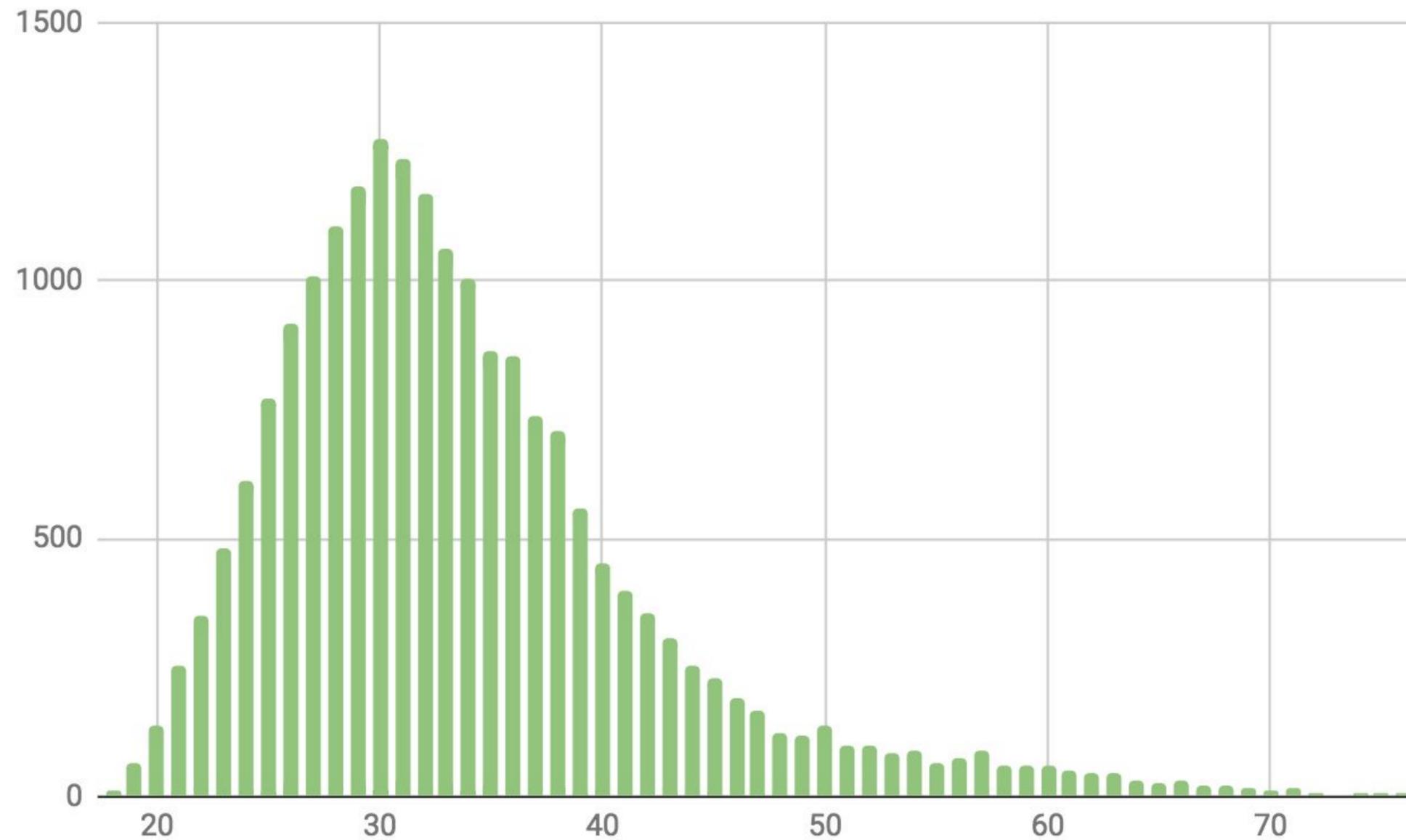
Regulatory & Whitelisting

Community Building

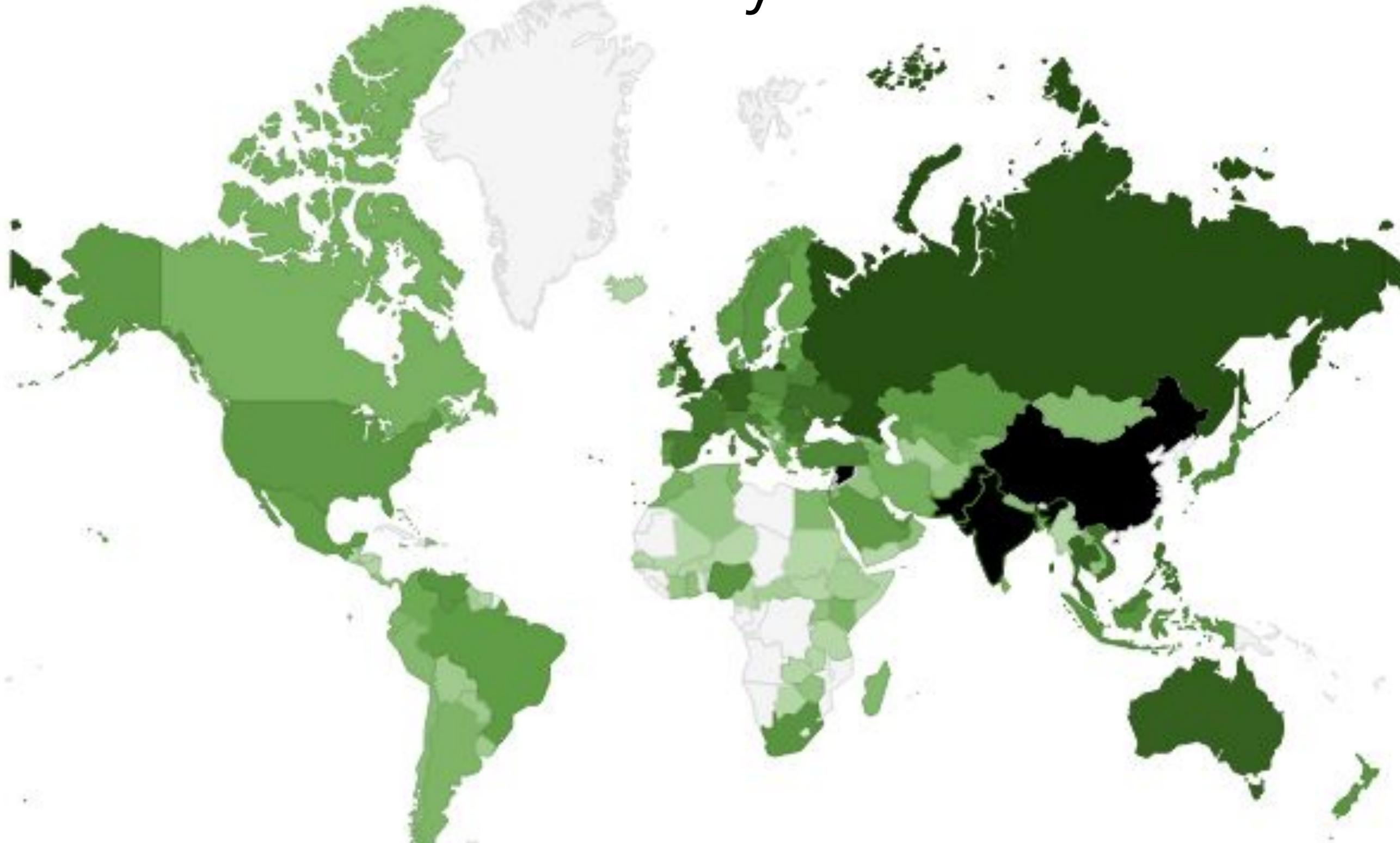
Marketing, PR & Roadshow



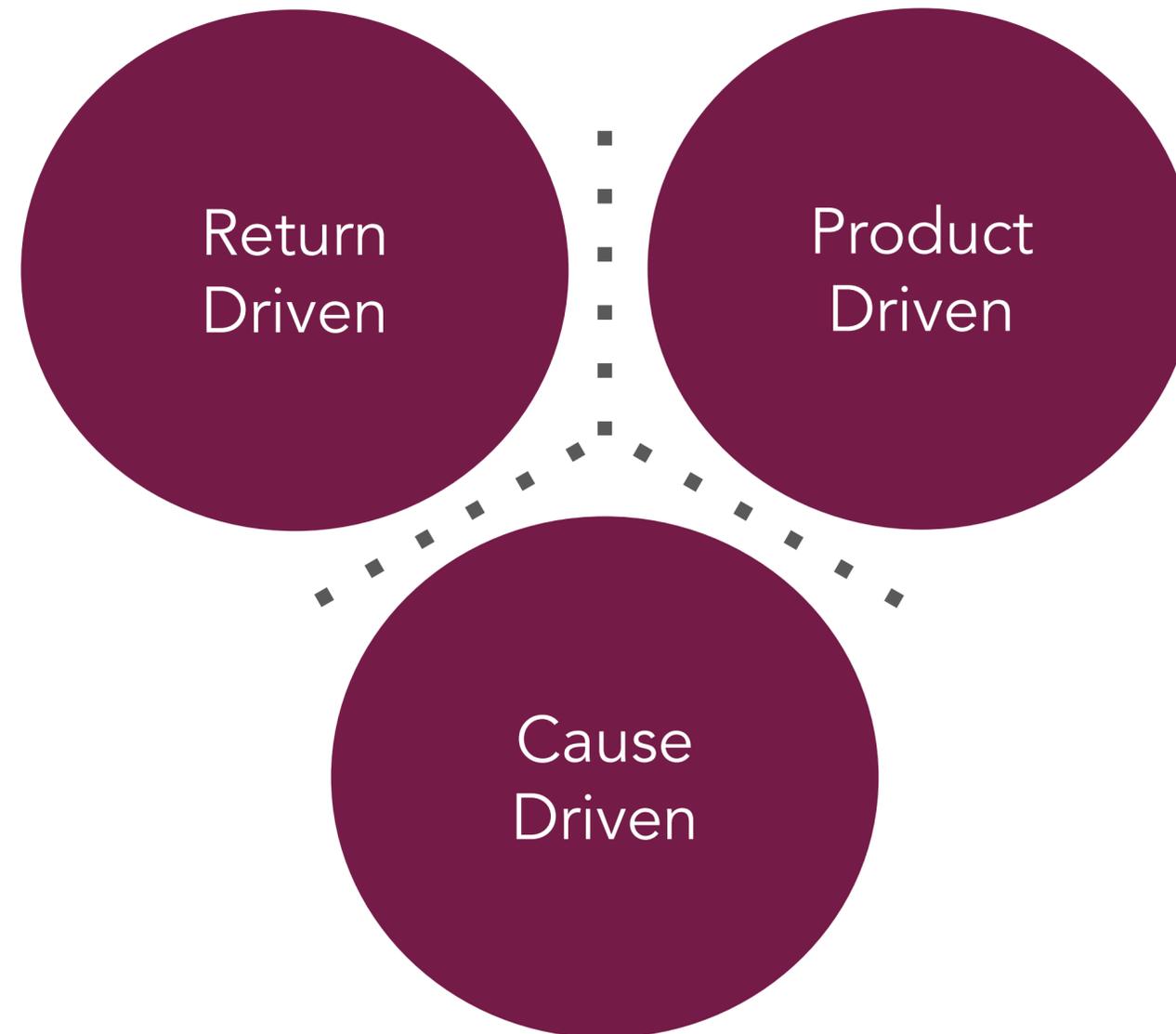
# The average contributor is young and male



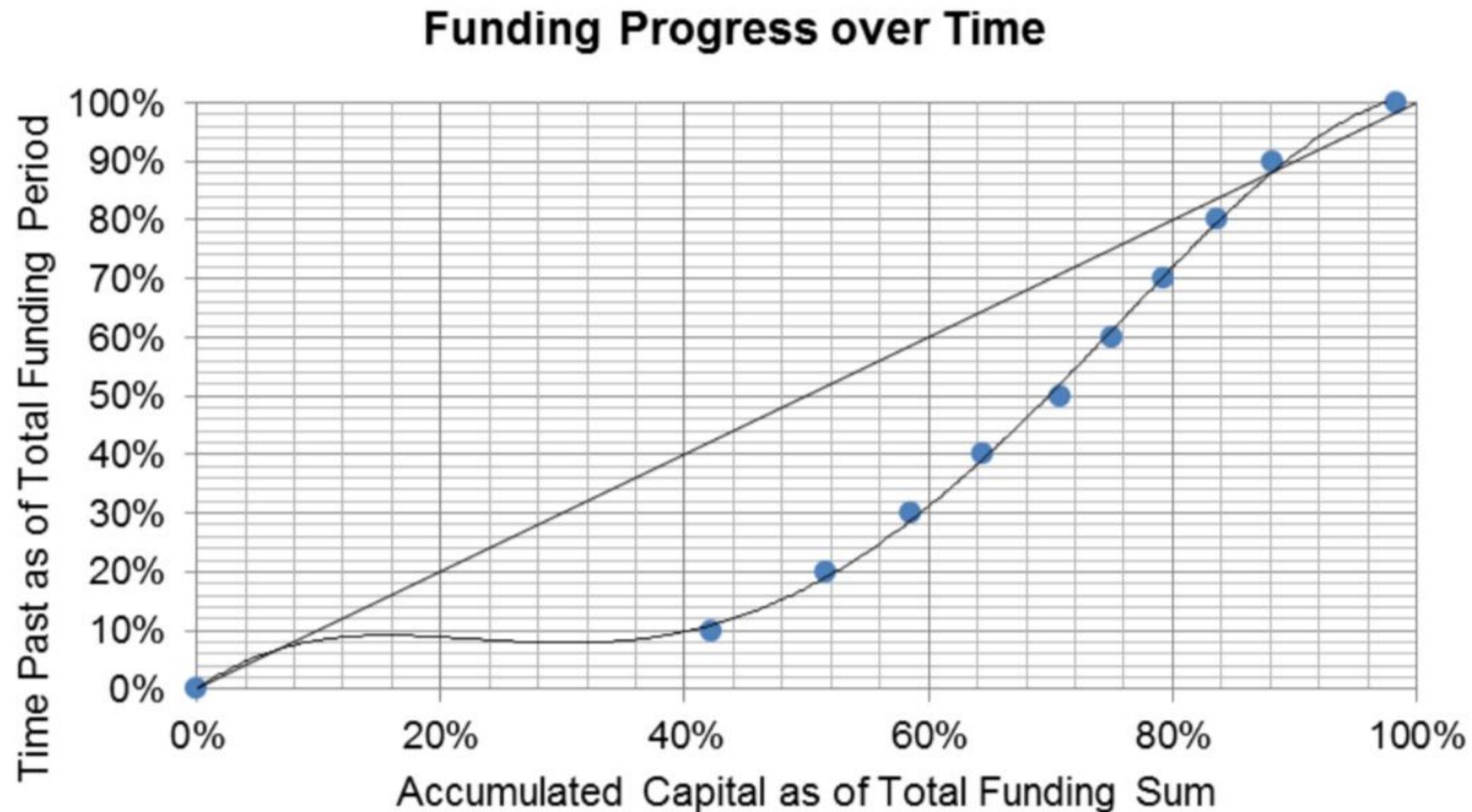
Token Launches are truly international



# *The investors have different interest*



*Most of the funds are allocated right at the start*



# *The token value does not depend on revenues*



## Discounted Cashflow Method

$$DCF = \frac{CF_1}{(1+r)^1} + \frac{CF_2}{(1+r)^2} + \dots + \frac{CF_n}{(1+r)^n}$$

DPV = discounted present value

FV = nominal value of a cash flow amount in the future

r = interest rate

n = time in years before the future cash flow occurs

## Cryptoasset Valuations (C. Burniske)

$$M = PQ / V$$

M = size of the asset base

V = velocity of the asset

P = price of the digital resource being provisioned

Q = quantity of the digital resource being provisioned

[https://medium.com/@cburniske/  
cryptoasset-valuations-ac83479ffca7](https://medium.com/@cburniske/cryptoasset-valuations-ac83479ffca7)



# *Are Token Launches just like Equity Crowdfunding?*

## Similarities

- Both in age and gender the contributors are similar young and male
- The reason to invest can both be grouped in three categories
- Funding dynamics are similar

## Differences

- Token launches are international funding events
- The Tokens is not dependent on revenues but on usage





# Thanks for your time.

**Julian Leitloff**  
CEO

julian@frctls.com  
+49 (0) 176 9999 4976  
**www.trustfractal.com**

Akazienstraße 3a  
10823 Berlin  
Germany

**Fractal Blockchain**

The information provided is neither investment nor legal advice.

We want to credit the folks from Unsplash and TheNounProject for their great contribution to awesome projects. Photos taken from Unsplash.com. Thanks to Adrian of aows.co (title pictures), Jordan McQueen (hand holding a mobile phone, this picture), Gez Xavier Mansfield (mountain behind clouds), Clay Knight (man on mountain peak), Rawpixel.com (shot of table taken from above), Icons are taken from thenounproject.com. Thanks to Guilhem Menard ('check' icon), draiman (podium), Nancy (Database), Rockicon (Globe), Andrea Biviano (profile), Piala (verified, file delete), Golden Roof (Microphone), Richard Schumann (exchange), Harsha Rai (data locked), john melven (Group), Leonardo Schneider (secure database), Viktor Vorobyev (click), Yaroslav Samoilo (dollar), [Adam Kolmačka](#) (WiFi) and mikicon (plug, Alfredo Creates (X) dilakuscan (check), Dinosoft Labs (customer).

# *Components of a Token Launch*

## Blockchain Design

- Basic Technical Setup
- Characteristics of the token
  - Currency
  - Utility
  - Return
- ERC-20 or native token
- Incentive scheme
- Whitepaper



# *Components of a Token Launch*

## Legal & Tax Setup

- Selection of investment entity (e.g. corporation, foundation) and jurisdiction (e.g. Singapore, Switzerland) based on ...
  - the possibility to conduct token launches (see China)
  - the regulatory hurdle of being able to address investors
  - the political stability of the jurisdiction and risk of outside pressure or isolation
  - transaction fees (lawyers, fees, board, etc.)
  - the power of the governing bodies (e.g. board members)
- Specification of the type of token
- Creation of legal documents (e.g. SAFTE, T&Cs, Data Privacy Statement)



# *Components of a Token Launch*

## Token Economics & Launch

- Distribution economics
  - total token supply, token distribution, funding events, total funding volume cap, lock-up periods, ticket sizes, token price
- Type of token sale (dutch auction, fixed price, rising tide)
- Business Whitepaper
- User onboarding interface
- Integrations of external providers (CRM, email)
- Contribution interface (including token distribution mechanism smart contract and fund monitoring)
- Finding potential exchanges for the token



# *Components of a Token Launch*

## Regulatory & Whitelisting

- Comply with Know-Your-Customer (KYC) regulations of the issuing country/receiving bank
- Comply with capital market, data privacy regulations, etc. of target countries
- Anti-Money-Laundering (AML) checks
- Identification and proof-of-address checks
- Beneficial-owner-process for institutionals
- Accredited / qualified investor checks
- Staff KYC team (include non-latin script readers)
- Quality assurance and risk evaluation mechanism
- Audit of regulatory processes



# *Components of a Token Launch*

## Security Measures

- White hat hacker audit on server security
- Proactive communication to prevent scam and phishing tactics
- Audit of the distribution mechanism smart contract
- Wallet security (multi-sig hardware wallets)
- Employee security training and two factor authentication
- Crisis scenarios and protocols
- Security protocol for the physical safety of the wallet holders



# *Components of a Token Launch*

## Community Building

- Understand your target community member (interest, location, profession, tiers)
- Create and engage in community spaces online (Slack, Telegram, Reddit, etc.)
- Involve stakeholders early, ask for feedback, open test network when possible, recruit from your community
- Get community leaders to give you feedback
- Organise meetups



# *Components of a Token Launch*

## Marketing, PR & Roadshow

- Refine the mission and refine the story
- Create material and media resources
- Create a content marketing strategy (increase reach with paid media on good pieces)
- Create a PR strategy, speak at conferences
- Acquire strategic partnership with blockchain partners, industry partners, strategic investors
- Legal checks on marketing material
- Plan and execute a global road tour

