Evolution Of Token Sales
by Nick Cowan CEO
History of Databases

1980’s
- No Connectivity
- Data stored on each machine

1990’s
- Connection through the internet
- Data stored on local private databases

2000’s
- Cloud Database
- Centrally controlled
- Expensive
- Single point of failure
  - and exposure.

Present
- Distributed and decentralized database
- Incentives to work correctly
- Secure and cost effective
A wants to transact value with B.

The transaction is represented as a ‘block’.

The block is broadcast to every party in the network.

Those in the network approve that transaction is valid.

The Block is then added to the chain, which provides a record of transactions.

The value moves from A to B.
Evolution of Networks

**Broadband Network**
- Increasing users increases the value of existing users.
- The Internet had a low user base value.
- As the internet grew with more users, it grew in value to existing customers.

**Social Media Network**
- The more users present on social media, the more valuable for all users involved.
- The value of the network arises from the participants whom form part of it.

**Blockchain Network**
- Decentralized applications (dapps) are built using blockchain technology.
- Each additional application and user for a blockchain platform increases the value for existing users.
Mainstream Adoption

Sept 2008
Satoshi Nakamoto publishes Bitcoin Whitepaper.

Oct 2012
Bitpay reports having 1000 merchants accepting Bitcoin.

Aug 2014
Ethereum raises 18m USD in biggest crowdfunding campaign at the time.

March 2016
Japan recognised currencies like bitcoin to have 'money like' properties.

March 2017
Microsoft, JP Morgan, Toyota, Intel and others form the Ethereum Enterprise Alliance.

The Future
Regulation around token sales creates legitimacy and enables mainstream adoption.
The ‘Nine Principles’ require that a DLT firm must:

- Act with **honesty and integrity**;
- Be **fair, clear and not misleading**;
- Maintain adequate financial and non-financial **resources**;
- Proper **regard to risks** to its business and customers;
- **Protect** of client assets and money when it is responsible for them;
- Have effective **corporate governance** arrangements;
- Maintain **high security standards**;
- **Detect and disclose** financial crime risks;
- Plans for the orderly and solvent winding down of its business.
At a high level, we can categorise three types of digital assets as follows:

- **Medium of Exchange Digital Assets**
- **Utility Tokens**
- **Tokenised Securities**

Digital assets can also serve as digital representations of tangible assets. There are also various other possible types of digital assets and more will undoubtedly emerge.
What Is A Token Sale?

- Terminology changes with development: ICO, TGE, ITS, ITO – Token Sale
- The flexibility and speed to market of token sales has created a fundamental change in fund raising.
- Companies, especially start ups have gained unprecedented new forms of funding.
- No claim on equity, balance sheet, revenues or PNL of company.
A lot of new coins are ‘forked’ versions of existing coins. New cryptocurrencies are created on a weekly basis. Many new cryptocurrencies lack technical innovation or a useful purpose, commonly known as ‘Shitcoins’.
Institutional grade token sale platform, based on best practices and good governance.

Token issuers are guided through the rigorous listing process by Sponsors; experts in token sales.

GBX Account holders can trade digital assets in a secure exchange environment.

Whitelisted account holders gain access to token sales in the GBX Grid.
GSX Moving Forward

Fully blockchain enabled by Q4 2018.

License extension to enable trading of security tokens.

Pathway from listing and trading initial token sales through to accessing funding via the traditional market issuance route.
The Future

- Tokenized Economies
- National Stable Coins
- Immutability
- Efficiency
THANK YOU

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