

# ICO ALERT REPORT

An analysis of Internet of Coins, compiled by our team of industry researchers, traders, and professionals. For a comprehensive list of active and upcoming Initial Coin Offerings and for more ICO Alert Reports, visit [www.icoalert.com](http://www.icoalert.com).

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<b>SALE PERIOD</b>	Currently active, ends June 21, 2017.
<b>TOKEN DISTRIBUTION</b>	HYBRID distributed after crowdsale ends.
<b>ALLOCATION &amp; PRE-MINE</b>	90% sold during ICO 10% allocated to founders / dev team
<b>TOTAL SUPPLY</b>	7,000,000 HYBRID to start
<b>GROWTH RATE</b>	Inflationary.
<b>ICO PRICE</b>	Currently \$1.85 USD per HYBRID, increasing to \$2.00 by end of crowdsale.
<b>INVESTMENT TARGET</b>	300,000 - 7,000,000 Euros
<b>LOCKOUT PERIOD</b>	Not indicated by the IoC team.

## WHAT IS INTERNET OF COINS?

Internet of Coins seeks to develop a modular protocol for cross-blockchain and inter-system exchanges of value using a proof of allocation system and unique hybrid assets that interconnect two otherwise unrelated blockchains. The proposed hybrid network allows decentralized nodes to track the value of hybrid assets and their associated allocation of currency pairs via a pruned weavechain that records relevant blockchain information to verify funds allocated for performing transactions using the hybrid assets. This sentence could be confusing, so we've illustrated an example below.

To exchange Bitcoins for Ethereum, for example, a transaction to exchange 1 BTC for 10 ETH would be proposed by one party on the hybrid network. If a second party agrees to the terms of the exchange, the transaction is performed via a swarm of nodes (collectively known as Cipher) that act as a decentralized

escrow. Once the agreed upon balances are transferred on each respective blockchain of the pending transaction (confirmed by Cipher via a multisignature scheme), the counterparties involved receive private keys that give them access to their agreed upon funds.

The provision of liquidity is incentivized by granting the allocator of funds (i.e. the party willing to set aside ETH to be exchanged for BTC) a small percentage of the overall value of the transaction. This asset backed liquidity structure ensures that transactions will not be initiated if there are not sufficient assets allocated to perform the desired exchange, while also increasing the incentive to support the liquidity of lower volume currencies. For example, a BTC/ETH pair could expect a large number of competing allocators to choose from and consequently competitive allocation fee structures, while an LTC/GNT currency pair might expect substantially fewer participants willing to allocate funds for transactions, leading to higher fees for providing that immediate liquidity.

Internet of Coins will seek to enhance user privacy by running on existing anonymous network platforms like TOR and I2P. HYBRID tokens distributed during the crowdsale will act as usage rights for the IoC Protocol and will be used for all transaction fees set out in smart contracts used to make the conversions.

## THE INTERNET OF COINS TEAM

### Joachim de Koning

Mr. Koning has over 10 years experience in decentralized software development and is a well respected advocate for peer to peer technology. He has been developing cryptographic privacy and other solutions in the public and private sector since 2008.

### Robert de Groot

Mr. Groot has over 15 years experience in web development, systems architecture, and project management. He has worked with Mr. Koning since joining Metasync in 2012.

### Amadeus de Koning

Mr. Koning has over 15 years experience in backend development and cryptographic interconnection and privacy.

## ROADMAP

The roadmap provided by the Internet of Coins team can be viewed at the following link:

<https://coinstorm.net/en/terms>

## WHAT IS THE METRIC FOR THE SUCCESS OF INTERNET OF COINS?

Any addition of supplemental liquidity is a welcome addition to the cryptocurrency ecosystem, and the highly versatile nature of Internet of Coins is likely to encourage widespread adoption. In addition to providing a legitimate decentralized alternative to existing cryptocurrency exchanges, the ability to be integrate with additional APIs to accommodate other forms of currency and value (including trade between physical goods like bitcoins for loaves of bread, or bandwidth on a network) ensure that the scope

of Internet of Coins is only limited to the imagination of those constructing the hybrid assets and the appetite of allocators to facilitate transactions.

## **CONSIDERATIONS AND CLOSING**

Internet of Coins has been around since 2014, and is one of the earliest and most thoughtful proposals for a decentralized system for exchange we have yet reviewed. The team has deep and relevant knowledge in the arena of private, p2p transactions and has been deliberate in building a strong technical foundation for their project, developing sensible incentive structures for distributing and maximizing liquidity, and taking the time to lay out a reasonable timeline for achieving their milestones and eventually delivering their protocol. While competition in the decentralized exchange space is fierce and growing at a breakneck pace, the scalability and broad scope of vision to link stores of value even beyond mere cryptocurrency pairs makes Internet of Coins a very exciting project.