

# DAO IPCI IMPACT MITIGATION PROJECT

## Financing of Commercial Provider and Distribution of Mitigation Tokens (MITO)

Conceptual goal of Impact Mitigation Project (DAO IPCI) is development of blockchain ecosystem for market-based mitigation of negative externalities starting with GHG emissions impact, and gradually embracing other negative impacts of economic activities, such as for example degradation of natural environment, deforestation in supply-chain, and many others, on transparent, decentralized and public basis.

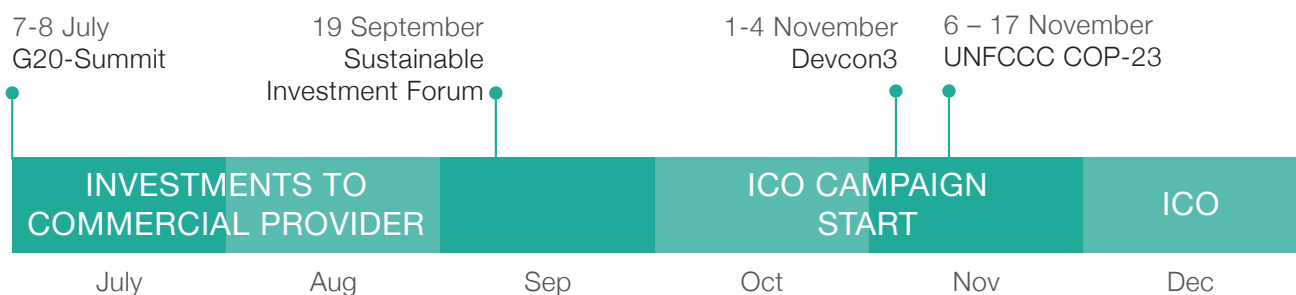


Commercial Provider shall support entities, Users, Compliers and Operators exploiting the blockchain ecosystem.



Non-Profit Fund shall focus on research and development, promotion and marketing of underlying market concepts, basic source-code, infrastructure and architectonics.

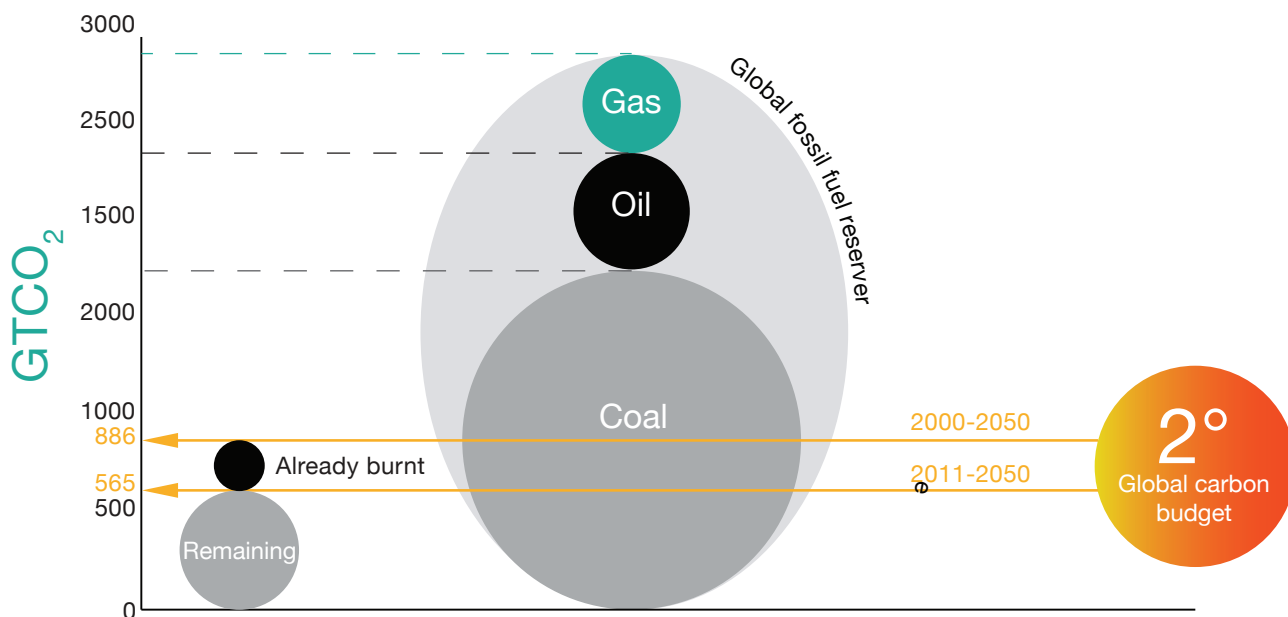
## SCHEDULE



Arrangements for investments to the Commercial Provider and financing of Non-Commercial Fund shall be performed according to the following schedule:

- **Investments to Commercial Provider:** starting July-August, 2017
- **MITO Initial Coin Offering (ICO) announcements** at Devcon3 (November 1-4, 2017, in Cancun, Mexico), and UNFCCC COP-23 (November 6 – 17, 2017, in Bohn, Germany)
- **ICO:** December 2017.

# ICO LIMIT - GLOBAL 2° CARBON BUDGET



Total cap for emission of MITO shall be established equal to the conservative evaluation of global carbon budget remaining since 2016: 600,000,000,000.00<sup>1</sup>; Initial Coin Offering shall be limited by the number of MITO equal to assured asset-based environmental units accessible via DAO IPCI decentralized application as of November 1, 2017 (current estimation, up to 1 million tokens).

## TARGET INVESTMENTS

- Investments to Commercial Provider: USD \$350 – 500,000
- ICO: to be determined and announced by November 1, 2017

## TARGET EXPENSES

Investments to Commercial Provider shall be targeted at Marketing of DAO IPCI blockchain solution, decentralized application, Development and Operations to provide for IT, market and legal support of the entities, Users, Compliers and Operators working in DAO IPCI blockchain ecosystem, including:

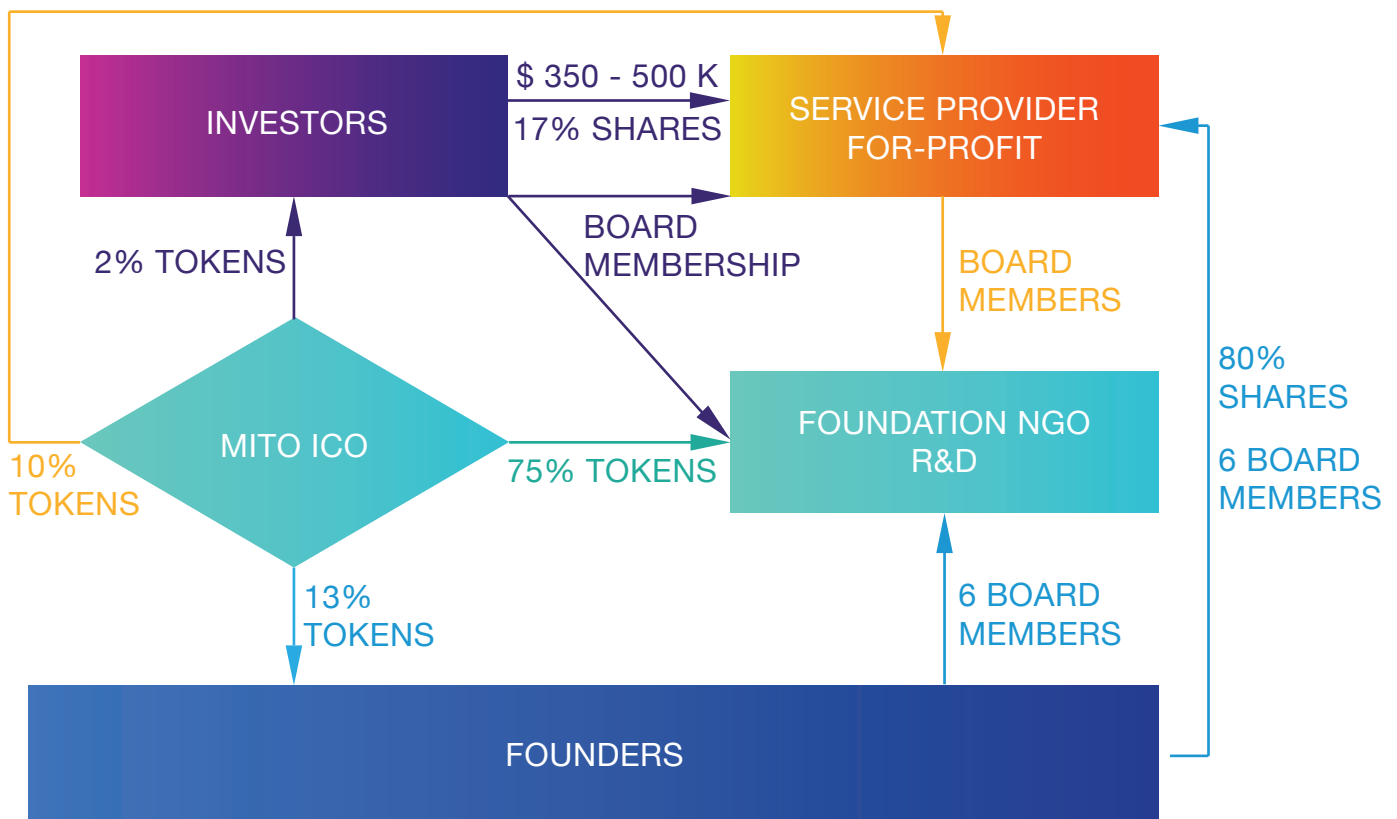
- Voluntary commitments and offsetting markets
- CORSIA Market-Based Measure
- Mandatory commitments-based markets and emission trading schemes
- Green financials
- Mitigation of product lifecycle (supply chain) related negative environmental and social externalities

<sup>1</sup>See ex.: “Unburnable Carbon – Are the world’s financial markets carrying a carbon bubble?”, <https://goo.gl/k6QmmI> Global Carbon Budget 2016, Earth Syst. Sci. Data, 8, 605–649, 2016, <https://goo.gl/1R8KsG>, © Author(s) 2016. CC Attribution 3.0 License, <https://goo.gl/dDfHZ6>

Save remuneration for the Founders, Developers and early Investors, at least 75% proceeds from ICO (auctioning of MITO) shall be targeted at Research and Development, Promotion and Marketing of underlying market concepts, basic source-code, infrastructure and architectonics including:

- Market-based negative externalities' mitigation concept
- Decentralized linking and merging of mitigation markets
- Registration and tracking of quantified commitments
- Offsetting
- Refining bargaining and auctioning modules
- Result-based financial instruments and derivatives
- Security deposit-based insurance and risk management instrument
- Tracking and mitigating negative impacts along product cycle and supply chains.

## PROJECT FINANCING SCHEME



# ATTRACTING INVESTMENTS TO COMMERCIAL PROVIDER

The Founders shall attract USD \$350,000 to 500,000 for convertible notes or 17.5 to 25% stake (shares of equity) in commercial service provider. Thus, preliminary assessment of 1% stake would be at USD \$14,000. 10% of total amount of MITO shall be distributed to the Commercial Provider as remuneration for early contribution.

## ICO DISTRIBUTION

Non-Commercial Fund	> 75%
Options	< 2,00%
Founders	10,00%
A. Galenovich	4,00%
A. Shadrin	2,50%
S. Lonshakov	1,25%
V. Vekovtsev	1,00%
S. Sitnikov	0,625%
M. Gutbrod	0,625%
Developers' Bonus	3,00%
Commercial Provider	10%

## MITO AUCTION

Initial Coin Offering for auction shall be limited by the number of MITO equal to assured asset-based environmental units accessible via DAO IPCI decentralized application as of November 1, 2017 (current estimation, up to 1 million tokens).

The goal of the Auction is to provide for financing of source-code, architectonics and infrastructure R&D, and Marketing and to find initial market price for MITO serving as an integral exchange unit in the ecosystem and MITO market.

At least 75% proceeds from ICO (auctioning of MITO) shall be targeted at Research and Development, Promotion and Marketing of underlying market concepts, basic source-code, infrastructure and architectonics, on non-profit basis.

Specific terms for ICO shall be made public by November 1, 2017 on ipci.io website.

Further emission of MITO shall be based on prediction market model for new Operators. The algorithm shall be specified by November 1, 2017.

## BOARD, MANAGEMENT, ADVISORS

### Commercial provider

Commercial Provider Board shall consist of up to 9 representatives of the Founders, and Investors: 6 representatives of the Founders, 2 of the Investors and 1 Independent Director.

Commercial Provider Management shall be formed by the Board.

### Non-profit foundation

Non-profit Fund Board shall consist of up to 11 representatives of the Founders, Investors and Developers: 6 representatives of the Founders, 2 of the Investors, 2 of the Developers and 1 Independent Director.

Non-profit Fund Management shall be formed by the Board.

Non-profit Fund Advisors shall be invited and endorsed by Members of the Boards of the two entities.

# ANNEX: DRAFT LISTING FOR COMMERCIAL PROVIDER INVESTORS

Name	Amount	Comments (terms, stake or convertible notes, Board, Management, Advisory Council participation and recommendation, etc.)