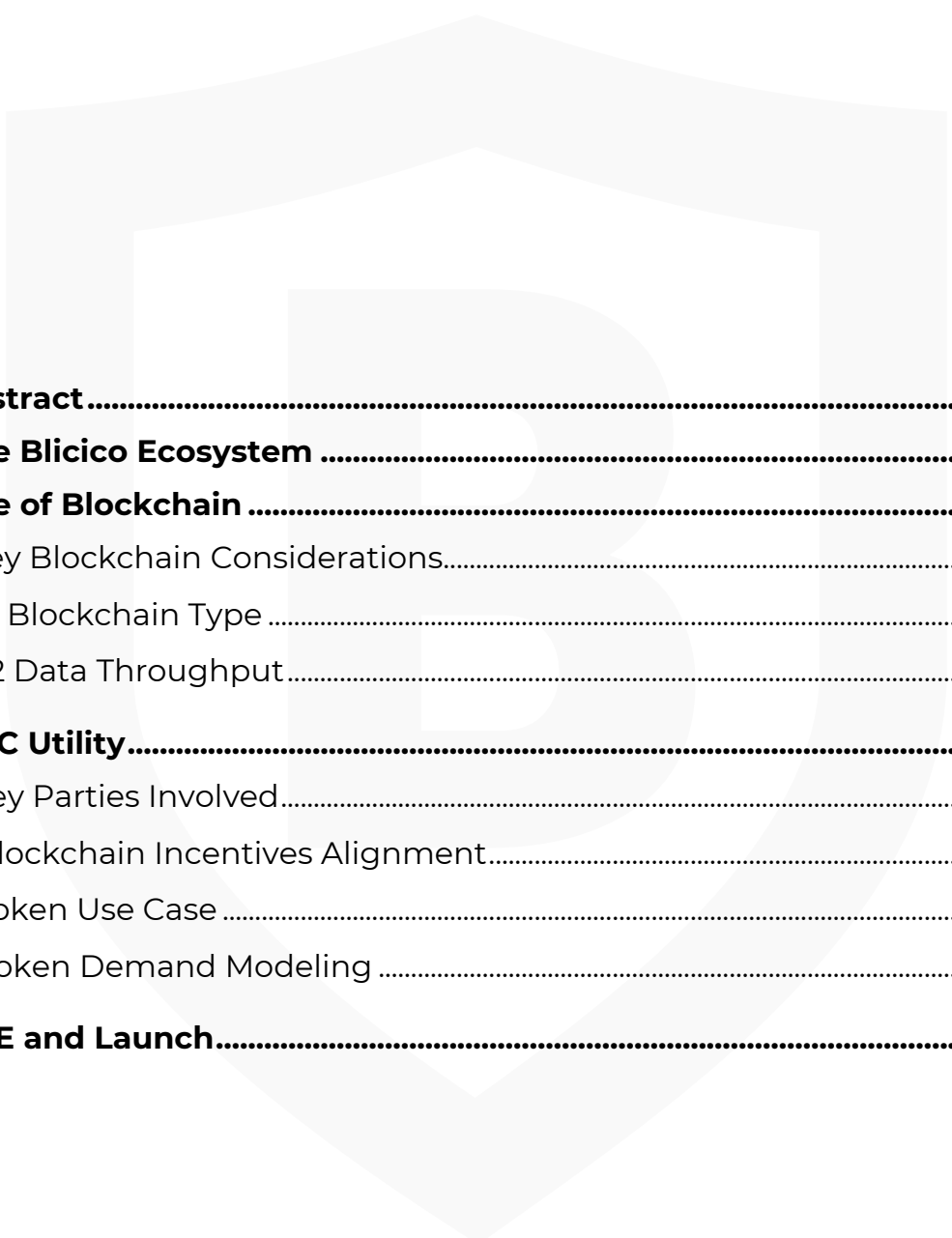

Blicico^B
INSURANCE AGGREGATOR



TOKENOMICS



1.0 Abstract	3
2.0 The Blicico Ecosystem	4
3.0 Use of Blockchain	5
3.1 Key Blockchain Considerations.....	7
3.1.1 Blockchain Type	7
3.1.2 Data Throughput.....	8
4.0 BLC Utility	9
4.1 Key Parties Involved.....	9
4.2 Blockchain Incentives Alignment.....	12
4.3 Token Use Case	133
4.4 Token Demand Modeling	14
5.0 TGE and Launch	16

1.0 Abstract

The insurance market is ripe for disruption. It is a global, 5 trillion-dollar market¹ that continues to show promising growth, especially within developing countries. Despite the impressive market size, the insurance model has remained largely unchanged in recent decades. High premiums, moral hazard, a hierarchy of intermediaries and a variety of other factors make the market slow to adjust to the rising needs of modern customers. The agile, mobile, and technological focus of today's customers makes this market look especially outdated.

Blicico wishes to redefine the insurance model by creating its own platform that is efficient, secure, fair and meets the demanding requirements of modern clients. Blicico also aims to achieve such goals and still maintain or even increase the profitability of insurance companies.

Blicico sees the potential in combining several key technologies to create a platform that can become instrumental in delivering lean, efficient and cost-saving insurance products for individuals and businesses customers alike. The key to this realization is the creation of a blockchain network organized by Blicico and other relevant insurance stakeholders. The outcome of the network as well as the aggregated insurance platform Blicico has built, will greatly diminish data subjectivity, intermediary presence and promote the reduction of existing cost barriers.

The summary of the process is as follows. First, Blicico has created a modern insurance aggregator that can host multiple insurance providers and offer clients the choice and freedom to view, sign up for and use any and all

¹ McKinsey Global Insurance Pools—seventh edition, 2017

insurance offers available. Second, Blicico will leverage the transparency, decentralization and the immutability of blockchain to host relevant data sets for insurance providers to use. Finally, Blicico will use its extensive experience and knowledge of the insurance markets to manage its insurance aggregator and therefore to allow for the insurance contract formation to take place in a way that is fast, secure and hassle free.

Blicico is creating its BLC token to become a key component within the new insurance model it is creating. Blicico's consortium network model will use the BLC token to carry out transactions and add relevant insurance data to the blockchain. This transaction cost will be assumed by the insured and paid directly to Blicico. Within later sections it is proposed that the ongoing cost for data validation will be offset by the cost-saving features Blicico customers will have made available. Furthermore, such a business model will allow Blicico to gain profitability, without having to rely on brokerage fees.

2.0 The Blicico Ecosystem

The Blicico ecosystem will consist of multiple types of insurance products. Initially, the team will focus on the transportation industry with the Blicico.Cargo policies. Further into the future there will be additional categories within the aggregator that will include Blicico.Life, Blicico.Taxi and others. Customers will be able to choose from various types of insurance products and make use of the comparison tool to see which company offers the best contract for a particular product.

Users who join Blicico will benefit from several key value adds that the ecosystem enables. These include a reduction on premiums, a wide variety

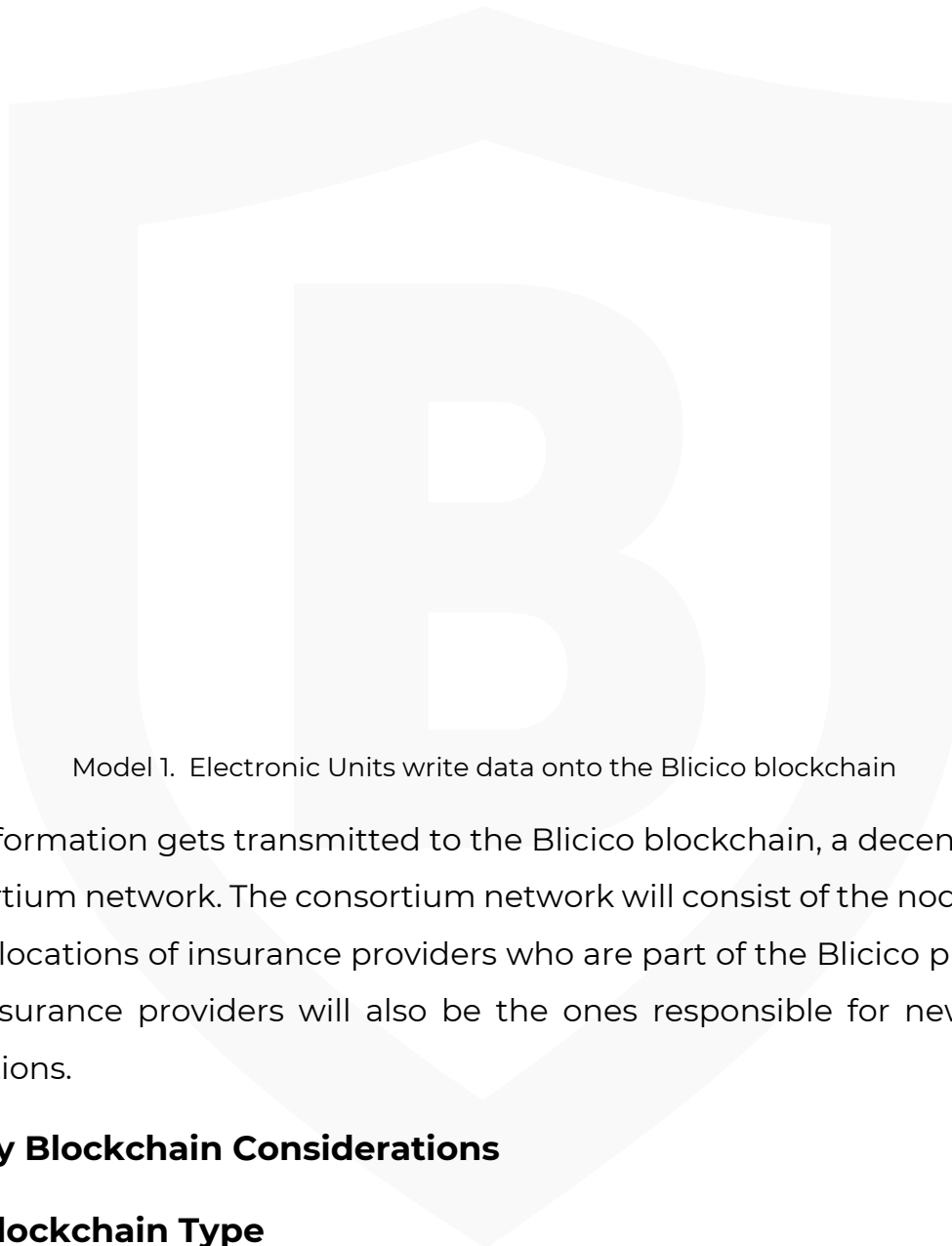
of insurance types, clear beginning and end terms of the contract, an objective validation process of relevant insurance metrics (enabled by the Blicico blockchain).

When the Blicico team set out to redefine the outdated insurance model, the main objective was to make all parties who are directly involved in the insurance model better-off. This means that the focus was primarily on the customer, as well as the insurance company. Both will find new benefits within the Blicico ecosystem, which will motivate the network of customers to grow, especially with new product and geographic expansions.

3.0 Use of Blockchain

Blicico will make use of distributed ledger technologies and deploy it as one of its key differentiators and innovative approaches to solve the issues around data subjectivity. Blockchain will be used to access insurance related information, clearly define the start and end terms of the policy, split multiple risks into separate variables that can be used in risk modeling, and foster the creation of new and improved premium calculations.

Any market that involves information asymmetry is in some way limited from achieving an optimal equilibrium price. Insurance markets, in particular, are known to be some of the most commonly used to illustrate the example of information asymmetry within economic theory. Blicico sees blockchain as an enabler of trust, transparency and decentralization of data. The proper implementation of the network may not remove information asymmetry completely, but at least become the catalyst for a great reduction in information asymmetry. The effect of this should be seen in improved price discovery, redistribution of value and increase of market participation.



Model 1. Electronic Units write data onto the Blicico blockchain

The information gets transmitted to the Blicico blockchain, a decentralized consortium network. The consortium network will consist of the nodes kept at the locations of insurance providers who are part of the Blicico platform. The insurance providers will also be the ones responsible for new block validations.

3.1 Key Blockchain Considerations

3.1.1 Blockchain Type

Blicico will make use of the consortium blockchain model. The Blockchain itself will be a derivative of the EOS.io modified and tailored to the needs of the Blicico platform. The blockchain will be permissioned and open. Blicico

will enable selective node participation to those insurance providers who join the Blicico platform. Therefore, the nodes will be distributed among all insurance companies who wish to participate in node validation and are also participating in the Blicico aggregator.

The benefits of having a consortium blockchain are in the superior transaction throughput, decreased risks of malicious network attacks, and the highly regulated nature of the insurance industry (the high regulatory standards of the insurance market limit the risks of insurance companies attempting to sabotage the network). All of these play a role in the selection process.

3.1.2 Data Throughput

Blicico is aware of existing barriers in network throughput within many public blockchains and wishes to avoid the possibility of network congestion to occur. As Blicico begins to scale beyond the initial user base, adding more products onto the blockchain network besides Blicico.Cargo, additional network throughput will be key.

While permissionless blockchains can achieve a data throughput that is in the thousands, going with a consortium model will enable Blicico to achieve an average throughput that is much higher (we estimate an average that is higher than 10k tx/s)².

² International Journal on Advances in Telecommunications, vol11no1&2, year 2018, <http://www.iariajournals.org/telecommunication>

4.0 BLC Utility

4.1 Key Parties Involved

Blicico will have three types of stakeholders which will transact on the platform. To enable the proper implementation of all processes, each platform participant has been analyzed. Further, an outline has been made as to how the implementation of the Blicico blockchain will impact the interests of each type of participant. The key stakeholders include: Insurance Companies, Insurance Customers, Blicico.

Insurance Companies

Within the basic insurance models a large portion of sales is done through the intermediaries. In the Russian Federation, for example, intermediaries can perform as much as 85% of all insurance policy sales. For their intermediation, brokers can charge as much as 50% commissions for selling insurance policies to customers. Removing, or at least reducing, this unnecessary barrier could be a big value add to insurance companies who are better off having a more direct access to their clients.

Furthermore, insurance companies are constantly on the lookout for a more cost-effective solution to validate insurance claims. Data subjectivity has formed a market inefficiency that has to be factored into the price equation of most policies. Improving upon the existing solutions would be greatly beneficial to insurance companies for cost saving, time saving and risk exposure reductions.

In particular, the biggest value add blockchain can provide to the insurance companies is to unlock and reduce the Unearned Premium Reserve from the balance sheet of the company. With Blicico's blockchain solution,

insurance policies can move away from a time fixed model, toward an on-demand model. An on-demand approach makes it possible for insurance companies to reduce the amount of the UPR, and still manage to have enough reserve to pay out all customers in a timely manner. As a result, the insurance companies can benefit from increased profitability (UPR is loss on the balance sheet), more growth opportunities, increased cash flow.

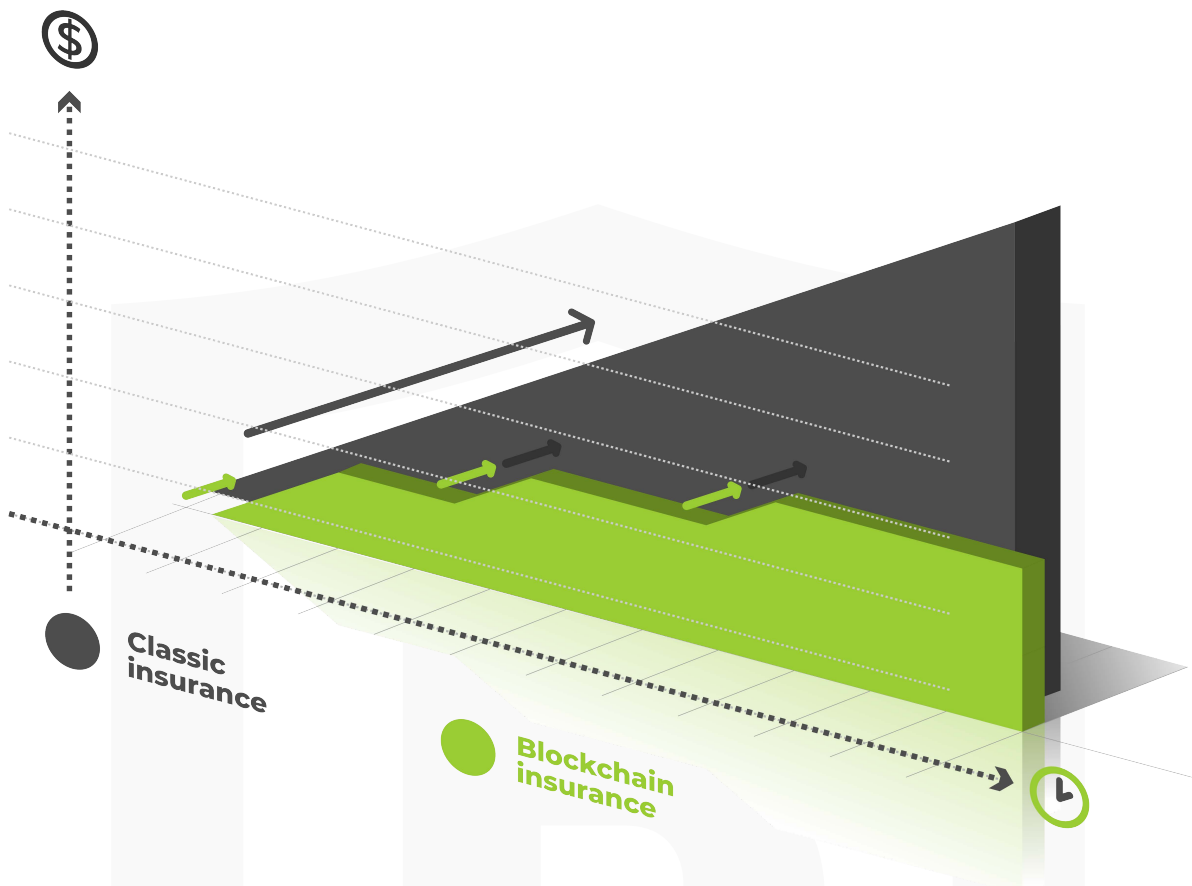
Insurance Customers

Insurance customers play an important role within Blicico. They will be the ones driving the growth of the platform and subsequently the growth of the Blicico blockchain network. It is instrumental to cater to the wide tastes of all customers and offer the best UX/UI experience Blicico can provide.

Customers of Blicico will be able to benefit from reduced premiums, better product comparison between multiple providers, on-demand insurance control. This related to both retail and business customers.

Taking Blicico.Cargo customers as an example, it is estimated that the average payout ratio for transportation insurance policies is 14%³. When customers (transportation companies in this case) use the Blicico blockchain to store relevant insurance data (start of journey, loading, unloading of the goods, etc.) they will receive a new pricing model that reduces the risks of miscalculation. A more detailed and objective risk analysis, combined with the on-demand availability of insurance products translates into lower insurance costs on policies.

³ Numbers are estimates for insurance policies for cargos within the Russian Federation



Blicico

Blicico is interested in reimagining how insurance models work. The goal is to become an insurance aggregator while offering improved utility to customers. Blicico is interested in solving data subjectivity and is committed to supporting this through a blockchain integration. To Blicico, the incentives behind a Blockchain network are straightforward: creating a new business model that is based on token redistribution and value growth of the Blicico network. By having the BLC tokens being one of the revenue generating streams, Blicico aligns itself with the healthy growth, stability, transparency of its blockchain network.

There are certain benefits a token-based payment model unlocks. Since the nature of the insurance model Blicico is creating is primarily on-demand, it is much easier to implement a time-tracking payment component using

tokens rather than fiat currency. Furthermore, the token-based payment network fee would allow Blicico to easily operate cross country and create a single insurance platform worldwide.

4.2 Blockchain Incentives Alignment

Having identified the main stakeholders of the Blicico platform, let us understand how Blicico plans to align the incentives of all network participants within the blockchain network.

Blockchain is used to create data objectivity which leads to a fast, efficient, and transparent insurance model. BLC is the transaction cost assumed by insurance customers for using the blockchain. Customers are incentivized to pay in BLC tokens because it is a cost-effective solution when considering the fact that Blicico's on-demand insurance has a step cost function, instead of a regular linear cost function used by most policies. By paying for the transaction costs in BLC tokens and adding Electronic Unit data to the blockchain, insurance customers are essentially opting-in for the on-demand insurance policy.

Insurance providers have an incentive to continue operating the nodes and facilitating new block creations. The blockchain database allows them to base their cost models and risk calculations on objective-data rather than subjective data sources. This, in turn, offers insurance companies many benefits, which have already been listed in the previous section.

Blicico is also incentivized to upkeep the well-being of its decentralized network. Blicico is primarily incentivized by a monetary benefit it receives from customers using its blockchain. The more customers sign up for services through the Blicico platform, the higher is the revenue Blicico

receives from the transaction costs it receives. It is always in the interest of Blicico to grow and scale the network to allow more insurance providers to join the node validation process. As more insurance companies join, the increase in choice of insurance policies should positively effect customer growth, which of course means higher fee revenue for Blicico.

4.3 Token Use Case

The main use case of the BLC token (taking Cargo as an example) will be the eligibility of insurance customers to upload their hashed transportation data onto the Blicico blockchain network.

Electronic Units perpetually collect relevant sensor data from the cargo and aggregate this data into a single pool. The data aggregated by the Units will be added to the blockchain every 10 minutes. To complete this transaction, a predetermined amount of BLC tokens will be subtracted from customer wallets. Essentially, the customer is paying for the right to participate in the blockchain network. Since Blicico will be an on-demand insurance platform, the token amounts will be charged only during those time when the insurance contract is activated. Meaning that the blockchain data will be recorded only when the transportation companies need the data to be recorded.

This means that the maximum number of transactions a single Electronic Unit can perform in a given year is estimated to be at 52,560 transaction. Despite this ceiling, it is most likely the Electronic Units will be doing sending fewer transactions in a given year. Reasons can range from lack of data connectivity, power outage or a lack of an activated insurance policy.

The estimated BLC cost is estimated in the following table:

1 transaction	~ 0.0001 BLC
6 transactions per hour	~ 0.0006 BLC
20000 transactions per year	~ 2 BLC

The required BLC amounts to send transactions to the Blicico blockchain will ultimately depend on the country of registration of the transportation company. This entails that Blicico will be able to adjust transaction costs for transportation companies depending on market demand for BLC tokens, and geographic factors.

Blicico reserves the right to change the BLC transaction costs involved in the validation process in the future.

The token is issued by Blicico and is owned by Blicico. Blicico sells the tokens to end users who deplete the tokens at a predetermined rate. Once the tokens on a cargo have been depleted, they are re-bought from Blicico or from one of the partner exchanges.

4.4 Token Demand Modeling

To make sure that the calculation for the necessary token amounts per vehicle are in line with the Blicico total amount of tokens minted, the following token demand estimation have been calculated.

The following calculations have been made assuming total amount of commercial vehicles to be taken from the International Organization of

Motor Vehicle Manufacturers and a steady growth of the market share in each subsequent year. ⁴

As seen from the table, the total number of needed BLC tokens, should satisfy the total supply of minted BLC tokens Blicico plans to emit.

Year	Year 1	Year 2	Year 3	Year 4	Year 5
Total number of commercial vehicles	335,190,000	345,245,700	355,603,071	366,271,163	377,259,298
Total number of insured cargoes ⁵	16,759,500	17,262,285	17,780,154	18,313,558	18,862,965
Estimated Market Share of Blicico	1.0%	1.1%	1.1%	1.2%	1.2%
Cargo insured within the Blicico Platform	167,595	181,254	196,026	212,002	229,281
BLC tokens spent per vehicle per year	2	2	2	2	2
Blicico revenue per year in BLC	335,190	362,508	392,052	424,005	458,561
Circulating BLC supply (M)	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000
Transactional Volume of BLC (T)	6,703,800	7,250,160	7,841,048	8,480,093	9,171,221
Average Token Hold Duration (H)	10	10	10	10	10
Price Level in \$ (C)	15	42	69	96	150

⁴ <http://www.oica.net/category/vehicles-in-use/>

⁵ Estimates show that 5% of all cargo in the world is insured

5.0 TGE and Launch

Token symbol: BLC

Total emission: 26 000 000 BLC

Additional issue: none Mining: none

Price for 1 BLC without bonuses: 3 USDT

Pre-sale Tokens for sale: 10% of the issue

Period: August 2019 (14:00 UTC) + rounds

Minimum purchase amount: 1 BLC

Maximum target (Hard Cap): \$40 000 000,00

The main round of tokens sale (Pre-IEO and IEO)

Tokens for sale: 80% of the issue

Price for 1 BLC without bonuses: 3 USDT

Minimum target (Soft Cap): 3 000 000 USDT

Maximum target (Hard Cap): 40 000 000 000 USDT

Minimum purchase amount: 1 BLC

Pre-IEO

Period: July 2019 (14:00 UTC) - August 2019 (14:00 UTC)

IEO

Period: August 2019 (14:00 UTC)

Jurisdiction: Switzerland, Georgia

The sale of tokens will be ceased automatically as soon as Hard Cap value is reached.

Distribution of BLC tokens

ICO 70%; Team and advisors 16%; Presale 10%; Bounty 4%.

Distribution of funds collected will depend on the amount of funds received.

The split will depend on whether the Hard Cap has been reached or not.

If Hard Cap is reached:

Platform development – 30%; Marketing – 40%; Legal support – 10%; Administrative and operational expenses – 10%; Miscellaneous and unforeseen expenses – 10%.

If Soft Cap is reached:

Platform development – 50%; Marketing – 30%; Legal support – 5%; Administrative and operational expenses – 10%; Miscellaneous and unforeseen expenses – 5%.