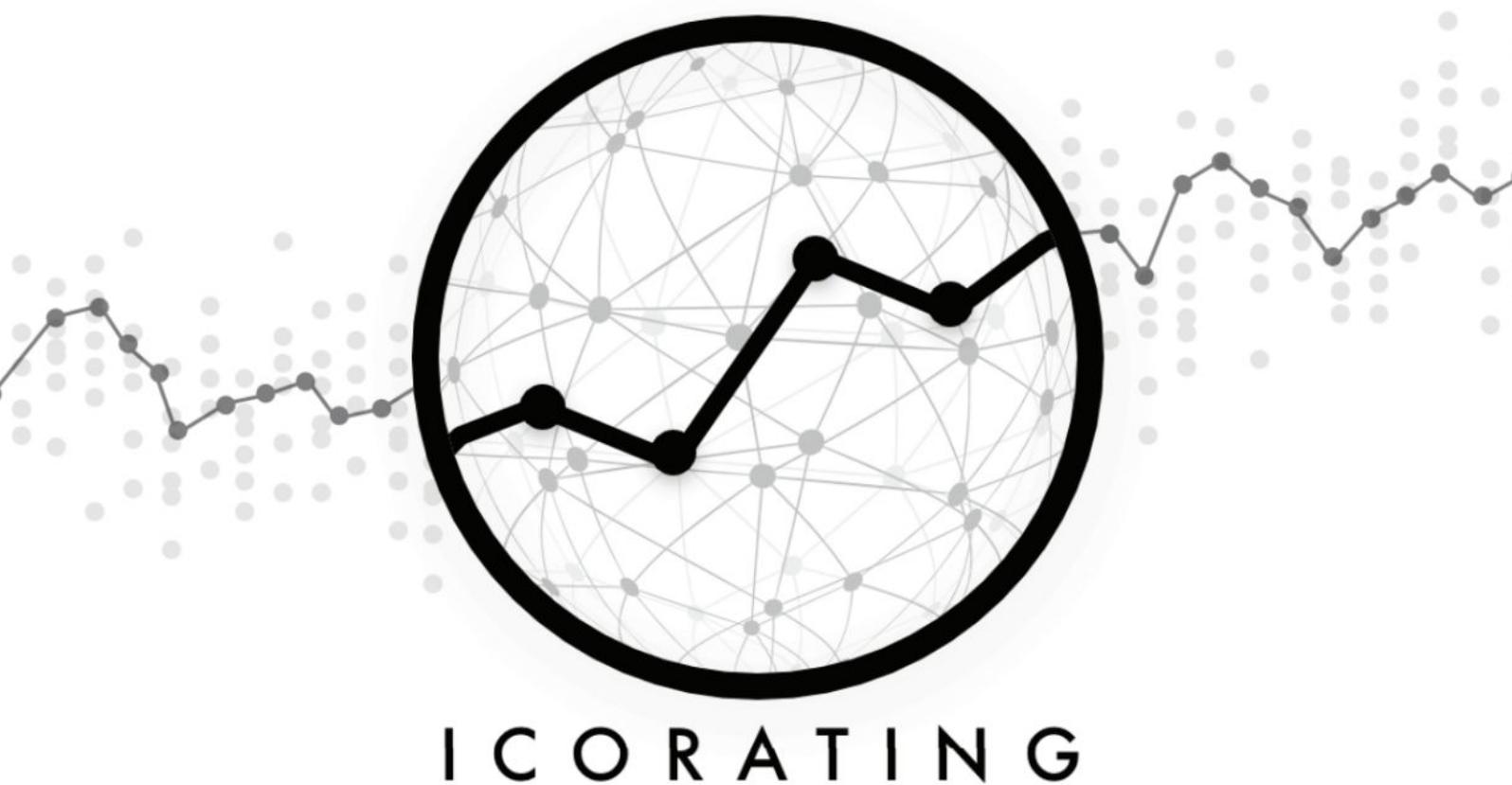


ICOrating

ICON Foundation Basic Review (<https://icon.foundation/en>)

ICO dates (18.09.2017-20.10.2017)



Web: icorating.com

Email: info@icorating.com

Twitter: [@IcoRating](https://twitter.com/IcoRating)

PROJECT REVIEW

About the Project

Name: ICON Foundation

Ticker symbol: ICX

Project type: interconnecting blockchain network

Website: <https://icon.foundation/en/>

White paper: <http://docs.icon.foundation/ICON-Whitepaper-EN-Draft.pdf>

ICO details

Start: September 18, 2017

End: October 20, 2017 (Token Sale will close as soon as the target amount is reached)

Total tokens: 800,460,000 ICX

Tokens on sale: 50% (400,230,000 ICX)

Fundraising goal: 150,000 ETH

Token price: 0.0004 ETH per 1 ICX (2,500 ICX per 1ETH)

Team

Team size: 30 members + 5 advisors

GitHub: <https://github.com/theloopkr/loopchain>

Social media

Bitcointalk: 109 posts, read 3,517 times

Telegram: 461 members

Twitter: 56 tweets, 431 followers

Medium: 14 posts, 84 followers

Facebook: 539 likes, 576 followers

Slack: 1177 members

PROJECT DESCRIPTION

ICON Foundation is a decentralized blockchain-based network. It is designed to unite all currently existing independent blockchain networks with a single information channel.

The ICON network will make it possible to connect blockchain systems such as Ethereum, Bitcoin, EOS and others. In practice, it will help integrate similar networks into the real economy to handle applied problems.

As the assets will be tokenized, the transaction turnover between counterparties worldwide will increase.

ICON will use the advantages of a decentralized infrastructure, such as the high security of transactions and the low cost of connection of multiple information flows around the globe. For example, the team describes an algorithm of their future network enabling Korean investors to trade Apple shares online in American stock markets, maintaining a low transaction cost at the same time. Medical researchers in Korean university hospitals will be able to work with data from patients with diabetes residing for example in Sydney and London.

The main goal of the ICON project is to simplify the transfer of any information between any nodes, and make it as accessible as possible. The team reasons that, as the introduction of mail services and then the phone and internet triggered the explosive growth of the global economy in the past, the introduction of a cheap and efficient blockchain-based network may give a new impulse to the development of the global community.

RESUME

From the investment perspective, the business idea of the team, which is based in the Republic of Korea, is generally interesting. They state that they are creating an improved version of already operating equivalents, which improves performance and efficiency for potential users. In any event the project is worthy of the community's attention, despite the uncertainties we identified from the viewpoint of its success.

CONCLUSION

During the analysis of ICON Foundation, we looked at the main aspects of the project, including both external conditions and internal, technical processes of the platform.

Here are some strong and weak points to this project. Obvious advantages in our opinion include:

1. A strong project team which includes professional developers and participants with considerable experience in finance, product management and marketing.
2. An inovative idea, the successful implementation of which will bring the market for blockchain projects to a new level.

However, we think there are also a number of uncertainties, relating primarily to ICON promotion:

- the project's documentation does not contain any detailed information about the marketing campaign or the the project's global partners, which the team often mentions.
- the bounty program was only launched on August 25, 2017. That is why it is a little too soon to analyze how massive the project feedback is;
- official sources have no direct links to the team's LinkedIn.

REVIEW OF COMPETITORS

As a rule, most blockchain projects focus on the decentralization methodology, and are not proven to be needed in the real world.

Ethereum, created in 2015, was the first project to present the "Smart Contract" concept in the blockchain world. It thus opened up brand-new possibilities for decentralized applications ("Dapps"). Ethereum is considered the most important landmark in blockchain technology since Satoshi Nakamoto first introduced Bitcoin. Various Dapps have been developed, particularly a decentralized autonomous venture capital fund of \$170 million called the DAO project. Unfortunately, DAO was hacked, and Ethereum had to restore stolen funds. Many issues, particularly regarding the Proof-of-Stake consensus, are still being discussed by Ethereum's developers.

Bancor provides a Decentralized Exchange (DEX), which makes it possible to make online cryptocurrency transactions on the basis of a fair price algorithm using Ethereum reserves. Bancor supports different business models, such as the ETF, by exchanging crypto-conversions on the basis of the reserves. Fees for transactions and speed limits resulting from operating on Ethereum are, nonetheless, a serious test for this service.

EOS is a blockchain platform, which mainly focuses on Ethereum scalability problems. Many users expect that it will be able to replace Ethereum. However, there are no major differences from Ethereum so far apart from the consensus algorithm. Besides, its smart-contract platform is based on virtual machines, such as Ethereum. That is why users must make sure that EOS is able to process massive transactions online.

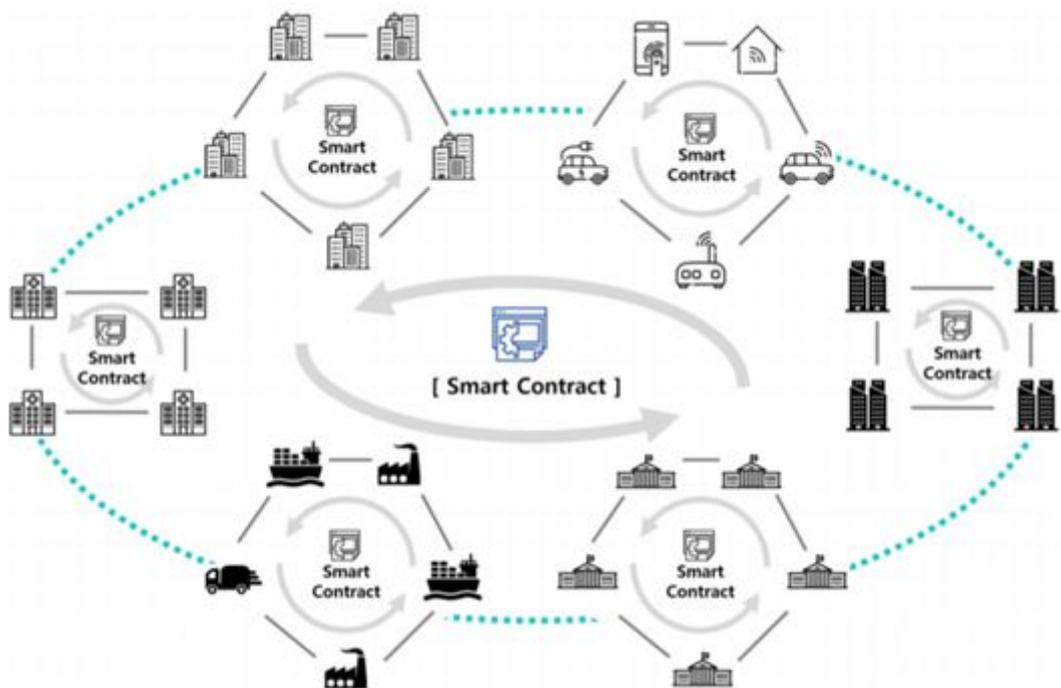
The following table contains ICON's competitive advantages as compared to the existing platforms:

Features	ICON	Ethereum	EOS	Bancor
Platform	loopchain	Ethereum	EOS io	Ethereum
DAPP	0	0	0	X
Interchain	0	X	X	0
Service	Real time transaction	0	X	X
	DEX	0	X	0
Governance	Decision Making Process	Decentralized	Non-systematic	Decentralized
	Consensus Algorithm	LFT	PoW	PoS
	Smart Contract versioning	0	X	X
Technology	Multi-Channel	0	X	X
	Tierd System	0	X	X

Among project's direct competitors we may single out the aion.network project. Its team is working on a similar system to unite different blockchains into a single network. The project has presented a white paper only, and is not planning to hold an ICO. However, AION may be a notable competitor of the ICON network in the future.

MARKET AND INDUSTRY REVIEW

As of 2017, despite being in its infancy, the market for blockchain technologies is clearly shaping up. This is shown by the active investing in the research and development of applied blockchain technology in non-financial sectors. The investors more often than not include such companies as IBM, Intel, Barclays and Deutsche Bank. Along with other companies of similar importance, these together created the R3 Fund, which sponsors the development of infrastructural application of the blockchain technology in the economy.

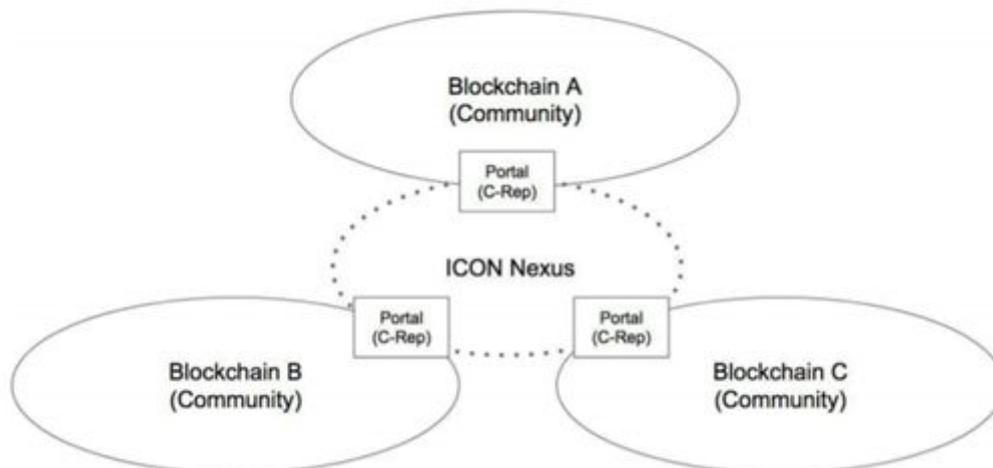


As of May 2017, R3 had raised over \$107 million from more than 40 participants. The demand for infrastructural, cross-chain solutions will probably continue to grow. Projects focusing on this segment have a chance to partner with the most influential companies.

TECHNICAL ASPECTS OF THE PLATFORM

ICON will unite multiple blockchain networks with the help of a linking network called Nexus. The Nexus network is built on the basis of a loopchain blockchain. Essentially, the loopchain is an efficient blockchain, based on advanced smart contracts ensuring online transactions.

The loopchain consists of the Nexus management network and exit nodes, or Portals, which are blockchain nodes linking it with external networks connected. Inside the network, nodes interact according to the Blockchain Transmission Protocol (BTP), ensuring the transfer of information between different independent blockchains connected to the Nexus network. ICON is creating a "network of networks", enabling different blockchains based on various algorithms to interact using a universal protocol.



Similarly to the principle of the Internet, where HTTP is considered to be the standard protocol, ICON will use the BTP protocol as the standard for information transfer between different blockchains.

ICX (ICON Exchange) tokens will be integrated into Nexus. One will be able to use them to pay for cross-blockchain transactions. Every node participating in the Nexus network may issue ICX tokens. The same tokens will be used to manage the network, enabling token holders to vote for particular changes.

We have not found any public project development repositories within published information. The team has not published the source code on GitHub or on other resources. It is thus impossible to estimate the project's current development status.

DOCUMENTS

Basic information about the project is provided in the white paper. A major section of the document is devoted to technical aspects of platform's operation (including the ICON architecture, loopchain introduction and AI's role in this project). Describing the processes, the team uses a large number of examples, supplying them with drawings and charts for clarity.

ICO

The project's ICO will start on October 20, 2017, and go on for two weeks only, until November 3, 2017. According to the project's website, the ICO may terminate ahead of schedule should the goal be reached sooner. For this period, the team plans to sell 400,230,000 ICX tokens. The exchange rate is 2,500 ICX = 1 ETH. In the event that ICON's ICO raises \$44 million, the ICON Foundation will be holding the largest ICO in Korea so far. Currently, there is no additional information.

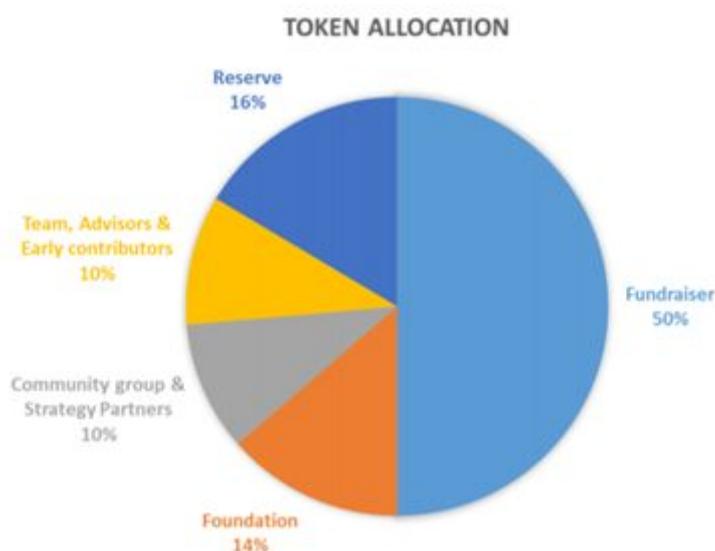
PLANS OF THE PROJECT DEVELOPMENT

The documentation contains the following roadmap:

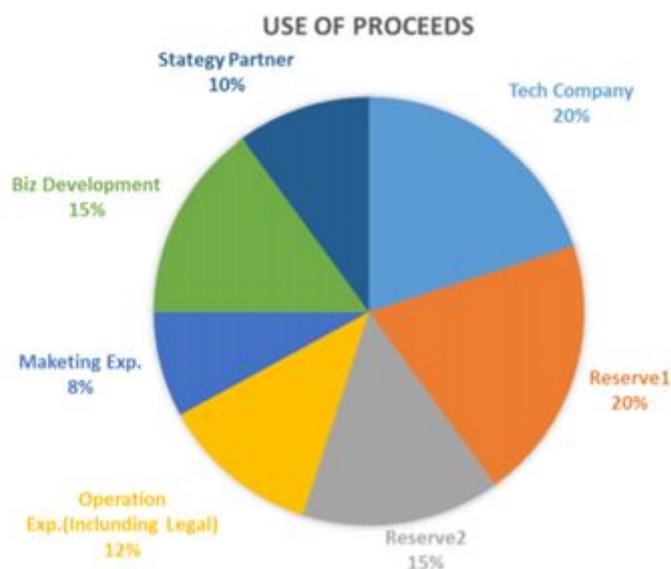
Date	Description
2017 Q3	<ul style="list-style-type: none">• Open source of <i>loopchain</i>• 1st Developers meet-up• Partnership with major bank
2017 Q4	<ul style="list-style-type: none">• ICO• Listing of ICX• Financial Investment Consortium: Blockchain ID service open• U-Coin pilot service open: 3 Universities• Insurance: Blockchain based auto-claim pilot service open
2018 Q1	<ul style="list-style-type: none">• 2nd Developers meet-up• Expansion of DEX reserve pool to most of major cryptocurrencies• Expansion of partnership with blockchain networks
2018 Q3	<ul style="list-style-type: none">• 3rd Developers meet-up• U-Coin Expansion: 10 Universities• Financial Investment Consortium: Second service launch

The project intends to make the following distribution of ICX tokens:

- token sale - 50%,
- foundation - 14%,
- community and strategic partners - 10%,
- team, advisors and early participants - 10%, and
- reserve - 16%.



The white paper also suggests reviewing the allocation of funds raised:



- Tech Company: expenses for the development of blockchain engines, Dapps, artificial intelligence, etc.
- Reserve: funds required for online DEX (decentralized exchange) operation with any other blockchain network. The Reserve is divided into Reserve 1 (ETH reserve) and Reserve 2 (another reserve). Reserve 1 is needed for the interaction of DEX with Ethereum-based networks, while Reserve 2 is required for the interaction of DEX with other networks not connected with Ethereum.
- Operating expenses: marketing fees, fees for legal services, and other expenses relating to the ICON Foundation.
- Business development fee: expenses relating to the global expansion of the ICON Foundation, including construction and business development expenses.
- Strategy Partner: expenses relating to ICX extension to be paid for to the Global Business Partner.

We note that the documentation does not contain any information about such a project partner. Nonetheless, there is information online that one of the key partners of the project is Woori Bank, one of the largest banks in Korea. ICON and Woori Bank will work together to create a cryptocurrency system for Woori Bank based on a blockchain algorithm.

TEAM

The team consists of 30 members and five advisors. There are no links to the members' LinkedIn profiles in the documentation or on the project's website. The website, however, gets us acquainted with every one of them separately.

The team includes:

- A board of founders consisting of five members;
- production management group (seven members);
- blockchain development group (nine members);
- AI development group (three members);
- as well as six other members involved in the marketing, design development and security system of the project.

Information about the members of the Board of Founders:

KJ Eee – studied informatics and engineering at POSTECH University (Pohang University of Science and Technology, Republic of Korea), and developed "SUHOSHIN", the first Korean firewall. He founded Nomad Connection, and attracted 3 million users with the help of the P2P media service Zimly. Currently, he is general director of DAYLI Intelligence, a company producing blockchains and AI technologies.

JH Kim – studied at POSTECH University together with KJ Eee, and has been working in information security for almost 20 years. JH Kim has experience in the development of patented applications, such as the PKI protocol, an authentication and security protocol, and products applied in the corporate environment in the financial, public and private sectors. He has a CISA qualification, and currently is general director of The Loop, a specialized blockchain company.

Jay Kim – majored in political science and philosophy at Korean University. For 10 years Jay Kim worked as a CPA (certified public accountant) with the Strategic and IT Consulting Department of PwC Consulting, a global finance and consulting company. Currently, he is chief financial officer of The Loop, a specialized blockchain company.

Hoon Lee – majored in mechanical and aerospace engineering at the Seoul National University, and has a PhD from the Higher School of Technology Management. As senior analyst at Woori Financial Group, he was responsible for the analysis of the macroeconomic and financial sector, and strategic planning. Currently, he is CSO (chief security officer) at DAYLI Intelligence.

Min Kim – has more than 12 years of experience as director, entrepreneur, financial / M&A consultant, venture capital investor and advisor. He started his career in IB technologies at Deutsche Bank, where he worked as chief operating officer on Tapas Media, a trading platform for US digital content, helping create the largest online community. Currently, he is CGO at DAYLI Intelligence. He graduated from the University of California, Berkeley, majoring in Business.

MARKETING

In late August 2017, the team published the terms of their bounty program in their blog.

The program consists of five components:

Category	CAP	Reward
Slack Join	<ul style="list-style-type: none">• 100,000 ICX (Leftover Bounty will be given to individuals with exceptional performance)• 3,000 Users (First come first serve)	20 ICX
Dashboard Join	<ul style="list-style-type: none">• 100,000 ICX (Leftover Bounty will be given to individuals with exceptional performance)• 3,000 Users (First come first serve)	20 ICX
FACEBOOK LIKE	<ul style="list-style-type: none">• 100,000 ICX (Leftover Bounty will be given to individuals with exceptional performance)• 3,000 Users (First come first serve)	25 ICX
TWITTER RETWEET	<ul style="list-style-type: none">• 100,000 ICX (Leftover Bounty will be given to individuals with exceptional performance)• 3,000 Users (First come first serve)	25 ICX
Bitcointalk	<ul style="list-style-type: none">• 600,000 ICX (Leftover Bounty will be given to individuals with exceptional performance)• 300 Users (First come first serve)	50-300 ICX

The project interacts with the community with the help of Slack, Telegram, Facebook, and in several branches of the Bitcointalk forum. Representatives publish information on the project in their Medium blog and Twitter account, and videos about the project on their YouTube channel.

The community's activity in all of the above channels is currently medium-level. It is likely that the project will receive much more feedback in the near future.

CONTACT

Facebook: <https://www.facebook.com/helloicon>

Telegram: <https://t.me/joinchat/Fqw4igkkVmYtj--ZVi-QcA>

Twitter: <https://twitter.com/@helloiconworld>

Medium: <https://medium.com/helloiconworld>

Slack: <https://invite-slack.icon.foundation/>

LINKS

<http://docs.icon.foundation/ICON-Whitepaper-EN-Draft.pdf>

<https://icon.foundation/en/>

<https://youtu.be/SbayxOHAIvU>

<https://github.com/theloopkr/loopchain>

<https://medium.com/helloiconworld/icon-bounty-program-d6c382df66a5>

<https://bitcointalk.org/index.php?topic=2115503>

<https://www.corda.net/wp-content/uploads/2017/05/R3FundingPressRelease.pdf>

The information contained in the document is for informational purposes only. The views expressed in this document are solely personal stance of the ICORating Team, based on data from open access and information that developers provided to the team through Skype, email or other means of communication.

Our goal is to increase the transparency and reliability of the young ICO market and to minimize the risk of fraud.

We appreciate feedback with constructive comments, suggestions and ideas on how to make the analysis more comprehensive and informative.