inspeer.io

Inspiring through peer to peer

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Introduction

Inspeer is a modern financial platform, designed to meet the demand for financial innovationand improved finnacial system efficiency through blockchain technology..
Currently Inspeer successfully operates a peer-to-peer lending platform in Russia under the Lightfin.ru brand. LightFin provides customers with short-term online loans. We were the first company in this market who managed to reduce loan approval time to 1,5 minutes.

Combining our expertise with our partners' products, we have built loan pipelines and developed scoring algorithms. The InsCore system allowes us to effectively execute borrower's assessment, based on more than 20 000 predictive indicators. Using the OLAF algorithms, we can identify fraudsters at a very early stage, even before a loan application is sent. Thereby, Inspeer significantly improves credit scoring efficiency by reducing final scoring costs and risks of default.

As a next step, Inspeer is going to build a P2P lending platform to support direct P2P and P2B lending without intermediaries. For the benefit of our customers, Inspeer will provide high-quality scoring, source data from Credit Bureau, and manage the AML/CFT process. We are building a platform for secure, transparent and reliable peer-to- peer lending, based on our credit scoring and business expertise.

Our platform is on the forefront of fintch innovation by being among the first P2P lending services to enable lending and borrowing in cryptocurrency alongside with fiat.

New financial products and services (for instance, virtual and plastic cards) will be added as well. In the long run, our vision is to build a comprehensive financial services ecosystem, which addresses the modern financial needs of individuals and businesses.

Market overview

Brief History of the P2P Lending Market

P2P lending (peer-to-peer lending) is a new way of interaction between investors and borrowers[1], which enables providing and taking loans without involving any financial institutions as intermediaries. In this way the entire process is simplified for all participants. By transferring to high-tech online platforms, P2P lending companies can reduce operating expenses related to staff costs, office rent, and others. Therefore, more favorable rates can be offered for borrowers and investors. Given that P2P platforms do not accept deposits, they can avoid costs related to creating reserves. This factor distinguishes them from banking sector competitors.

After the 2008-2009 financial crisis, banks tightened requirements for borrowers, and the process for loan approval became longer and more cumbersome. These market developments opened up more opportunities for P2P lending with all its competitive advantages, and its market share increased respectively.

The first P2P lending platform was Zopa (UK), established in 2005. Since then it has granted loans totaling more than £1.9 billion ($ 2.4 billion). In 2006, P2P lending began to develop in the US. The first P2P lending platform there was Prosper. Now, it's the second largest player in the US with over $8 billion of loans disbursed. In 2007, Lending Club was valued, and seven years later it was estimated at $5.4 billion during its IPO. Gradually P2P lending has spread to other countries, and nowadays the Chinese market is growing extremely fast: the amount of loans granted by Lufax is several times higher than even the Lending Club's volumes. The global volume of the P2P lending market exceeded $50 billion in 2015. According to various forecasts, it will reach $ 300-400 billion by 2020.

Market evolution was not smooth: numerous lawsuits were filed against Lending Club[2] and OnDeck[3], the first two public companies in the industry. These lawsuits were mainly concerning the

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[1] http://www.frbsf.org/economic-research/files/wp10-11bk.pdf

[2] http://www.rosenlegal.com/cases-895.html

[3] http://www.prnewswire.com/news-releases/shareholder-class-action-lawsuit-filed-against-on-deck- capital-inc--ondk-300131090.html

concealment of important for investors data during their IPOs. At the same time, the Chinese P2P platform Ezubao, one of the largest players in China, turned out to be a financial pyramid. These events significantly affected the industry as a whole, and put downward pressure on the share prices of public P2P companies. The market capitalization of Lending Club which had exceeded $8 billion, later fell to $2 billion, and still remains around that level.

Nevertheless, as quality of loans on P2P lending platforms is high, and the level of defaults remains consistently low, these companies continue to grow, and the market evolves.

While the number of P2P lending platforms increases, the industry attracts players whose models complement the existing P2P platforms. Such companies include Orchard, PeerIQ, and Blackmoon Financial Group (Russia), which provide institutional investors with access to online platforms. P2P lending attracts investors because of its profitability: by investing in loans, it is possible to earn from 7% to 12% ROI (Return On Investment). This is quite attractive compared to the yield of other investment activities with similar level of risk.

Introduction to Crowdlending Platforms

Crowdlending platforms bring investors and borrowers together and allow investors (or lenders) to lend small amounts of money directly to thousands of borrowers.

**Crowdlending is divided into the following main types:**

- P2P lending, which is an online process of individuals lending to other individuals;
- P2B lending, which is an online process of individuals lending to legal entities, primarily small and medium-sized businesses.

There are some common features of crowdlending platforms include:

1. Borrowers' credit ratings. They can be prepared either by the platform itself or by external providers.
2. KYC (Know Your Customer) onboarding process - checking borrowers' identities and their documents in order to decrease the risk of fraud.
3. Automated investment: the ability to diversify a lender's portfolio by automatically investing a chosen amount in equal shares among different borrowers. Key parameters are determined by the investor (e.g., borrower credit rating, target ROI, loan term, etc.). Investors do not participate in the selection of individual projects for automated investment. The number of borrowers in an automated investment portfolio is usually limited to 50 i.e. a defined by an investor amount will be evenly distributed among 50 borrowers.
4. Minimum and maximum investment limits for both borrowers and lenders.
5. Early repayment option (grace period) without charging interest.
6. Anonymity of users: few platforms reveal the real names of their investors.
7. Many platforms offer a secondary market, allowing investors to trade borrowers' debt obligations.
8. A borrower's application lifecycle on most platforms is set at 14-28 days. After that, either the application is withdrawn, or the borrower receives the amount requested. Some platforms do not allow partial financing, primarily using an auction model; others, on the contrary, do not allow borrowers to withdraw their applications after a certain amount of time.
9. Engaging collection agencies to deal with overdue debts. Most platforms do not engage with overdue debts at all; only some of them take the step to call borrowers and remind them to repay their debt. Most platforms transfer such debts to third-party collection agencies.

Crowdlending platforms involve in their business process a wide range of different organizations: banks (where lenders' and borrowers' accounts are located), credit history bureaus for screening potential borrowers, and debt collection agencies. Commission fees for loan issuance are a key revenue stream.

Crowdlending Platform Ecosystem
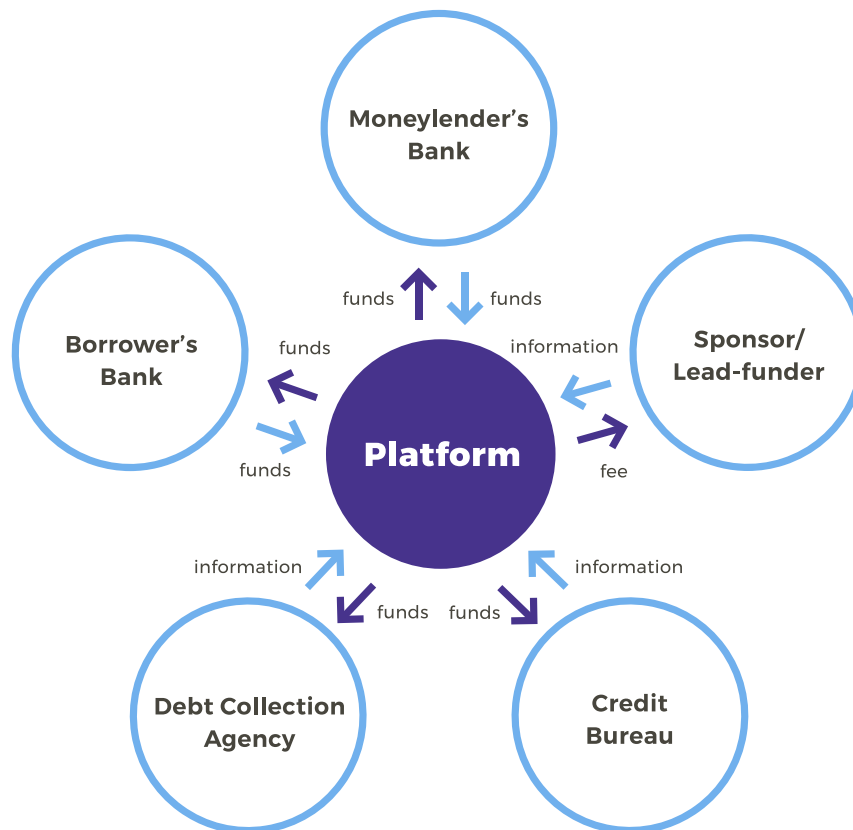
P2P Lending and Crowdlending Markets Worldwide

The burgeoning market and obvious advantages of crowdlending platforms compared with traditional financial institutions have attracted investors' attention. The total volume of venture capital and direct investment into the largest crowdlending companies has exceeded $1 billion[4]. However, the market is not equally developed across different geographies. American platforms are considered mature profitable companies. They have already gone through all stages of venture capital funding and are now mainly held by private equity funds. Almost 70% of all investments in large crowdlending platforms are raised by US companies[5].

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[4] http://crowdexpert.com/crowdfunding-industry-statistics/

[5] https://www.ceps.eu/system/files/ECRI%20RR17%20P2P%20Lending.pdf

Among the European platforms, the most developed ones are in the UK crowdlending market, most of which have completed their series C-rounds. They have raised considerably smaller amount of capital compared to their American counterparts. Chinese platforms are at the earliest stage of development and are currently doing their series A and B rounds. Despite their early stage, they have raised a significant amount of capital[6].

The Russian market is developing much more slowly. The first P2P companies, "Creditvsem" [Кредитвсем] and "BirjaCreditov" [Биржа кредитов], entered the market in 2010. "BirjaCreditov" switched to another business model, becoming a platform for online loans to online shoppers[7]. Searching for Creditvsem [Кредитвсем], today you can find a large number of similar services, which are not related to the original company. The company "Vdolg.ru" [Вдолг.ру], established in 2012, with the participation of banki.ru and the Runa Capital fund, faced regulatory problems and suspended its loan issuance in April 2016[8]. The platform is still closed for new users.

The challenges for the Russian P2P lending market are primarily related to the lack of a reliable and robust credit scoring system comparable to existing lending approval frameworks such as FICO in the US which aggregates and analyzes data from three major credit bureaus: Experian, Transunion, and Equifax.

Crowdlending Market Growth: Key Factors

The crowdlending market was established before the global financial crisis, but it developed rapidly during and after the crisis[9]. In 2013, the market volume exceeded $5 billion[10]. The key growth drivers for the industry were the following:

1. Lack of opportunity for many individual and SME borrowers to receive a traditional bank loan, or too burdensome loan conditions.
2. Yields of traditional conservative investment instruments have been depressed by low interest rate central banks' policies and do not meet investor objectives anymore.
3. Development of alternative financial technologies facilitating crowdfunding.

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[6] https://www.sbs.ox.ac.uk/sites/default/files/Entrepreneurship_Centre/Docs/OxEPR2/current-state- crowdfunding-europe-2016.pdf

[7] http://bkred.ru/how-it-works.html

[8] https://www.kommersant.ru/doc/3036972

[9] http://www.frbsf.org/economic-research/files/wp10-11bk.pdf

[10] http://crowdexpert.com/crowdfunding-industry-statistics/

4. Technological development, and increasing reliability of electronic transactions.

Crowdlending platforms became an effective response to both investors' needs to increase their ROI with minimal risk, and borrowers' needs to access financing at reasonable rates and timeframe by following a streamlined process.

The Liberum Altfi analysis[11] shows that crowdlending platforms are more effective than traditional lending organizations: the ratio of operating costs to loan portfolio of crowdlending platforms is lower by almost 40% (4.2% vs. 7.0%). Lower operating costs are explained by significant savings in overhead office expenses, billing costs, etc.

[11] http://www.altfidata.com/marketdata/

Peer-to-peer platforms have lover costs than banks

OPEX/Total Balance Outstanding (bps)
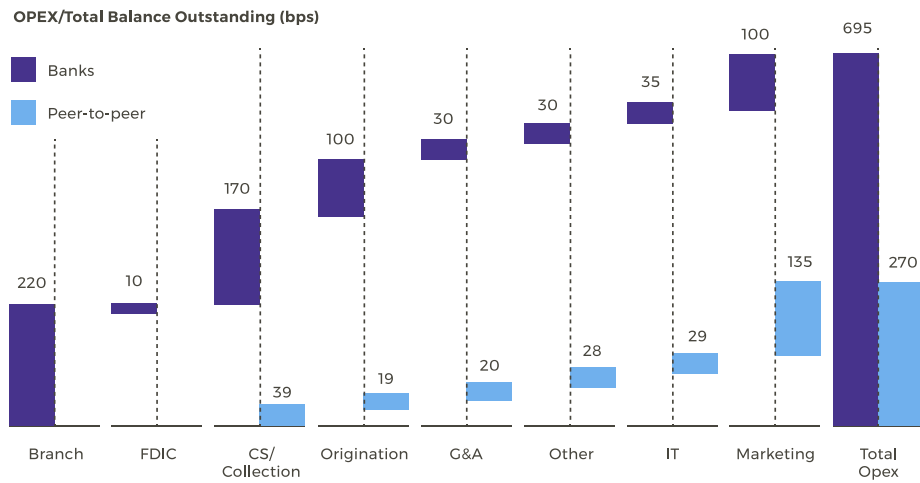
Lending platforms' operating costs[12] are much lower than those of traditional banks, which gives them a competitive advantage.

Key takeaways:

· Crowdlending is an emerging and growing segment of the global financial system, disrupting traditional business models in the industry. It enables direct peer-to-peer lending between individuals and SMEs. Crowdlending platforms' main revenue stream is usually based on commission fees.

· The turnover of the global crowdlending market has exceeded $5 billion by the end of 2013. By 2016, the total market volume has exceeded 42 billion dollars. The largest regional markets are in decreasing order: the United States, China, and Great Britain.

Inspeer's View on Market Challenges, Solutions and Opportunities.

Currently, there are several challenges that restrain the market development including:

· High loan interest rates, comparable to those of microfinance organizations;
· Lack of legislative regulation and, as a result, significant difficulties with automated portfolio forming for lenders;
· Lack of high-quality scoring systems, which increases the risks for lenders.

Our team has analyzed the market and prepared several scenarios for its development. We believe that exponential market growth can be unlocked by a combination of the following factors:

· More competitive interest rates;
· Product innovation (such as issuance of loans in cryptocurrencies);
· Improvement of scoring systems (we have developed an effective solution in Russia).
· Effective regulatory framework, allowing to form a lender's portfolio in an automated mode based on appropriate risk/return profile;
· Reinforcing network effects by attracting additional investors to the market through ICO.

Taking into account the current market conditions, restrictions and opportunities, we aim to achieve the following goals:

· Building and expanding P2P lending platform, starting from Russia and then internationally.
· Product innovation offer customers additional value-added financial services.
· Developing one of the first P2P lending platforms that provides loans in cryptocurrencies alongside with fiat.
· Developing an extended financial ecosystem to SMEs and blockchain projects.

Inspeer: Creating a Modern Financial Platform

Inspeer is a modern financial platform, designed to meet the demand for financial innovation and improved financial system efficiency through blockchain technology.

Our vision is to build a comprehensive financial services ecosystem, which addresses the modern financial needs of individuals and businesses.

To achieve this, we plan to deploy our extensive experience and expertise in the areas of online microlending, peer - to - peer lending, and traditional bank lending. The Inspeer team has a track record of building online lending businesses in Spain, Germany and Russia with a customer base of over 3 million users. Only in Russia, about 200,000 loan applications were processed during the first month of operation.

LightFin MicroLending Platform

LightFin.ru is a part of Inspeer, currently operating in Russia as a microlending online platform. We address our customers' financial needs by providing them with online loans. For obtaining a loan no collateral or unnecessary additional documents are required.

We are the first company in the market to reduce loan approval time to 1.5 minutes through a proprietary fully automated approval mechanism.

LightFin was established in 2016. Together with our partners, we prepared a decision-making algorithm and scoring cards. In 2017, the first loans were issued. In February 2017, an automatic "soft-collection" (debt collection procedures involving letters and calls preceding, the "hard collection" phase which includes legal action) was integrated into the system. In March 2017, connecting a social network account was made mandatory, thereby significantly reducing the amount of applications. A capability to detect duplicate applications submitted from the same device was implemented. In early April 2017, we launched our mobile applications for iOS and Android.

Applications submitted	Applications approved	Applications repaid	Loan volume distibuted, RUB
11205	1534	704	12 938 300

This summary demonstrates our conservative approach in assessing borrowers. The application approval rate in Russia was just over 15%.

At the moment, Inspeer provides high quality credit scoring and executes anti-fraud checks based on the InsCore and OLAF systems.

InsCore: Machine Learning Scoring Model

Lack of high-quality credit scoring is one of main challenges for the P2P lending market. InsCore is a scoring model consisting of 1.000 scoring cards for microlending and collateral lending. The product of our partners from Scorista based on artificial intelligence and machine learning technologies allows us to instantly conduct a detailed analysis of the solvency and reliability of borrowers. The analytical library of the service contains more than 20, 000 data input values and variables from traditional and alternative sources. Additionally, Inspeer has its own Credit Bureau with 10 million records.

Inspeer analyzed a prospective borrowers' digital footprint, credit rating information, income, and personal references in order to obtain a highly accurate credit score. Based on the credit profile created from this data, a fair interest rate is then assigned to each borrower.

OLAF: Anti-fraud system

OLAF is an online system tracking users who substitute identification data that includes a database of users' mobile devices and computers.

Pioneering Platform for Cryptocurrency Lending alongside with Fiat

Inspeer will be one of the first platforms to provide customers with cryptocurrency loans. During cryptocurrency loan issuance we will execute the same assessments and scoring procedures as for a loan in fiat.

Thus, cryptocurrency holders can earn a highly secure yield from their digital assets, which otherwise

could not be achieved due to the lack of banking deposits or other comparable fixed income investment options for cryptocurrencies.

The OLAF and InsCore systems will solve the credit scoring and screening-related problems, which almost all traditional P2P lending platforms face. The proportion of fraudsters in a typical loan portfolio can reach 10%, while the proportion of insolvent borrowers can reach 30%. Thus, the loan portfolios generated on our platform will benefit from premium credit quality on the market.

Opportunities for Investors and Borrowers

Our mission with the Inspeer P2P lending platform is to provide affordable and accessible loans to borrowers, and attractive risk-adjusted ROI to investors.

Possibilities for Investment Diversification

A key competitive advantage of Inspeer is that the business model is highly scalable and operation can relatively easily reach a global footprint. This can offer better hedge against systemic risk, comparing to other local and less scalable businesses. As an illustrarion, the correlation between the GDP growth of US and Indonesia is R=-0.09[13] for the time period of 1961-2008. So, in scenario in which US goes into recession, and many people with loans lose their jobs, Indonesian loan portfolio exposures likely won't be affected.

In case of investing in many small loans to creditworthy borrowers across different verticals and geographies, it is statistically unlikely that more than just a small percentage default. Assuming the same amount was invested in each portfolio loan, ROI can be calculated as follows:

ROI = (1-Default_Rate)*AVG(Interest_Rate)

If an lender invests $10,000 with 100 loans that all run for 1 year and have an average interest rate of 30% per year, by the end of the year there would be $10,000 of principal and $3.000 of interest back. If we assume that 10 out of the 100 loans default and don't pay back anything, then $1.000 of principle and $300 of interest would be foregone. Nevertheless, at the end of the year an investor would still collect $12,000 in principal and interest, which is a healthy 20% RIO.

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[13] http://ro.uow.edu.au/cgi/viewcontent.cgi?article=2575&context=commpapers

AutoInvest Tool

Additionally to that, Inspeer platform will have a convenient AutoInvest tool that takes care of the process, selecting and investing on the site's listings automatically.

Low Fees and Optimal Rates

The platform takes 2% transaction fee, on average, for checking the creditworthiness of borrowers and managing the platform. This makes great rates and great returns possible.

Thanks to our scoring mechanisms, Inspeer's prediction capabilities for assessing the credit risk of individual loans are much higher than the average industry standards. Additionally, we are going to introduce a rating system, which will allow borrowers to increase their loan limits and get fair interest rates depending on their rating.

ICO details

The Inspeer Token represents the right to receive a part of the Inspeer's distributable profits.

Every 6 months, 20% of Inspeer's net profit is distributed to all INSP token holders as per the smart contract.

Token name: INSP

Token supply: 50 000 000.

Tokens that are not sold during the ICO will be destroyed.

Nominal value: 1INSP = 1 USD.

Token offering will be stopped if the hard ICO cap of $30 million is reached.

Token Distribution: **Bonuses:**

Investors - 85%   1 day - 15%

Team - 9%   1 week - 10%

Bounty - 3%   2 weeks- 5%

Advisors - 3%   3-4 weeks - 0%

Bounties (%X out of the bounty pool):

BitcoinTalk campaign - 28% (thread support)

BitcoinTalk campaign - 26% (signature banner)

Twitter campaign - 18% (like and retweet campaign)

Facebook ampaign - 18% (like and repost campaign)

Exclusive support - 10% (significant help with the project)

Roadmap

Depending on the ICO results, Inspeer team will have enough resources to achieve:

Milestone 1. $3 million.

1.1 Development, testing and P2P lending initiation in Russia will be built from the further project growth as technical bases.

At this point, company plans to put into the work the following product's components:

- Platform's web-version which consists of borrowers' and creditors' personal accounts and information about the platform.
- Mobile applications for iOS and Android
- Telegram bot for investors
- Frontend part integration with earlier developed single accounting.

Timeline: May, 2018.

1.2 Now, the P2P lending for Estonia Is launched on the base of the P2P project for Russia:

- Products' localization
- Legal and technical implementation

Timeline: July, 2018.

1.3 Development and implementation of analytical work with cryptocurrency alongside with localization of platform for Estonia.

Timeline: July, 2018.

1.4 Virtual cards issuance for payment and other operations.

Implementation of this option is planned right after Milestone 1.1 realization

Timeline: September,2018

Milestone 2. $6 million.

P2P lending in Spain and Latvia. Issuance of plastic cards with a credit limit for regular customers.

2.1 Project realization in Spain is based on experience and technical realization of project's localization in Estonia.
Timeline: November, 2018.

2.2 Accept and delivery system formation, plastic cards issuance for current borrowers.
Timeline: January, 2019.

Milestone 3. $12 million.

Scaling the model, opening an office in the UK. Launching a program for debt restructuring for regular customers.
Obtaining an EMI license (do not depend on technical part , except scaling).
Timeline: February, 2019

Milestone 4. $30 million.

Loans for small and medium-sized businesses. Cross-border payment system. Venture Capital. Crowdfunding

4.1 Lending system development for small and medium-sized businesses based on Milestone 1, technical capacity.
Timeline: may, 2019.

4.2 Launching the crowdfunding platform and integration of new product into Inspeer's ecosystem for data usage.
Timeline: July, 2019.

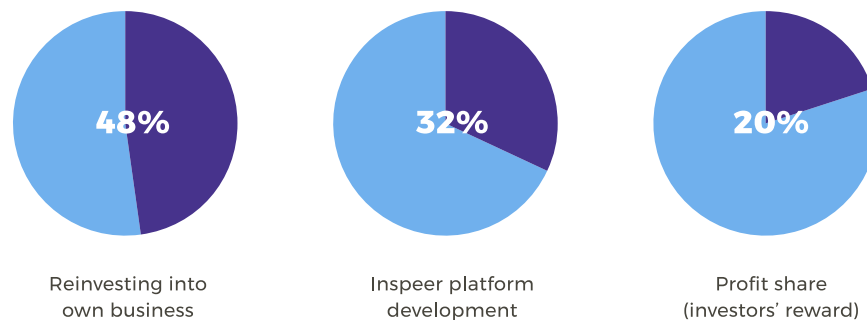**4.3 Launching a Cross-border payment system based on single or many processing partners**
Timeline: August 2019.

The business model below reflects our short-term expectations. The analysis focuses on the four stages of the project. Our assumptions are based on conservative market projections. The planned business profitability is driven by a commission fee of 2% of each transaction and 38% return of business ratio.

Each of these 4 scenarios is based on progressive scaling of the business to new markets, improving the trading platform, and optimizing efficiency. Investors' ROI is based on 20% share of Net Profit plus a conservative estimate of the tokens' market capitalization.

The company's profit is distributed in the following way:

48%	32%	20%
Reinvesting into own business	Inspeer platform development	Profit share (investors' reward)

20% - profit share (investors' reward);
48% - reinvesting into own business;
32% - Inspeer platform infrastructure development.

$ 3.000.000

Reaching a capital of $3 million will allow us to develop our P2P lending platform.

The platform for P2P lending enables borrowers and lenders to interact without an intermediary. Inspeer's role is to manage a high-quality credit scoring process, to source the data from the Credit Bureau, and to manage the AML / CFT process.

The payday loans mechanism is a part of P2P lending. Therefore, our task is to maintain the right balance between supply and demand for loans. Traditionally, demand for loans has greatly exceeded supply. At this stage we see issuance of consumers loans as our main business priority.

The InsCore and OLAF systems will solve the problem of determining borrowers' creditworthiness, as well as identifying fraudsters at a very early stage, even before an application is sent. This significantly reduces toperating costs and allows us to deliver a secure and efficient platform to lenders and creditworthy borrowers.

		2018	2019	2020	2021	2022
Raised funds	mln, USD	2.0	2.4	2.9	3.5	4.1
Asset turnover ratio	times	12	12	12	12	12
Trading platform volume	mln, USD	24	29	35	41	50
Trading platform growth per annum	%	20	20	20	20	20
Trading platform service fee	%	2	2	2	2	2
Revenue	mln, USD	0.5	0.6	0.7	0.8	1.0
Return on business ratio	%	38	38	38	38	38
Operating profit	mln, USD	0.2	0.3	0.3	0.4	0.5
Investor's operating profit	%	10	10	10	10	10
Investor's operating profit	mln, USD	0.2	0.3	0.3	0.4	0.5
Investor's accumulated profit	mln, USD	0.2	0.5	0.9	1.3	1.8
						88%

Our assumptions are based on our experience in the respective regions idenitified for business expansion and a favorable regulatory framework.

We assume that the initial amount of funds raised will be $3 million.

The asset turnover ratio estimate of 12 times is based on average market indicators. The Inspeer commission fee will be 2% of each transaction. Based on these business drivers, the expected revenue is $ - 2.2 million per year. With an estimated business profitability of 38%, Inspeer's Net Profit will be c. $1 million per year.

Based on these projections, over the five-year business plan, investors' ROI will be 88%. This estimate is based on 2 factors:

1. Profit share of 20% of Inspeer's Net Profit.

2. Capitalization of the Inspeer token, set in the model as 10% per year.

All these projections are developed iternally based on conservative estimated for business and market drivers.

The table below shows the KPIs of the Inspeer business plan when the enterprise is scaled.

$ 6.000.000

· Expanding business to new countries.
· Development of scoring cards, taking into account new markets specifics.
· Improving operating efficiency of the business model.
· Optimizing marketing budgets for new markets.

		2018	2019	2020	2021	2022
Raised funds	mln, USD	6.0	7.3	8.9	10.9	13.3
Asset turnover ratio	times	12	12	12	12	12
Trading platform volume	mln, USD	72	88	107	131	160
Trading platform growth per annum	%	22	22	22	22	22
Trading platform service fee	%	2	2	2	2	2
Revenue	mln, USD	1.4	1.8	2.1	2.6	3.2
Return on business ratio	%	39	39	39	39	39
Operating profit	mln, USD	0.6	0.7	0.8	1.0	1.2
Investor's operating profit	%	11	11	11	11	11
Investor's operating profit	mln, USD	0.8	0.9	1.1	1.4	1.7
Investor's accumulated profit	mln, USD	0.8	1.7	2.9	4.3	6.0
						100%

$ 12.000.000

· Opening a representative office in the UK, and expanding our P2P lending platform there.

· Issuance of credit cards in cooperation with our partners.

· Obtaining an EMI license

		2018	2019	2020	2021	2022
Raised funds	mln, USD	12.0	14.9	18.5	22.9	28.4
Asset turnover ratio	times	12	12	12	12	12
Trading platform volume	mln, USD	144	179	221	275	340
Trading platform growth per annum	%	24	24	24	24	24
Trading platform service fee	%	2	2	2	2	2
Revenue	mln, USD	2.9	3.6	4.4	5.5	6.8
Return on business ratio	%	40	40	40	40	40
Operating profit	mln, USD	1.2	1.4	1.8	2.2	2.7
Investor's operating profit	%	12	12	12	12	12
Investor's operating profit	mln, USD	1.7	2.1	2.6	3.2	3.9
Investor's accumulated profit	mln, USD	1.7	3.7	6.3	9.5	13.4
						112%

$ 30.000.000

· Providing loans to small and medium-sized businesses ($50 000 to $250 00). Mostly considering applications from blockchaincompanies.

· Acting as a lending institution in online-services that specialize in business lending.

		2018	2019	2020	2021	2022
Raised funds	mln, USD	30.0	37.5	46.9	58.6	73.2
Asset turnover ratio	times	12	12	12	12	12
Trading platform volume	mln, USD	360	450	563	703	879
Trading platform growth per annum	%	25	25	25	25	25
Trading platform service fee	%	2	2	2	2	2
Revenue	mln, USD	7.2	9.0	11.3	14.1	17.6
Return on business ratio	%	41	41	41	41	41
Operating profit	mln, USD	3.0	3.7	4.6	5.8	7.2
Investor's operating profit	%	13	13	13	13	13
Investor's operating profit	mln, USD	4.3	5.4	6.8	8.5	10.6
Investor's accumulated profit	mln, USD	4.3	9.8	16.5	25.0	35.6
						119%

Legal structure

As we were elaborating the Inspeer legal structure we reviewed all best legal practices with help of the specialist law firm White Stone Digital. represented by its founder Dmitry Chirkin on board.

Our legal team developed a unique, so far, legal entity structure to protect the interests of ICO investors.

We will use a Dutch Fund fully regulated by the EU supervisory authorities and managed by Byron Capital Partners Ltd[14] (an Alternative Investment Fund Manager (AIFM) with a multi-year award winning track record managing regulated and unregulated investment funds).This structure provides an unmatched, in the ICO market, level of security, transparency, accountability, control and efficiency for investors.

Background

It is envisaged that Inspeer Limited will become a part of an existing, umbrella fund structure with an established track record - **PLURIBUS OPTIMUM FUND**[15] (the "Fund"), established as a Private Investment Fund under the laws of the Netherlands (besloten fonds voor gemene rekening) on 17th March, 2011.

The Fund is established as a Dutch foundation (Stichting bewaarder) in the name of Stiching Bewaarder Pluribus Optimum Fund. The Fund is managed by Byron Capital Partners Ltd (the "Fund Manager"), which is authorized and regulated by the Cyprus Securities and Exchange Commission, and administered by PwC Cyprus (the "Fund Administrator"). The Fund functions as an umbrella fund insofar as the Fund is divided into separate sub-funds, each representing a separate and segregated portfolio of assets and liabilities.

[14] https://www.byroncapitalpartners.com/bcp/
[15] http://www.pluribus-optimum.com/

The Fund Manager has analyzed the proposed asset and determined that Inspeer Limited, based on the information provided to date, may be an eligible asset to be held by a sub-fund (the "Inspeer Sub-Fund") as part of the main Fund.

Overview

Inspeer Holdings Limited (Cyprus) (the current shareholder of Inspeer Limited) will contribute its shares in Inspeer Limited into a new Sub-Fund of the Fund and receive units of the Sub-Fund that are redeemable, non-voting and profit-participating in nature.

This means that:

a) Indirect ownership of the key asset (realized through holding Fund units) will protect the interests of Inspeer token holders, as the right of Inspeer Holdings Limited to dispose of the shares of Inspeer Limited is sufficiently restricted and requires compliance with a specific procedure (including prior notification of the Fund and redemption of Inspeer Sub-Fund units);

b) Key transactions and operational decisions by Inspeer Limited are subject to approval by the Fund Manager based on existing contractual arrangements, which provides for transparency, accountability, control and investors protection;

c) Inspeer Holdings Limited is incentivized to provide best efforts to maximixe Net-Profit of Inspeer Limited and to further develop the project and its underlying business model. In this way the Fund Manager's and Fund Administrator's interests are aligned with the interests of token holders.

The management and day-to-day functioning of the Sub-Fund will be governed by a Prospectus, where applicable investment objectives and policies will be disclosed. In this way Inspeer token holders will be aware of all the applicable rules prior to joining the project.

The Fund, through the appointed Fund Administrator, will keep separate books and records of account for the Inspeer Sub-Fund - financial results of other Sub-Funds do not influence the position of the Inspeer Sub-Fund and shall not have effect on the rights of Inspeer token holders rights.

Legal title of the assets contributed to the Inspeer Sub-Fund will be held in the name of the appointed Depository of the Fund. The assets will be segregated from the Manager and segregated from other Sub-Funds within the Fund.

The Inspeer Sub-Fund will be periodically valued and underlying asset (Inspeer Limited) will be audited.

An additional advantage is that the Fund is considered transparent from a Netherlands corporate income tax perspective. Distributions by the Fund are not subject to Netherlands dividend withholding tax. As a rule, the Fund is not liable for any Netherlands income tax, corporation tax, capital gains tax or any other tax on income or distributions accruing to or derived from the Fund or in connection with any transaction to which the Fund is a party.
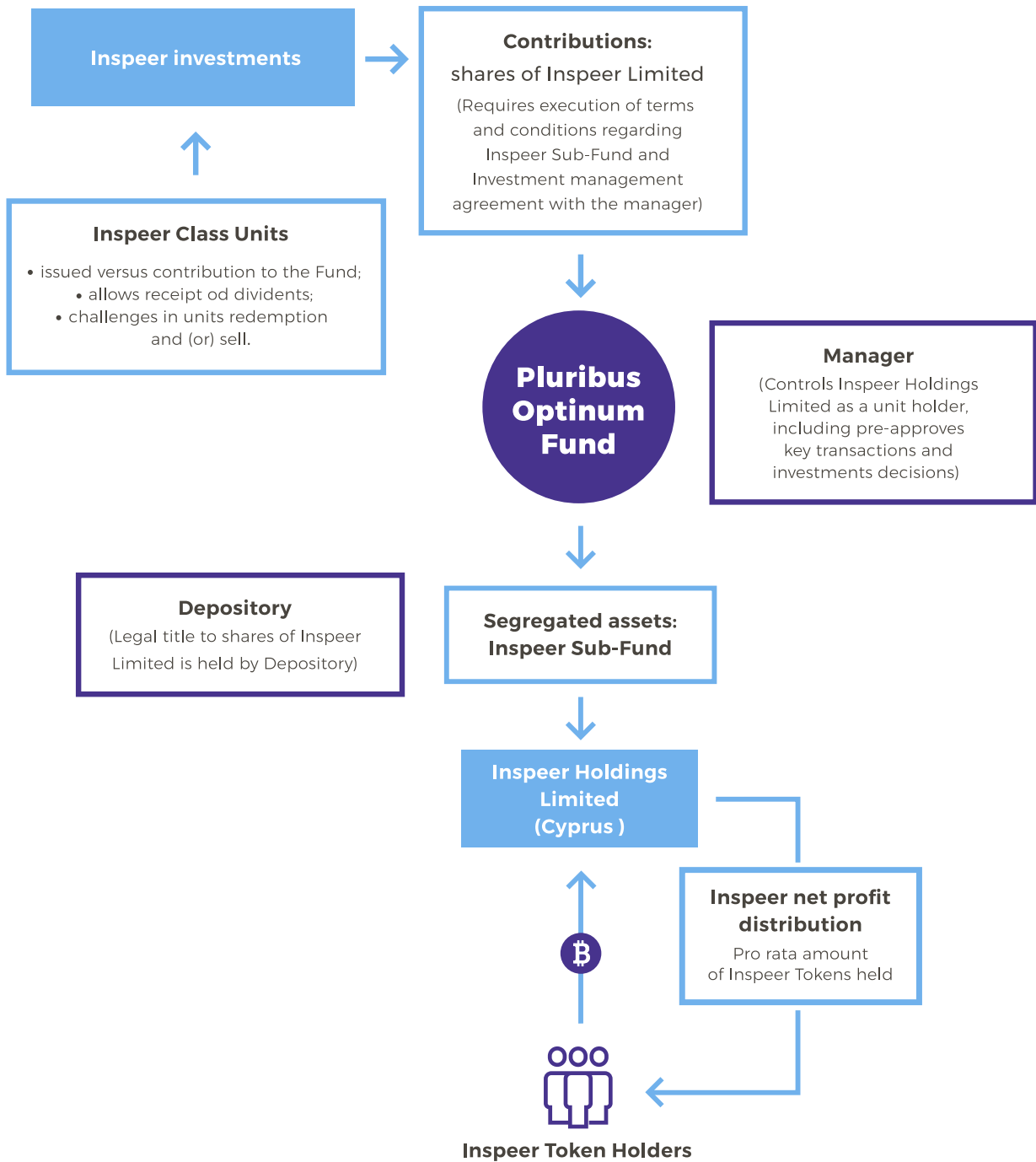
The proposed structure, designed for profitable projects, is an appropriate investment structure to hold venture capital projects, as opposed to commonly used for ICOs Swiss foundation structures, which designed for non-profit activity, which might be a challenge for further project development.

In general, use of the proposed Fund Structure provides for transparency, strong asset governance and oversight, equal access to information and ring fencing of Inspeer Limited in a Sub-Fund.

The Fund and its service providers accept no responsibility for any legal, regulatory and compliance obligations to which Inspeer Limited may be exposed in its day-to-day operations.

Proposed Structure

It is envisaged that Inspeer Limited will be structured in the following way:

Inspeer investments

Contributions:
shares of Inspeer Limited
(Requires execution of terms
and conditions regarding
Inspeer Sub-Fund and
Investment management
agreement with the manager)

Inspeer Class Units
• issued versus contribution to the Fund;
• allows receipt od dividents;
• challenges in units redemption
and (or) sell.

Pluribus Optinum Fund

Manager
(Controls Inspeer Holdings
Limited as a unit holder,
including pre-approves
key transactions and
investments decisions)

Depository
(Legal title to shares of Inspeer
Limited is held by Depository)

**Segregated assets:
Inspeer Sub-Fund**

**Inspeer Holdings
Limited
(Cyprus)**

**Inspeer net profit
distribution**
Pro rata amount
of Inspeer Tokens held

Inspeer Token Holders

Investor Responsibility

Prospective investors should review the Prospectus of the Fund carefully and in its entirety and consult with their legal, tax and financial advisers for independent advice in relation to: (a) the legal requirements within their own countries for the purchase, holding, exchanging, redeeming or disposing of units; (b) any foreign exchange restrictions to which they are subject in their own countries in relation to the purchase, holding, exchanging, redeeming or disposing of units; (c) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, exchanging, redeeming or disposing of units; and (d) the provisions of the Prospectus of the Fund and the Prospectus of the Sub-Fund.

POTENTIAL INVESTORS SHOULD REALIZE THAT AN INVESTMENT IN PARTICIPATIONS OF THE FUND INVOLVES A HIGH DEGREE OF RISK AND THAT AN INVESTMENT IS ONLY SUITABLE FOR SOPHISTICATED INVESTORS WHO UNDERSTAND THE RISKS INVOLVED IN THE FUND'S INVESTMENT STRATEGY AND WHO HAVE THE ABILITY AND WILLINGNESS TO ACCEPT THE RISK OF LOSS OF CAPITAL RESULTING FROM INVESTING.

Executive team

Denis Kabanets

CEO, Founder

Founder of Lightfin.ru. Experienced in executive management. Serial entrepreneur.

Dmitry Chirkin

CLO

Dmitriy is an international lawyer with over 13 years of experience in both digital (VC, ICO) and traditional fields of legal practice (finance and M&A). Dmitry has been working for major international law firms (PwC Legal, Chadbourne&Parke, Dentons) and for international clients. During the past years, Dmitry and his team have advised Russian and international clients on ICO - related matters.

Nikolay Otvechalin

CFO

Participated in the company's strategy development. Conducted Due diligence for M&A processes. Experienced in business plans, financial models, and presentation materials development. Provided management leadership and risk assessment for capital investment projects at all stages. Experienced in interaction with government authorities regarding subsidy assistance issues. Worked in "PRODO Management" company, and "GUTA Group" company.

Denis Ryabikin

CTO

Head of "GURU MFO" project. Over the past 6 years, Denis has been developing projects for microfinance organizations of various complexity. Denis has a wealth of experience in developing and launching systems for MFIs (over 700 projects) in Russian Federation and other countries.

Marina Dymova

Public Relations

Marina has held senior management positions in administrative matters for 5 years. She also has 2 years of experience as an analyst in a government institution.

Daria Patrikeeva

COO, Head of Lightfin.ru

Daria completed three intership programs in England, and worked in a government insti- tution. She has a training certificate upon the program focused on anti-money laun- dering procedures and financing of terrorism prevention in organisations that carry out operations involving monetary resources or other assets.

Partners

SCORISTA

Scorista is a service for improving the quality of credit risk assessment for microfinance organizations. Scorista's solutions reduce losses from default of loans by 30% and increase business profitability.

EQUIFAX

Equifax is the largest bureau of credit histories, which tops the list of BCH of Russia. Founded in 1899 in the US, EQUIFAX has a status of an international credit bureau, since the general database of the BCH includes data from the credit bureau of 24 countries worldwide.

AMBISAFE

Ambisafe's founding team has been pioneering cryptocurrency development since 2010. Our experience ranges from development of alternative consensus algorithms in 2010 to launching the first multi-currency wallet in 2014. Some of our recent achievements include going through the first bitcoin class of a Silicon Valley startup accelerator, breaking to the finals of the SWIFT Innotribe Startup Competition and being the first digital wallet to implement MasterProtocol. We work side by side with the leaders of the cryptocurrency industry and will be happy to design a solution for you that will address your market needs in the most efficient way.

BYRON CAPITAL PARTNERS

Byron Capital Partners is an independent, non-affiliated financial services firm.
The Company is a full scope Alternative Investment Fund Manager (AIFM). The Company's primary focal points are International Asset Management and Advisory Services with a strong, multi-year track record managing multi-manager, private equity, real estate and regulated liquid fixed income and credit investment solutions and established connectivity to the alternative investment community

as well as tier 1 financial institutions. Over 5 years + of award winning track record managing highly regulated investment products.

PLURIBUS OPTIMUM FUND   **BYRON CAPITAL PARTNERS**

Pluribus Optimum Fund was established for select Private Equity, Real Estate, Mergers & Acquisition projects.

Pluribus' primary objective is to make medium to long-term investments in mid-market companies across a range of industries. These targets are established, profitable companies with experienced management teams, solid track records and potential for growth. Our main focus is Russia and CIS but we are gaining foothold into the other BRIC countries.

Pluribus' principals and our Advisors have been actively investing in Russia and the CIS countries since 1991. Traditionally our in-house investment focus has been in real estate, energy (oil, gas, hydro), agriculture, telecom and technology (IT, internet).

The Investors in the Pluribus Optimum family of funds consist of blue-chip global financial institutions, insurance companies, family offices, non-profit foundations, charitable institutions and private HNW individuals.

Advisers

Alexander Shalash

Chairman of the Board,

Founder at Idea Fabrik Plc

George Basiladze

Financial System

Co-founder Cryptopay Ltd

Valentin Savchenko

CMO at WinWin Solutions

Jevgenia Kask-Savchenko

CEO WinWin Solutions, Estonia

Kuzmina Maria

Project manager, Ambisafe

Alexander Uglov

Blockchain-evangelist, visionary. Co-founder of Blockchain Association in Russia.

CEO of the Russian Media digital agency.

Alexander Rugaev

Blockchain / ICO expert. CEO at ICOpromo.com

Escrow

George Basiladze

Financial System

Co-founder Cryptopay Ltd