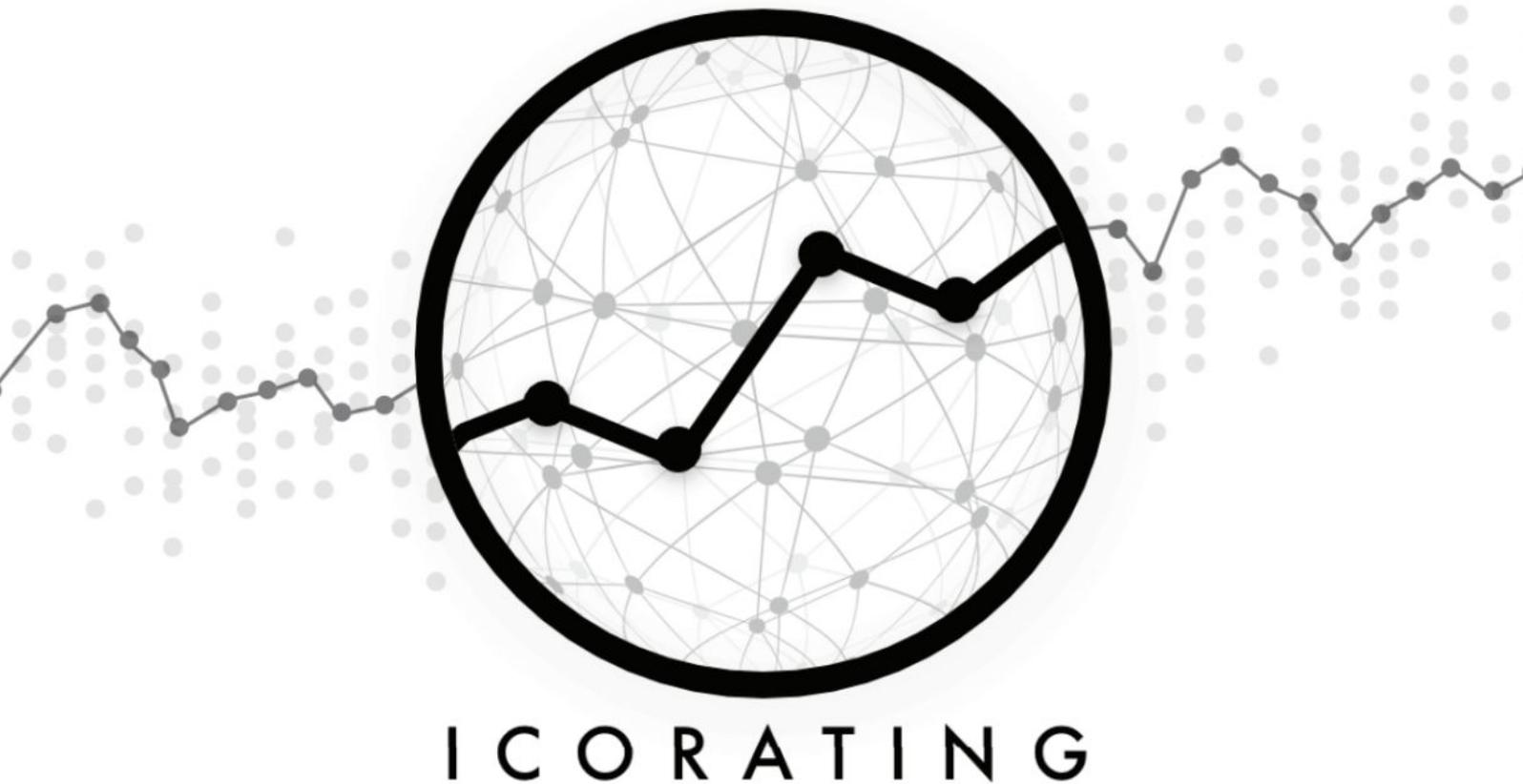


ICOrating

UNIVERSA Rating Review (<https://www7.universa.io/>)

ICO dates (28.10.2017 — 09.12.2017)



I C O R A T I N G

Web: icorating.com

Email: info@icorating.com

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

1. Ratings	3
2. General information about the Project and ICO	4
3. Description of the services and scope of the project	7
4. Market Review	13
5. Team	14
6. Development strategy and roadmap	16
7. Marketing strategy	19
8. Competitive advantages of the project	21
9. Economy of the project	23
10. Risks	25
11. Token investment attractiveness	26

1. Ratings

We assign the Universa project a "Stable+" rating. We recommend participation in the Universa ICO to long-term investors, with the expectation of a speculative increase in token price. Tokens will gradually grow in price during the crowdsale; thus, we recommend participation in the early stages to obtain maximum discount.

Universa gives the impression of a serious project that has many strong points: A potentially popular idea based on essential technical development, an interesting and promising business model and open protocol development. The token will have an infrastructural significance for Universa, which will determine its long-term investment attractiveness.

The reputation and reknown of project CEO Alexander Borodich strengthens the position, at least for the Russian-speaking community; the presence of advisors such as John McAfee can be considered as a strong point. As a result, the project has received strong marketing support as well as increased interest from the community judging by communications within official groups. Here we see prerequisites for speculative growth of the token price after the crowdsale.

The Universa project is ambitious both in its objectives and its fundraising plans for the crowdsale. Given the success of several recent blockchain projects, large revenues can be fully supported by real demand from investors.

The main risk of the project is possible devaluation of the ideas and main competitive advantages, against the backdrop of the specifics of the protocol being developed. The largest blockchains of the network continue to evolve and the points where the Universa founders want to succeed are critical. Scalability, transaction costs, transaction speed and consensus mechanisms are key issues for BTC and ETH; any breakthrough here can stagger Universa positions.

Another important issue is the price that blockchain will pay for the speed and cheapness of transactions. The mechanism of "proof-of-stake" and the licensing of network nodes could be perceived as moving away from decentralization. Trying to create a convenient business solution in a broad sense can go against the very rationale of the blockchain.

2. General information about the Project and ICO

Universa is a project for development of a forward-looking protocol for the creation of a decentralized network based on directed acyclical graph (DAG) technology, which will interact with the architecture of its own smart contract.

Unlike many crypto start-ups, Universa is not a project for creating a business based on the existing blockchain or Ethereum smart contract, but a standalone protocol for a decentralized network that can become a universal tool for business or other processes via implementation of its own smart contract.

For the sake of simplicity, Universa can be considered as non-core Ethereum, since both the application functionality and the general idea of the smart contract of Ethereum blockchain and the smart contract of the Universa network are almost identical. The founders do not hide this fact, pointing out that the smart contract itself is a great technical achievement with high potential.

Unfortunately, the potential of smart contracts does not go beyond the framework of the blockchain, on the basis of which they are implemented; thus, the boundaries of application and limitations are dictated by network architecture and the way it is validated by a common network. Due to architectural nuances, mining blockchains are limited in scalability and imply additional costs for miners; this is the great difference between them and Universa.

Despite similarity with smart contracts, Universa is announcing a new approach to the formation of a decentralized network data chain, which is intended to offer the advantages of a personal protocol such as cheapness, speed, convenience and high bandwidth. Thus, the potential of a decentralized network and smart contracts significantly increases, enabling use in all types of transaction.

Universa Website: <https://www7.universa.io>

White paper: <https://www7.universa.io/files/whitepaper.pdf>

Twitter: https://twitter.com/Universa_News

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

Bitcoin talk: <https://bitcointalk.org/index.php?topic=2137898.msg21381607>

GitHub: <https://github.com/UniversaBlockchain/universa>

Telegram: <https://t.me/Uplatform>

ICO start date: 28.20.2017

ICO end date: 09.12.2017

Hard cap: \$99,000,000 (Presale+ICO)

Token: UTN, standard ERC-20

ICO price: 1 UTN = \$0,01

Accepted payment: ETH

Total emission: 14,000,000,000 UTN

- 66% - Public
- 20% - Foundation
- 10% - Team
- 4% - Bounty/Advisor/ Partnership

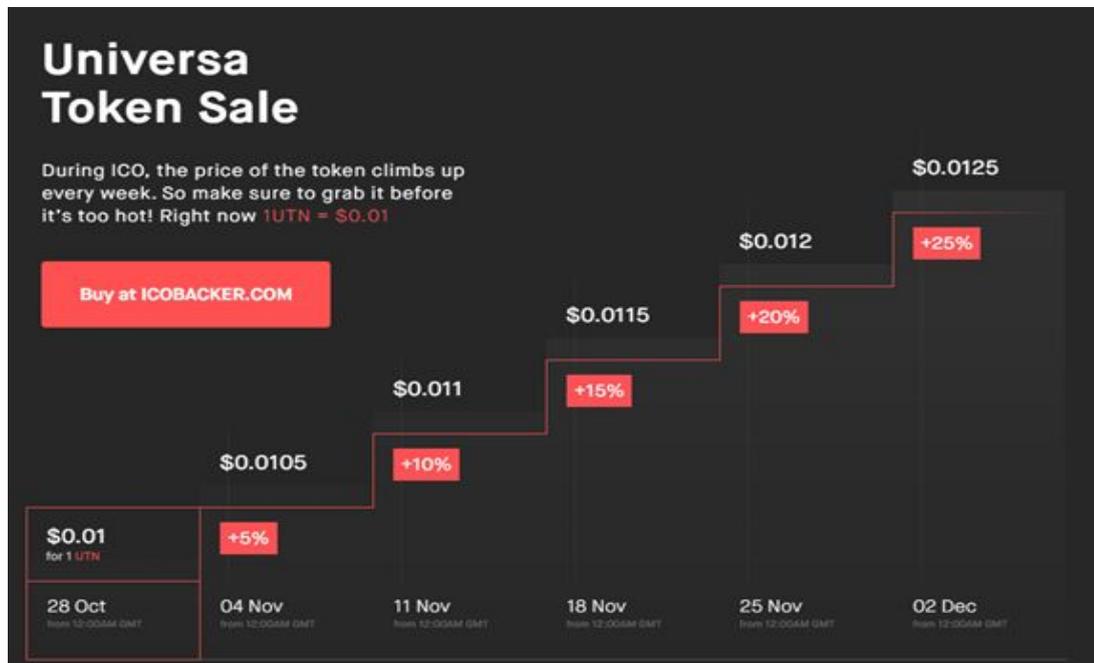
Allocation of raised funds:



ERC20-standard tokens will be created and distributed during the crowdsale, after which they will be in free circulation until the completion of Universa's protocol development. After the launch of Universa's product, owners of ERC20 tokens will be able to exchange them for UTN intra-platform tokens, which will be used in protocol operation.

The documentation does not provide information on restrictions for team, advisor or partner token circulation.

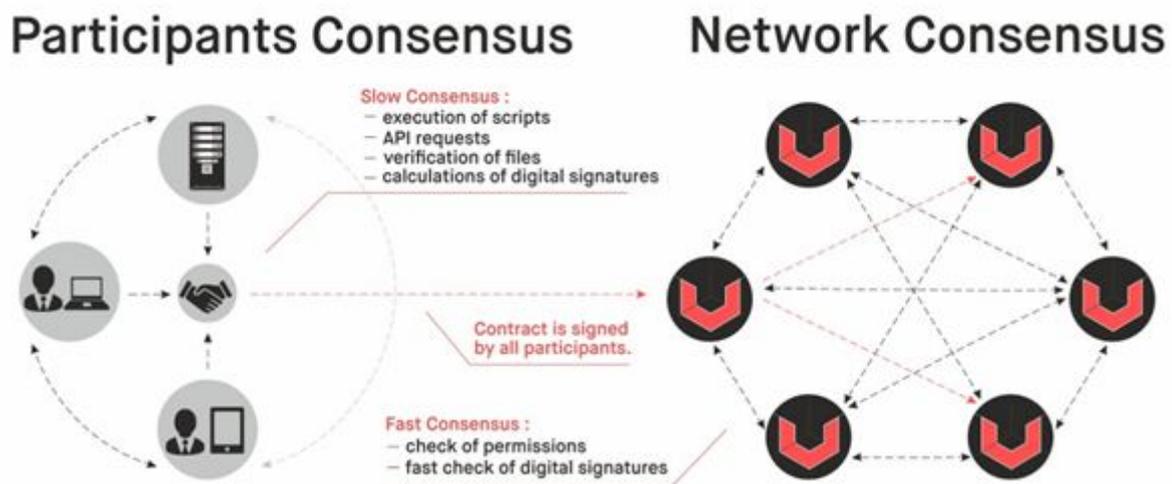
The bonus system for the ICO depends on the time of participation:



3. Description of the services and scope of the project

Universa is a protocol for the operation of a decentralized data network and the safe implementation of processes within this network. In fact, the service provided by Universa is the ability to use personal smart contracts within the framework of a developed protocol for performing a variety of different types of operation.

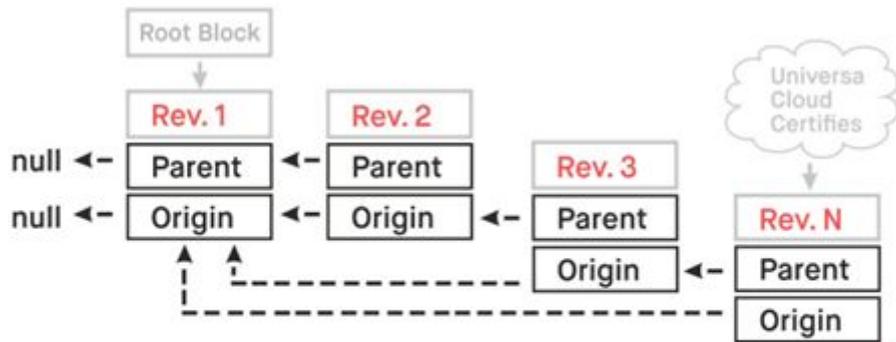
The Universa architecture gives a decentralized solution for the verification of every operation on the network - an algorithm of 90% consensus. At the same time, the blockchain does not contain the entire array of data for each operation such as digital signatures, smart contract data and transaction information for each party. This data can be obtained indirectly via nodes of the network.



Universa gives the following illustrative example: "If a contract is executed that defines a token asset, and distributes 1 token to each of 10,000 parties, only the hash-of-the-state of the final balances would be stored and stored on the full blockchain (about 90 bytes), rather than full accounting for all 10,000 transactions and the balances of all user accounts, as is the case with Bitcoin or Ethereum."

Also, the network is deprived of mining, since records in the blockchain are inconsistent and operations can be performed asynchronously. This is possible via DAG technology.

Contract Chain



Universa cloud certifies Nth block of the contract chain which certifies the whole chain prior to it.

- root block references nothing
- any block refers its parent and origin
- references are signatures: they also certify the referenced object consistency

In general, the use of DAG through the abandonment of mining and storage of a large amount of transaction data allows Universa to increase network scalability and transaction speed several times, reduce their cost and free up processing power for potential miners. The team discloses information on the current speed of operations in the developed version of the protocol - <https://access.universa.io>. Within the framework of the working system, the announced transaction processing speed is more than 20,000 TPS.

One of the main concepts of the Universa protocol is the nodes of the network. A swarm of Universa Core nodes actually form a blockchain and also support the Universa Secure Signed Document Service ("Notary Cloud"). The blockchain is only responsible for enforcing the validity of the state of transactions, while the Notary Cloud acts as a verifiable warehouse for signatures of the original contracts.

The nodes on the Universa network are similar to nodes on a conventional blockchain, but these functions are performed by people trusted by Universa. In the documentation the following information is presented on this subject: "Each node is trusted, because it is owned by known responsible owners, legal entities that assume responsibility for running the notary service. It runs on a regular Unix server and contains a dynamic copy of the ledger". What criteria the team will use when

searching and admitting nodes to the network, and how the necessary number of nodes will be located to form a reliable blockchain (as their number affects the quality of the network) are not specified.

We have received the following answer about the method for licensing a node from the team: it can be any user or organization that has the necessary equipment for the functioning of the protocol with a discovered and confirmed identity. In addition, licenses for the nodes can be bought or sold.

Thus, Universa makes clear that despite a more conventional centralization, a network of non-anonymous, licensed nodes can form the most "legal" blockchain space.

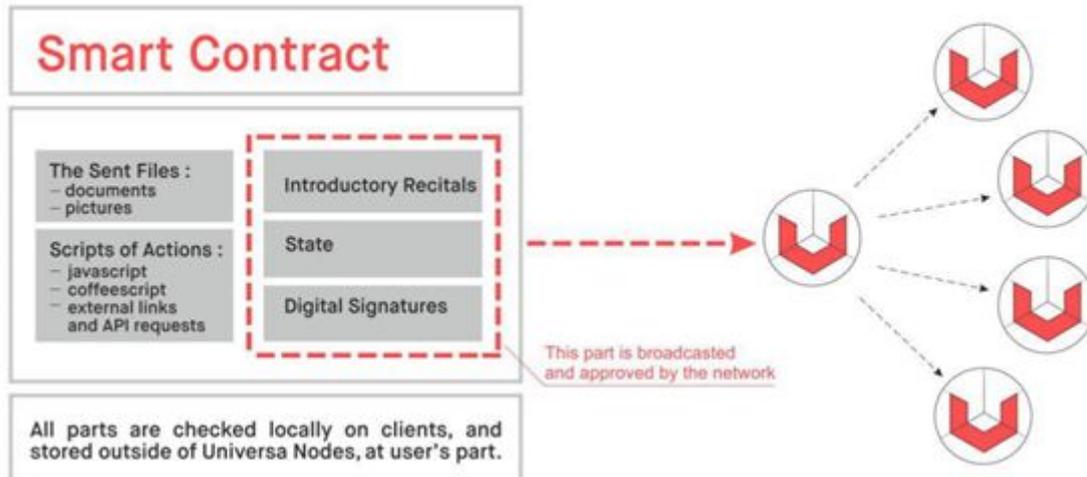
Nodes are also responsible for communication with the front-end client, since the client connects to the last known nodes and receives information about other active nodes and the size of the quorum for confirming the operation when working in the network.

Universa itself is a currency-free protocol - the liquidation of the institute of miners allows this to be done. However, the need to pay commissions to the nodes and Universa itself justifies the creation of a UTN token in the protocol. Each UTN is subdivisible to 18 decimal places, allowing for granular trades. For the sake of convenience and everyday use, nicknames exist for fractional UTN tokens as follows:

Unit Name	UTN value	Trade Ratio	TGE USD Value
kUTN	1000	1 : 1,000	\$10
UTN	1	1 : 1	\$0.01
mUTN	0.001	1,000 : 1	0.001 US cents
uUTN	0.0000001	1,000,000 : 1	0.000001 US cents
nUTN	0.0000000001	1,000,000,000 : 1	0.000000001 US cents

Outside of commissions, the services of Universa blockchain are based on a smart contract similar to Ethereum's. The Universa smart contract is a program code – a Turing-complete script that can contain certain data, conditions, links, etc. In fact, any operation with software logic of varying complexity can be implemented via smart contract, if a smart contract has access to all external addresses with the ability to retrieve data from them. This also applies to links to other smart contracts, allowing the creation of tree structure operations.

Contract Structure



One of the principal features of Universa smart contracts is the ability to output them offline, up to needing to transfer data to the network. Thus, the contract can be saved to removable media and launched on any computer that has access to the network.

Smart contracts support the following functions:

- Attaching files

A smart contract can contain any data from the real world translated into a computer environment. The simplest example is a scan of an official document. Given the large possible size of such documents, the maximum size of a smart contract is 1 gigabyte.

- Time Stamp

When a user client has sent the state of a contract to a Universa node, the last one to check and verify that state stores the time when it happened. Since the Notary Cloud executes this within a second, it is possible to understand the exact moment when the contract was verified or rejected by Universa, supporting the legal use of Universa SmartContracts.

- Marker

If there is a need to save one of the older versions of a smart contract on the network, the user creates a Marker. This is a special small smart contract which retains the old version of the main contract for 2 years.

If the smart contract is signed only by a few parts, the Universa nodes store its state for 10 days. If the node declines registration of the smart contract, it retains its state for 30 days to prevent fraud.

Universa gives examples of the possible application of its smart contract in the documentation. These are working examples; most of them can be or have already been implemented on the basis of Ethereum smart contracts:

- Issuing of tokens

The contract allows issuing tokens by analogy with the ERC20 standard. Tokens can be divisible, tradable and fungible. Thus, reliable assets with different parameters can be created for other areas and businesses via the protocol (minting new tokens, burning existing supplies, freezing or locking trading activities of one account or all account, etc.)

- Bank-Backed Tokens

In this example, the created smart contract for token issue may contain links to electronic banking systems (bank accounts) or other financial accounts and bind the functions of minting and burning to the receipt/disposition of funds in other currencies on these accounts.

- Invoice contracts

Transfer relations between suppliers and businesses by reliance on smart contract: the terms of delivery, documentation and confirmation can be entered in the contract body. The buyer sends the funds for delivery to the smart contract; after receiving the goods via its own digital signature, the smart contract sends money to the supplier's account.

- Escrow Contracts

In this case, the smart contract acts as an independent intermediary - the depository of the funds of each party until the moment for mutual settlement. Given the fact that a smart contract is a script, a transaction with a deposit mechanism is the safest method of settlement or currency exchange. Such forms of transaction can be used in any business and with practically any asset type. Escrow contracts are widely distributed on the existing Ethereum blockchain within the framework of start-ups and businesses.

- Digital Autonomous Organization: "DAO" Contracts

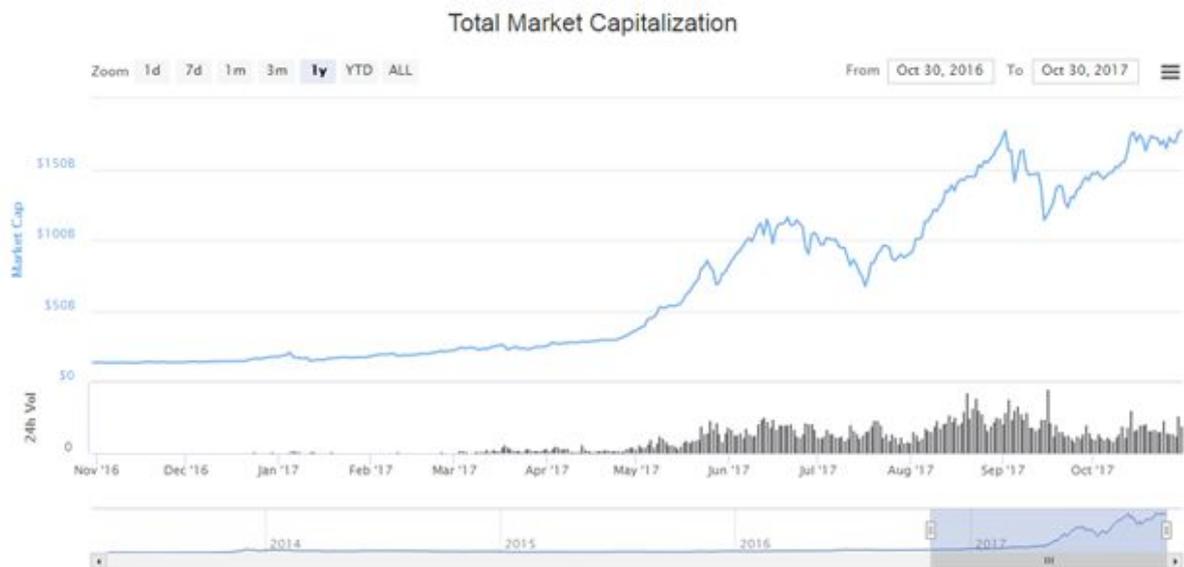
Universa gives the following example: You are a CEO and you need to organize the process of choosing a CFO. You form a smart contract with all conditions and enter

standard legal documents there; then launch a vote. Next, you transfer a copy of the contract to all the voters, they vote with their own digital signatures, creating a separate smart contract that is associated with the primary one and transfer it to you. After that, you launch and update the basic smart contract on your computer via the smart contracts of the voters. A smart contract with a selected CFO can have a real legal effect, since the votes are verified on it via digital signatures. In the future, you can use a smart contract for other corporate relations with the CFO, for example, to pay him wages and bonuses.

4. Market Review

The situation for Universa is quite simple; the project offers a crypto-protocol for wide use, capable of competing with the largest cryptocurrencies. Comparing themselves with competitors, the founders always quote Bitcoin and Ethereum statistics. Perhaps they are right, although it remains questionable to compare with the "gold" and "silver" top currencies in the crypto market at the moment.

Nevertheless, the capitalization of the crypto market at the end of November 2017 is almost \$178 billion; a historic high. At the same time, more than 57% of the total market is occupied by Bitcoin.



5. Team

The project is conducted by a Russian-speaking team of 3 people; the main staff consists of 20 people. The project team is certainly a strong point; the management has tremendous experience in the field of fintech start-ups, IT and technology business; its competence is confirmed by a variety of information on the internet and in the press, especially concerning the head of the project Alexander Borodich. His worldwide popularity is not so huge, but he is well-known among Russian-speaking users; there is much information about him on Russian-language resources.

At the same time, despite the abundance of information, we did not find any significant negative aspects related to the team. The reputation of the founders is very high due to their publicity and the openness of the audience.

Alexander Borodich - CEO

Well-known Russian investor, entrepreneur and blockchain activist. Started his career as a web developer at IT companies (ICD Publishing, INEL; Thinkwave), worked in online marketing for e-commerce (Acronis). Also worked for a major Russian technology company, Mail.Ru as director of marketing. Has been active in entrepreneurial matters in the financial sector since 2010: the founder of VentureClub.co; MyWishBoard.com.

Investor in many fintech start-ups, including crypto and blockchain ones: Shapeshift, Unocoin, BitAccess, etc. 95 start-ups (x8 ROI) are declared in the portfolio. Alexander Borodich became the business angel of the year according to the version of the IV Annual National Association of Business Angels. This was announced at the V Annual NABA Congress.

Has extensive teaching experience: MSU lecturer since 2003, Director of the Economics and Mathematics School of Moscow State University (2003-2013); Blockchain educational program director at Plekhanov Russian University of Economics; gained an MBA from the Stockholm School of Economics in 2008.

<https://www.linkedin.com/in/borodich/>

Sergey Chernov - CTO

Sergey has extensive experience in development - more than 25 years, 17 of which including cryptography. Proficient in ASM, C ++, Ruby, JS. Ex CTO at Cybiko,

Glomper. CTO at ICodici. Open protocol development is conducted from Sergey's GitHub account.

<https://www.linkedin.com/in/sergey-chernov-32a10418/>

Alex Dovnar – Art-director

Has more than 20 years of experience in digital and print design and 10 years of experience as art director. Ex Marketing Art-director at Mail.Ru Group. His work experience also includes major Russian companies as Rambler & Co and Euroset.

<https://www.facebook.com/alex.dovnar>

The rest of the team consists mainly of Russian-speaking developers without high-profile projects and positions in their resumes, but many have pages on professional social media and active accounts on GitHub.

The advisors for the project are worth noting, as there are not many of them, but the names are recognizable in the international business and cryptocommunity:

John McAfee – a well-known personality in the field of high technology and among the global blockchain community. Mr. McAfee is active in the field of consulting, developing and creating fintech start-ups; portfolio includes dozens of well-known and promising projects and his own platform - MCAFEE COIN. Mr. McAfee left Lockheed Martin and began McAfee Associates in 1989, the world's first antivirus company. Two years after McAfee Associates went public, Mr. McAfee sold his remaining stake in the company that was acquired by Intel Corporation in August 2010. In 2016 he was nominated for the presidential candidate of the United States by the Libertarian Party.

<https://www.facebook.com/officialmcafee/>

Yale ReiSoleil - A private equity fund manager and quantitative trader, co-manages Sichuan Hongjian Medical Fund, a ¥20 billion acquisition fund, and a cross-border high technology venture capital fund. From 2013 to date, Mr. ReiSoleil has developed several proprietary quantitative trading systems. Co-founder ReiSoleil McAfee Zhu Ventures LLC (RMZ), Chairman & CEP McAfeeXL, McAfeeCC.

<https://www.linkedin.com/in/reisoleil/>

Dmitry Finkelstein - Expert in Quantitative Portfolio Management and Capital Markets. Traded numerous quantitative strategies from HFT to fully automated Global Tactical Asset Allocation and equity long-short. Co-founded four companies in IT and FinTech: Basis Capital, Fenetisco, Enrelia Technologies.

<https://www.linkedin.com/in/finkelstein/>

6. Development strategy and roadmap

The Universa project positions itself as a new-generation blockchain protocol which will be faster than existing analogues and have a more advanced architecture for smart contracts. Currently the first prototype is available on GitHub, as well as access to a Google Play application, UTN Checker, which allows checking a user's UTN balance.

The project has a well-developed budget plan; copy taken from the white paper is presented below:

Funding Amount	CURRENT	\$5m	\$10m	\$25m	\$50m	\$75m	\$99m
Staff Headcount	17	17	25	30	35	40	45
Development	\$2,167,500	\$2,167,500	\$3,187,500	\$3,825,000	\$4,462,500	\$5,100,000	\$5,737,500
Research	\$0	\$0	\$400,000	\$900,000	\$2,000,000	\$5,000,000	\$7,000,000
Marketing	\$0	\$400,000	\$800,000	\$1,200,000	\$2,000,000	\$5,000,000	\$7,500,000
Legal	\$250,000	\$400,000	\$400,000	\$800,000	\$800,000	\$2,000,000	\$2,000,000
Business Dev.	\$0	\$250,000	\$600,000	\$1,200,000	\$2,400,000	\$3,000,000	\$4,000,000
Education	\$0	\$200,000	\$400,000	\$1,000,000	\$1,500,000	\$2,500,000	\$3,000,000
Yearly Budget	\$2,417,500	\$3,417,500	\$5,787,500	\$8,925,000	\$13,162,500	\$22,600,000	\$29,237,500

Apparently, the founders have made up a budget plan for several fundraising scenarios. In addition to the plan there is a link to a table which contains a more detailed breakdown of the plan. Despite the fact that the project has a rather impressive hardcap of \$99 million, a smaller amount will be enough for successful development; the main thing is to collect more than \$10 million. Following the detailed budget plan for this amount, the team will be able to implement the basic functionality, namely:

	\$10,000+
Development	Develop wallets for each platform (iOS/Android/MacOS/Linux/Windows) for UTN/BTC/ETH and all Universa tokens
HeadCount	25
Budget	\$3,187,500
Research	Contract scientific team to research and build the algorithms for consensus v2 and maintainance the network of nodes via smart contracts
Research Budget	\$400,000
Marketing	Host a set of Blockchain conferences in SEA/EMEA regions, run ad campaign for Universa Startup Competition and courses
Marketing Budget	\$800,000
Legal	Build up the Universa Foundation. Retain our current legal counsel and MME
Marketing Budget	\$400,000
Business Development	Hire talented diplomat to help to negotiate the deals with countries. Hire talented consultant to help to negotiate the deals with large enterprises
BD Budget	\$600,000
Education	Universa Blockchain Developer Certification. Universa online courses, Udemy course
Education Budget	\$400,000
Yearly Budget	\$5,787,500

Unfortunately there is no clearly formulated roadmap in the official white paper. However, there is such a section on the website, which is shown below:



Perhaps this version of the roadmap is outdated, and formerly the release of the blockchain was not going to be available by the end of Q3 2017, since the wallets

would not have been ready. However, by the beginning of the ICO, October 28, these defects were corrected.

In fact, if we look at the roadmap the right way, we can come to the conclusion that the main development and functionality will be presented before the end of 2017; that is definitely good news. The rest of the services such as the poetically-named "Universa Liquidity Ocean" will already be added to the operating blockchain.

We consider it the right decision to make a release of the blockchain with all the announced functionality in the near future, since competition in blockchain scaling is going on continuously and any delay could set the project back significantly.

7. Marketing strategy

The founders have worked hard to make their project widely known. In fact, by the time the ICO began, the project had strong support on instant messengers and social media. The number of subscribers taken from the official pages of the project is given below:

- Facebook – 12327
- Twitter – 2310
- Telegram – 5459

These figures do not reflect particularly high scores; nevertheless they are pretty decent.

We note that the most active communication between the team and the community takes place on Telegram and Bitcointalk. On Telegram, Universa has two groups: in English and in Russian. The second largest group (in Russian) has more than 2.5K subscribers. The groups turned out to be very active; there are a lot of specific questions to the founders to which they are trying to respond quickly. The English-language thread on Bitcointalk has more than 30 pages; there are enough interesting questions to the project.

A large number of questions from the community on the one hand shows interest in the project, and on the other demonstrate poorly elaborated documentation. Many questions begin with the words: "I carefully read the white paper and did not find the answers to the following questions ...". Given the complexity and ambition of the Universa project, the current form of a white paper of 17 pages seems to be inadequate and an update is required at least to address the accumulated questions of the community.

Media exposure of the project leaves no doubts. The project has been actively advertised in such publications as Cointelegraph, Business Insider, Bitcoin news and others. We recommend reading the interview by technical director Sergey Chernov at bitcoingarden.org, where answers to many technical questions posed to the project which are not sufficiently addressed in the documentation can be found.

It is necessary to note the role of CEO Alexander Borodich in project promotion. Numerous interviews, both in the press and on TV, help the awareness of the project and participation in events such as the Eastern Economic Forum help to promote the blockchain in Russia.

John McAfee's personality also contributes to the popularity of the project. A statement that his new project McAfee Coin will use the speed of Universa, affect the fame of the project in a positive way:

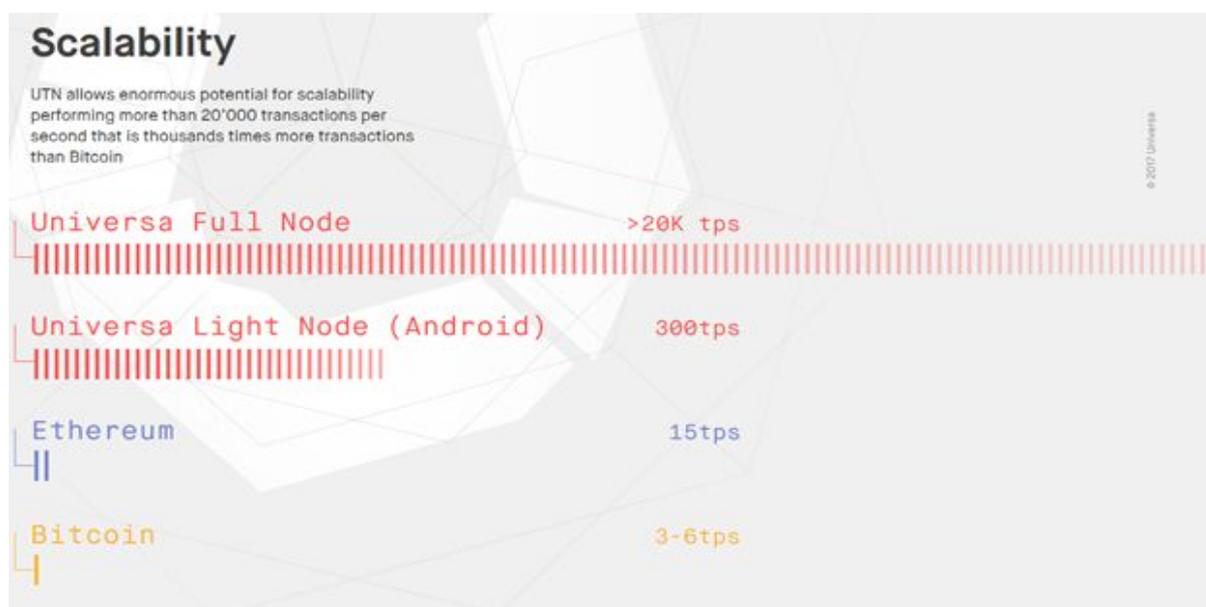


According to the Universa financial plan, marketing will use up to 25% of the annual budget annually after the ICO. A graph for the dependence of marketing costs on raised funds is given below:



8. Competitive advantages of the project

The main slogan of the Universa website is: "Faster Transactions. Smarter Contracts. Fully Customizable Blockchain". Comparison is made with the Bitcoin and Ethereum networks. The website also presents several comparative diagrams, such as this example:



The figure shows that the Universa network will overtake both Ethereum and Bitcoin many times by tps (trades per second) indicator. This is not the only benefit of Universa; in addition to high scalability, the network will have a high transaction speed and low transaction costs. There will be no mining on the network; P-o-S consensus mechanism (Proof of State) will be used instead of P-o-W.

At the same time, the protocol will be implemented without blockchain in its classical sense, but on the basis of DAG. In the case of DAG, another mechanism is used to ensure the execution of similar functions - each new transaction confirms one or more previous transactions; as a result, a "tree" of transactions is formed where each transaction is confirmed and unchanged.

This approach immediately offers a number of advantages:

- Transaction speed increase
- Network scalability increase
- Simplification of mining

Bitcoin bandwidth reaches ~ 3 - 6 per second; there are blockchain-based altcoins with an operational speed of up to 1000 transactions per second, but DAG-based cryptocurrency is capable of tens of thousands of transactions per second which is certainly more promising for e-commerce and other applications. According to Universa's own tests, their protocol can support up to 20,000 tps.

Speaking of mining, its simplification in cryptocurrencies without blockchain is achieved by constructing such functioning algorithms in which technical superiority does not give an obvious advantage in mining (P-o-W). In particular, this is achieved by increasing the speed of transaction processing, which is closely related to the dominant role of transactions rather than blocks in cryptocurrencies without blockchain. Regarding Universa, they decided to abandon mining in principle, entrusting the creation of new blocks to licensed nodes.

There are other projects that use DAG technology as a basis for their protocols. The following names can be distinguished:

- Dagcoin - pioneers of DAG, which was not able to move to a specific implementation for a long time. There are new attempts to recreate the idea on the basis of this project periodically, but most of them often turn out to be a scam.
- IOTA - cryptocurrency, optimized for the "Internet of Things". IOTA uses Tangle technology which is based on DAG.
- Byteball - a coin without blockchain or mining, with fast and unchanged transactions that can be hidden or confirmed with the help of a third party.

To summarize, we would like to point out that DAG technology is quite a new direction for cryptoindustry; no one has achieved significant success in its promotion so far. Despite the significant advantages, it is difficult to promote it in the community due to the cheapening of mining. Perhaps the Universa project can succeed where others have not.

9. Economy of the project

Within the framework of the developed protocol, Universa provides commissions for the work of a smart contract nominated in UTN intra-platform tokens.

Commissions inside the blockchain will be determined in USD with the exception of the price for nodes where prices in tokens are possible. The fixed price for a commission determines absence of dependence on the cost of rate. Thus, one of the advantages of the protocol is that the price will be preserved irrespective of the volume of operations.

Most of the commissions (80%) are distributed between the nodes of the network, which provide their computing power for processing and confirming transactions. Thus, each node has economic motivation to support the work of the blockchain. The remaining 20% is received by Universa Corporation financing its own operational activities which involves expanding, maintaining and upgrading the Universa protocol.

The team also states the following in the white paper: "Universa will hold the right to "burn" each day up to 1% of the fees retained by the platform". Thus, the deflation effect on tokens will be conditional and the incentive for Universa to implement tokens will be provided by returning them to turnover.

The team does not fully disclose a mechanism for obtaining UTN intra-platform tokens. Thus, the white paper describes a method for exchanging tokens for other currencies through a crypto-exchange module in a self-service portal, but how this module will function is not described in detail. In addition, Universa certifies the possibility of exchanging ERC20 tokens created during the crowdsale to UTN tokens after a full-fledged launch of the blockchain but the parameters of such an exchange, nor the size of the reward for ICO participants are not described.

In the white paper the team calculates annual costs depending on funds raised, which is presented in the form of aggregated indicators for each significant costed item. This data should be considered in conjunction with the strategic plan but economic questions also arise.

As part of the project's financing, the money will be spent not only on development and related issues (research, marketing, legal), but also to indirect marketing goals. This is especially true for the Education component, where educational and information programs will be financed with respect to the functioning and benefits of

working with blockchain and cryptocurrencies. Given the lack of business plans for significant items of expenditure and information on proposed activities, the economic significance of investments is not entirely clear.

In summary, there is a lack of transparency regarding the project's economy - pricing inside the platform, and the means of issuing and regulating intra-platform tokens are not clear. According to communication with the team and its communication with investors, the Universa founders have an understanding of the final project's economics, but this is not reflected in the white paper. The justification for this for the developers could be the large scope of the project and their focus on developing the ultimate architecture for launching an MVP.

10. Risks

Universa is quite an ambitious project; it is a blockchain of the next level. Correctly speaking, it is no longer a blockchain but DAG (directed acyclic graph), competing with blockchain technology.

By positioning itself as a faster, cheaper blockchain than Bitcoin and Ethereum, the project could become another 'Bitcoin killer.' A shade of irony can be seen in this phrase as such stories have surfaced more than once. It is not easy to say unequivocally why Bitcoin has not been relegated to the background despite numerous criticisms, and we do not want to raise this subject within the current review. Let us just say that new technologies are being gradually introduced to the largest networks and problems of scalability, the mechanism of consensus the price and speed of transactions will somehow be resolved. What part of the market other networks will be able to capture for themselves is impossible to predict.

At the same time, we are not trying to exaggerate the capabilities of the Universa project; the risks above are typical for a large number of projects. Strong competition from leading cryptocurrencies does not mean that new projects have no prospects. The speed of the implemented functionality and the quality of the service provided will mean a lot.

If we talk specifically about Universa, the most important issue remains the price that the blockchain as a network will pay for the speed and cheapness of transactions. The "proof-of-stake" mechanism and licensed nodes can be perceived as a certain moving away from decentralization. Trying to make a convenient business solution in a broad sense can break the very philosophy of the blockchain.

Apparently the founders, inspired by the success of TEZOS and EOS, set a powerful hardcap of \$100 mln. This is not uncommon in the current ICO market and the volume itself will not be a strong point in the case of an increased demand. Without collecting the declared volume, the project will send the market a negative signal regarding the demand for such solutions. Nevertheless, given that the necessary costs for the implementation of the core functionality are significantly less than the hardcap, we are optimistic about the results of the ICO.

11. Token investment attractiveness

The investment attractiveness of the UTN token is also great. Thus, the start-up under consideration is not aimed at a certain niche within the existing blockchain system, but at creating its own ecosystem based on the protocol being developed. The potential of the protocol is really wide, which means that the potential for price growth of the estimated UTN token is comparable, for example, with ETH. The fundamental potential of the token will depend on the degree of penetration of the protocol and the popularity of the smart contract. Taking into account the work of the team with business structures and the existence of cooperation agreements, we rate the long-term potential positively.

A significant disadvantage in our opinion is the absence of an explicit discount for buyers of tokens during the ICO when converting them into a settlement token, as the team does not disclose the coefficients. In this regard, it is not possible to calculate the potential right now. In addition, the team has not announced an MVP yet - product development is still under way; there are corresponding risks arising from this.

There is a speculative attractiveness for the UTN token created during the crowdsale; due to the marketing campaign, as well as the team's positive external background in the sphere of crypto assets. With the proper development of the project and the information field, speculators may accelerate the token price after the crowdsale on the expectations for launch of the protocol and its relevance. Speculative mood will be determined by the attractiveness of the MVP to consumers, as well as understanding of the reward for participants of the ICO.

In summary, we can say that the Universa project is implemented to a high level and has many objective strong points: A potentially popular idea based on essential technological developments, a professional, reputable team and advisors, an open protocol for development, and an interesting and promising business model. The project has some risks; however these are inherent to a start-up at its developmental stage.

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.