

SCC Platform: Making ICOs Safe Again

The recent past has seen an unprecedented rise in popularity of ICOs, with an estimated US\$ 6.3 billion raised in just the first quarter of 2018. This already dwarfs the US\$ 5.6 billion raised by startups through ICOs in 2017. These stats though do not quite highlight the plight faced by investors in ICOs, with a study by ICO advisory firm Statis Group suggesting that as much as 80% of all ICOs launched in 2017 were scams. Needless to say then, there is major anxiety among investors looking to participate in ICOs, creating a major hurdle for genuine companies in this space. Lack of regulatory guidelines, in turn leads to low accountability of companies launching ICOs and hampers security of investments. Fraudulent companies either disappear without a trace or their ICOs do not live up to the promises made, with investors bearing the brunt in both cases. SCC Platform by Halisto GmbH seeks to restore the balance in the ICO world,

How SCC platform will help stakeholders



SCC platform allows backers to support the start-up and gain access to the company's offering by giving either a loan procurement token as digital assets (ILP) and allows for adequate generation of funds for the campaign, or gives the creators the possibility to launch conventional token generation events (TGE). The platform is built in such a way that innovative process or upcoming tokenomics can be implemented fast and will be available. Being a token-based platform, SCC would allow for easy adjustment of assets, in case a crowdfunding fail or there are doubts about the feasibility of the project. Implementation of smartcontracts would automate the enforcement of this action. All in all, this would make for a system that would preserve the interests of investors and startups alike, allowing for easy disbursement of funds to creators provided, promises made to investors are met.

The benefits of SCC don't stop at that. ICOs have been feeling the heat with changing regulatory scenario and government sanctions across the world. Tokens launched by ICOs are increasingly being considered as security, thereby bringing them within the tax bracket and further adding to investor's misery. SCC aims to circumvent these problems by introducing Initial Loan Procurement (ILP), which offers features that are vastly superior to ICO.

¹ <https://www.coindesk.com/6-3-billion-2018-ico-funding-already-outpaced-2017/>

² <https://cointelegraph.com/news/new-study-says-80-percent-of-icos-conducted-in-2017-were-scams>

One of the biggest advantages of ILP is that it essentially is a loan to the company, which helps eliminate various legal hassles that plague ICOs. This also means that ILPs, being actual debts, may not be taxable in most countries. Moreover, such debts can be purchased without any hassles across most countries, significantly enhancing SCC's reach. ILP deploys smartcontracts that autonomously simplifies and exponentially expedites the entire process, while maintaining optimal transparency and unmatched security through the Blockchain. SCC would serve as the perfect platform for companies to launch ILPs, wherein all partners would work together as a team and creditors would be rewarded for profits made by the company. This revenue sharing model makes ILP supported by SCC platform an absolute win-win situation for all. Further adding to this, investors stand to gain a share of profits made by the company. Also, through ILP Blockchain-based businesses need not invest on creating tokens and can instead focus all their resources on business and product development, in turn exponentially increasing its scope.

SCC would allow for goal-based projects, wherein funds would be released in phases, as and when the company delivers on predefined and mutually agreed intermittent targets.

This approach ensures optimal security of investments, and also provides clarity and a way to present reasonable expectations so that creators no longer need to over-promise in order to secure attention and funding.

Here's an instance of how you could use our platform for your next project or investment:



The project creator would launch a campaign and give out min 70% tokens to its backers. This will be added in the smartcontract between the backer and creator. In this smartcontract example, the backer would purchase a pre-defined platform-specific token with BTC or ETH and will send these tokens as loan to a Wallet, which will be released as milestones are met by the creator after the full fund goal is raised. If the project does not reach the intended goal, it will be closed by majority vote. Subsequently, the smartcontract will be invalidated and the backers would get their remaining fund, after deduction of network fees.

With the introduction of SCC, we're at the brink of a new revolution in the ICO space, one that can change the very way startups seek funding and investors could oblige without fear of being duped of their investments. Happy ICOing!



SMARTCONTRACTCHAIN
CROWDFUNDING WITH SMARTCONTRACTS

