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WishFinance Platform Whitepaper

The first ever global Blockchain Platform as a Service for small business lending. WishFinance Platform is based on the technology created and tested by Singaporean financial technology company WishFinance - SME lending company - to solve the problem of high-risk lending to small businesses.

The platform uses a combination of technologies: BigData, loan portfolio analytics, Banking APIs, neural network monitoring and blockchain portfolio securitization - and makes this mix available globally for holders of WSH tokens.

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Executive summary

- **WHAT IS AN SME?**
  In most countries an SME is defined as a firm with fewer than 250 employees. In the US, the limit is 500 employees. / OECD

- **SMES ARE THE BACKBONE OF THE ECONOMY**
  200+ million globally or 95% of all companies in the world; providers of 40-90% jobs in most of the countries. SME credit gap is over $2.6 trillion / World Bank Group

- **FOR BIG COMPANIES,**
  SMEs represent the world from which they came and from where their future competition will come. SMEs are important partners and suppliers to these larger companies.

- **FOR INDIVIDUALS,**
  SMEs often represent their most important job or the only way to feed their families.

- **FOR SMALL AND MEDIUM BANKS,**
  SMEs are tasty, but inaccessible due to inadequate technology and the ability to assess the market segment

- **MERCHANT SMES,**
  broadly, includes every small supplier and service provider we use in our daily lives.

- **WISHFINANCE**
  Is a fintech company from Singapore that has created a transparent technology for assessing small businesses with zero risk

- Most of the banks and other regular lenders can't score and work with someone that doesn't have big assets or clear financial statements

- Financial institutions are in dire need of technology which will enable them to score SMEs, help them control loan portfolio and manage risks

- Grey market lenders ask for huge interest rate up to 60% p.a.

- WishFinance at first created a mix of financial APIs, BigData and Neural Network to score merchant SMEs on real transaction and Blockchain to save its loan portfolio for transparent portfolio securitization.

  After massive feedback from African, South-East Asian, European, South American and North American bankers and lenders, WishFinance opens its technology as global SME lending platform with access token WSH.

Globally, the SME lending industry has the same primary pain points:

Underfinanced market
The inability of entrepreneurs and small businesses to gain the funds they need from conventional lenders (banks and funds) quickly and on fair terms.

Opaque industry
Unclear structure and shady practices of modern lending businesses, resulting in significant frauds and scandals in the US and China in 2016.

Punitive interest rates
The high risk of loans to SMEs (principally due to low payment discipline and poor financial literacy), results in interests rates of up to 60% p.a.

Small and medium banks, and lending funds are unable to serve SMEs
themselves because of same reason in every country:
- Insufficient technology budgets
- Messy outdated IT infrastructure
- Heavy regulatory burdens

SME under financing is a significant problem in a vast global market. According to the World Bank, total SME credit gap is estimated at $2,1-2,6 trillion and is increasing.

WishFinance is creating a blockchain platform to address this cocktail of pain points efficiently:

- The platform works as a network and connects to businesses' point-of-sale (POS) infrastructure to use real-time transactional data for scoring, risk control, and automatic loan repayment

- Real financial transactions of the borrower downloaded in the scoring machine created to work with cash flow based businesses (merchants)

- WishFinance built a neural network (in prototype now) to analyze patterns in Big Data and make reports about the whole portfolio performance, just like Google Analytics for loan portfolio

- Borrower agrees with deduction of a small 2-5% fee from every future POS transaction until the loan is repaid - painless repayments

- The interest rate depends on risk and cost of capital and may vary between 5% and 28% p.a.

- WishFinance conducted a pilot lending project in which we chose 103 small companies from 1,000 SMEs applicants and issued 112 loans with a total portfolio of $500,000. The pilot was a success with 0% default rate.

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Mission
and Vision

MISSION

WishFinance's mission is the creation and introduction of a straightforward, transparent and accessible channel for financial inclusion into merchant SME segments.

We've created and validated with own funds the unique mix of technologies to make global lending business open and fair:

(01) **Banking APIs** - to provide a lender with actual and real financial data and automate repayments collection;

(02) **Big Data** - to analyze a whole loan portfolio performance in near real-time as "Google Analytics for SME Loans";

(03) **Neural Network** - to help financial analysts and controllers be more efficient;

(04) **Blockchain** - to make each loan transparent and simplify the securitization process for investors and regulators.

VISION

Since the very first days of financial history humanity always tried to find new ways of more efficient trade and commerce.

Humanity invented money
Humanity invented loans
Humanity invented internet

Now it is the time to reinvent money and loans with most stable and advanced decentralized and transparent technologies.

We see future of lending as global and fair where banks, credit unions, and funds will be enabled by new technologies to serve small business.

Market overview

Alternative lending refers to a growing industry of online and mobile-based lending companies for different borrowing needs, including consumer, small and medium enterprise (SME), student loans and mortgages. Within the last 10 years, this industry has emerged to become the subject of much discussion and speculation due to the technological innovations it employs to simplify and expand consumer access to capital; its stance on regulation; and the potential threat it presents to traditional financial institutions.

They provide an end-to-end loan experience through digital delivery, from application and origination to underwriting and servicing. Alternative lenders perform the credit underwriting process and approve or decline a loan application based on the borrower's risk score in near-real time, relying heavily on proprietary algorithms and the collection of different sources of data directly from the borrower or third parties. The efficiency, scalability, reduced cost and digital capabilities provide clear differentiators to consumers when compared to a traditional bank, which can take many weeks to process a loan application.

The alternative lending ecosystem is defined by a large variety of entities and participants, each of them playing a distinct role to connect borrowers and investors. This concept is essential to understand the industry's evolution and outlook, as innovations are emerging:

ON-BOOK LENDING

FUNDBOX zestcash earnest
loanDepot LendUp OnDeck

- Direct lending platforms with lending license, lend out of their books
- Credit Scoring - High in-house quality control of credit and disbursement
- Operational Metrics - higher spread and superior return metrics

SINGLE LENDER LOAN ORIGINATION

RENOVATE AMERICA Kreditech betterfinance
vouch Kabbage lenda Affirm

- Tie-ups with a single lender for loan origination
- Credit Scoring - Dependent on approval from single lender
- Default Risk - Lies with single lender and platform bears risk of losing the relationship (or source of loans)

PEER TO PEER LENDING

auxmoney LendingClub
Funding Circle PROSPER Rate%Setter

- Tie-ups with non-accredited lenders for loan origination
- Credit Scoring - Done in-house for lenders
- Default Risk - Lies with lenders

MULTIPLE LENDER MARKETPLACE

SoFi FUNDRISE CommonBond
Biz2Credit AVANT CREDIT DRIVER UP LendingHome

- Tie-ups with multiple lenders for loan origination
- Credit Scoring - Dependent on approval from various lenders
- Default Risk - Typically spread across multiple lenders

Alternative lenders can be broadly segmented across two different dimensions, borrowers served and funding model:
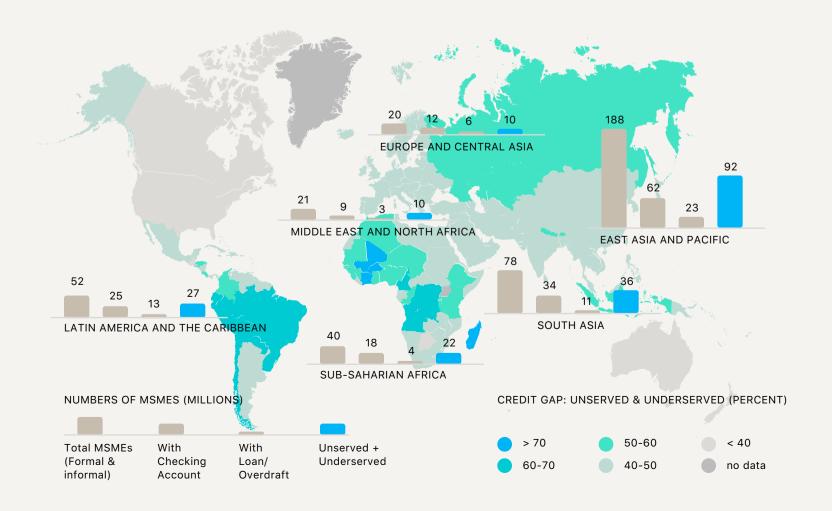
Borrowers served:

- SMEs: Lenders like OnDeck, Funding Circle, Kabbage or Wish Finance position themselves primarily to serve SMEs, providing borrowers with the liquidity necessary to purchase inventory, expand the business or even refinance debt.

- Individuals: These are alternative lenders focused on specific products for the individual, mainly consumer loans (Lending Club, Prosper and Avant) and student loans (SoFi and CommonBond), with a growing offer on mortgages, and further diversifying their offerings to serve their customers holistically.

Funding model:

- Marketplace lenders seek to transfer the risk of holding the loans from one party to another.

- Balance sheet lenders bear the risk of holding the loans on their own books, though for a limited period of time, reducing exposure. Throughout this paper, the terms marketplace lenders and balance sheet lenders - different types of the alternative lenders - will not be used synonymously.

HOW HAS THE MARKET GROWN?

EUROPE AND CENTRAL ASIA
20 12 6 10

MIDDLE EAST AND NORTH AFRICA
21 9 3 10

EAST ASIA AND PACIFIC
188 62 23 92

LATIN AMERICA AND THE CARIBBEAN
52 25 13 27

SOUTH ASIA
78 34 11 36

SUB-SAHARIAN AFRICA
40 18 4 22

NUMBERS OF MSMES (MILLIONS)

Total MSMEs (Formal & informal)   With Checking Account   With Loan/ Overdraft   Unserved + Underserved

CREDIT GAP: UNSERVED & UNDERSERVED (PERCENT)

- > 70
- 60-70
- 50-60
- 40-50
- < 40
- no data

Through a targeted approach to serving the underserved market, alternative lenders have been able to gain a foothold in the lending market. However, in order to continue their high growth rate, they will need to differentiate themselves in multiple ways, including:

01.

Continue to simplify the experience by making it faster and easier for borrowers to access capital

The digital infrastructure that is already facilitating the onboarding process for consumers and SMEs can also be designed to reduce critical pain points in the loan processes for new products, such as mortgages or car loans.

02.

Qualify more underserved individuals and businesses using big data and analytics on prospect data

Many underserved segments are currently targeted, but there remain many others that have not been addressed by traditional financial institutions or alternative lenders. The length of credit or employment history are some of the limitations set in place even by alternative lenders to their clients, leaving young individuals or recent immigrants out of the target population.

03.

Offer competitive pricing while remaining profitable by lowering funding costs

Firms in the consumer lending space have effectively reduced operating ratios to 2% compared to a traditional bank's 5-7%. This allows them to offer competitive rates; however, the nature of marketplace lending makes it impossible for these firms to access cheap deposit funds. To lower funding costs meaningfully these firms need to expand their sources of funding by making the asset class accessible through wirehouses and financial advisors.

04.

Gain access to larger groups of clients, supported by a holistic financial offering through partnerships

Partnerships with traditional financial institutions have taken place, initially to secure banks as investors, and now with a growing number of firms looking to enhance their lending capabilities. This will likely expand to other types of firms, even outside of the financial services space.

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Industry
pain points

Five years of extensive experience of providing alternative lending firms in the US, Europe, and Asia with money and researching market demand has made it possible to create WishFinance's technology. Founded in 2016 in Singapore, the company address with its technology the major pain points for borrower SMEs and lenders. WishFinance blockchain platform is the evolution of this technology.

PAIN POINT: IT'S NOT EASY FOR SMES TO SECURE A LOAN

Provides fast customer onboarding via the company's website and mobile application. The process in its entirety takes up to 20 minutes, including uploading photos of company certificates and documents. Decisions are made within 24 hours of application time, and the loan is instantly available. Payment schedules and account information are accessible 24/7 via the website and mobile app.

PAIN POINT: SME LOANS FROM BANKS ARE EXPENSIVE

Thanks to the efficiency of the platform, technology enables every lender to lend money to merchant SMEs more cheaply than most banks do now. The typical interest rate is a rate of 5-28% p.a., depends on the cost of money and SME risk.

PAIN POINT: MERCHANT SMES CAN'T BE SCORED BY TRADITIONAL LENDERS

Due to the focus on merchants, technology scoring and risk management are not based on assets and securities as they are now for most of the traditional lending institutions. Instead, the platform gets transaction data from POS acquirer servicing the borrower SME. Using the Banking API platform can connect directly to real-time transaction information and can score the merchant based on their cash flow.

PAIN POINT: BUSINESS LOAN UNDERWRITING TAKES 1-2 WEEKS

All processes are optimised and most of them automated, so processing the documents from SMEs, scoring, underwriting and finally transferring the loan takes no more than 24 hours from application received.

PAIN POINT: IT IS DIFFICULT TO CONTROL DEBT COLLECTION FROM SMES

To make payments effortless for the borrower and lower the loan risk, every borrower gives consent to their POS acquirer to deduct 2-5% of every future incoming payment from their customers at the moment of application. Loans are therefore repaid with every transaction and every sale made by the borrower. The system is simple, safe and transparent.

PAIN POINT: AN SME MAY GO BANKRUPT

Life can be tough sometimes. We understand this. That is why every loan is insured against the borrower going bankrupt by making a reserve fund.

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Platform
business model

WishFinance created a platform based on technology designed to make credit accessible to the borrower and safe for the lender. It is designed for merchant cash advances and business loans with terms of 1-36 months; SMEs can borrow as little as $1,000 or as much as $250,000.

TO QUALIFY FOR A LOAN, THE SME COMPANY MUST:
• Be registered company in own country.
• Have at least 6 months of transaction history.
• Be generating over $ 50,000 in cashless annual revenues.
• Be connected to a POS acquirer from which the platform can gain transaction data.

The platform is the blockchain powered instrument for off-balance and on-balance lenders and professional investors.

The platform provides best in class loan portfolio management and collection technology with a transparent and straightforward tool for loan securitization.

Any banks, credit union, money lending company, funds or professional lender should have a WSH token to start using the platform for SME lending.

At the Initial Token Offering based token price is $1, raised funds will be used to finish the platform and open it for the global community of professional lenders and small businesses. 10 million tokens is the hard cap.

Example. If a small bank in Africa (or any country) wants to use WishFinance platform for its 1000 SME loans portfolio it should:

• Buy at exchanges or rent from other token holders 1000 tokens
• Deposit tokens at WishFinance platform
• Connect it's acquiring to secured Banking API to start data flow
• Share 2% of profits with the platform from each loan for using the platform
• Share 5% of profits with token owner for each rented token

The platform makes SME lending more profitable, which attracts more lenders, which increases the number of loans on the platform, which increases the demand for tokens, which creates a positive price pressure.

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Go-to-market strategy

Because WishFinance platform model is strongly reliant on expansion and coverage, our go-to-market strategy is straightforward and transparent. To start operations, WishFinance platform team will:

01. Finish building the platform

02. Start issuing loans at first markets in South-East Asia and Europe

03. Connect lenders in Africa and the Middle East

04. Connect lenders in South and North Americas

05. Connect additional POS acquirers to provide more data

06. Create new instruments for larger lenders, insurance companies, governmental funds to serve SMEs

WISH FINANCE CAN SERVE 10-20% OF GLOBAL SME LENDING MARKET

The more extensive coverage of the platform, the more loans WishFinance platform can process and the easier it will be to attract new members and serve more SMEs. Our team will do the expansion job.

WishFinance vs Competitors

WishFinance's platform model is for on-balance and off-balance sheet lending to merchant SMEs with a cashless turnover. Which means any lender on the platform can lend to any small business where customers pay with credit cards, Apple Pay, Android Pay or any modern form of payment.

Loans may vary from $1,000 to $250,000 with terms of 1-36 months and an interest rate of 5% to 28% p.a. The approval time is 24 hours for every loan, with no security or personal guarantee.

Here is what we know about some of the major lenders' competitors around the world.

	ONDECK CAPITAL	KABBAGE	PAYPAL WC
LOAN AMOUNT	$5 000 - $500 000	$2 000 - $100 000	$1 000 - $85 000
TERMS	3 - 36 MONTHS	1 - 12 MONTHS	NO FIXED MATURITY DATE, BUT TYPICALLY TAKES 1-18 MONTHS
EXPECTED APR RANGE	30 - 50 %	40 - 80 %	15 - 30 %
APPROVAL TIME	SAME DAY	SAME DAY	SAME DAY
CREDIT SCORE	500+	550+	NO MINIMUM
HOW MUCH WILL THEY SEND?	15% OF ANNUAL REVENUES	VARIES	4-15% OF ANNUAL PAYPAL REVENUES
PERSONAL GUARANTEE	YES	YES	NO
	WWW.ONDECK.COM	WWW.KABBAGE.COM	WWW.PAYPAL.COM

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Team and experience

Eugene Green

FOUNDER
AND CHIEF EXECUTIVE
OFFICER

Eugene is an entrepreneur and angel investor with more than 15 years of experience in data science, e-commerce, consulting and financial technologies. He has been the founder of three startups since 2000, all of which he successfully sold. His consulting clients over the last 10 years have included Aliexpress, Friendster, Zalora, Lazada, The Pizza Company, EFES, Wrigley's, Heineken, Domino's Pizza, PepsiCo and IKEA. More recently, Eugene has directed his efforts towards fintech, financial inclusion, blockchain, new SME scoring technologies and open banking.

Michael is a lawyer and advocate from Israel. As a lawyer, he has specialized in M&A and deals structuring in the financial, healthcare, commodities and telecommunications industries. Recent experience includes project management and launch expansion management in Israel and the Asia-Pacific region. Since receiving an MBA from INSEAD (2015) Michael has obtained extensive experience as a financial and anti-crisis manager in Singapore.

Michael Elgort

CHIEF COMPLIANCE
OFFICER

Ruslan Gavinov

CHIEF
TECHNOLOGY
OFFICER

Ruslan has over 15 years of experience in Banking IT. Previously, he was involved in support and development for numerous IT projects. He worked as a teamer lead and tech lead in international payment services and banks. Ruslan knows how financial technologies should be built, how stable and secure infrastructure should be, and how to deliver products and provide a predictable service.

and 16 more

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Platform software

As a technological company, we invest heavily in software to maintain a high level of security, data integrity, and business scalability.

As a high-level overview, our system can be divided into a number of subsystems:

Utility layer
Consists of our hardware servers where we host other subsystems, including website and mobile applications and analytical software for real-time monitoring of security and performance. Server-side built on Python, client-side built on PHP+HTML5+JS.

Scoring and monitoring layer
This is where we transfer all collected and stored data to make decisions. Nothing is stored in this layer for the long term: it is the brain of Wish Finance, but not its memory. This layer is mostly built in Python.

API layer
Communication layer servicing all transactions between different elements of the platform IT infrastructure, including mobile apps and partners, data providers and lenders. Built with JSON.

Data layer
Platform stores all sensitive data in a PCI-DSS compliant cloud. We use PostgreSQL for transaction processing plus general needs. Currently experimenting with Amazon's Redshift for analytics.

Blockchain layer
One of the main advantages we see in the blockchain is transparency of the loan portfolio for securitization events on the Ethereum blockchain.

Platform uses smart contracts between lenders and borrowers, keep all related data and loan performance on the blockchain.

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Lending ideology and risk management

ALTERNATIVE LENDING CAN BE RISKY. PLATFORM'S MODEL MINIMISES THE POTENTIAL RISK OF BORROWERS DEFAULTING ON THE LOANS MANAGED ON IT:

- Loans only to established SMEs with at least 6 months of cashless transaction history
- Loans only to SMEs connected to accessible acquiring data
- Built-in cloud scoring system with machine learning technology to be more efficient at utilizing every loan and piece of data
- Deducting 2-5% of each future cashless payment customers until loan is repaid
- Loans should be insured against borrower going bankrupt for the unpaid amount of loan

TOGETHER WITH RISK MANAGEMENT STRATEGY, LENDING IDEOLOGY RESTS ON A FEW SIMPLE IDEAS:

The more data platform has to make lending decisions, the better

Platform currently uses several data streams: corporate data about the company and its owners/directors, open market data about the industry and economic landscape of the country, and real transactional data.

Do not lend more than the borrower can afford to return without harm to their business

Lenders help SMEs to grow, we should educate borrowers on how to use their cash advances and we advocate business loans as financial tools to make businesses more effective.

Platform secures own sustainability by diversifying managed loans portfolio across different countries, industries and types of borrowers

Every country and every economy has its ups and downs. The more diversified a portfolio platform manages, the more stable and effective a network we can maintain for our token holders and users.

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Connection to payment infrastructure

WishFinance platform connects to acquiring providers via its own Banking API layer. We do this to ensure there are as few as possible critical functions for secure lending and a seamless repayment experience for borrowers.

USING THE BANKING APIS CONNECTED TO THE ACQUIRER'S IT SYSTEM, PLATFORM CAN:

01. Get consent from a potential borrower to share transaction history for scoring.

02. Get data from acquirer and upload it to platform scoring machine.

03. Open new credit accounts for borrower inside lender's ecosystem.

04. Fund this new account with the loan.

06. Issue new cards connected to this account if needed.

07. Set up limitations for how this funding can be spent (based on what the borrower stated in their loan application).

08. Set up a rule to deduct 2-5% of each future payment until a loan is repaid.

09. Get daily transactions from an acquirer.

Our Banking APIs are RESTful and based on JSON. All communications between our IT system and acquirers take place within a secured VPN and cannot be accessed from the outside. Data is stored in the PCI-DSS certified Cloud. Data security is platform's highest priority.

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Portfolio transparency on the blockchain

WishFinance plans to be the first ever global lending platform to record the managed loan portfolio on the Ethereum blockchain.

Currently, the technology solution is under development. What we plan to do is:

- Publish the whole history of issued loans (including currently active, paid-up and defaulted) on the Ethereum blockchain.
- Publish the whole history of currently active loans' performance and transactions on the Tendermint blockchain.
- A block will never contain any personal or commercial data connected to any borrower or borrower's customers.
- A block will contain dates, payment methods, repayment amounts, and the amount still outstanding.

LOAN PORTFOLIO SECURITIZATION

Each lender needs securitization process to get liquidity from the market. WishFinance is using blockchain to make a securitization instrument for each lender on the platform.

LOAN ISSUING EXAMPLE:

01
The borrower is a store owner and has to repay $10000 by 1 August. Every sale he makes using his POS terminal repays part of the loan.

02
At any time borrower is able to repay the loan by sending money to his credit account via Wire Transfer or using his card at an ATM.

03
If, by 1 August, the borrower still has part of his loan outstanding (for example, $3000), platform starts counting 90 days.

05
If, after the 90 days, the borrower is still in arrears (for example, $1000), platform understands this as loan default and marks loan as defaulted and asks for coverage from insurance fund - specifically the last $1000, not the full $10000.

04
Throughout these 90 days, sales at the borrower's POS terminal count as a normal loan repayments.

All the time platform can see how this borrower is performing on his loan repayments and are showing the same information to the lender in the dashboard and the borrower in his profile at our website and mobile application.

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Investors relations and reporting

WishFinance is currently setting up their token-holders relations strategy, including:

- Quarterly newsletter for every token-holder and potential investors.
- Annual webcast with CEO for current token-holders.
- Annual public press release on company's performance.

In addition to our reports, WishFinance will publish separate reports for token holders to share our progress on milestone achievements according to the roadmap we are sharing at ICO. These reports will include:
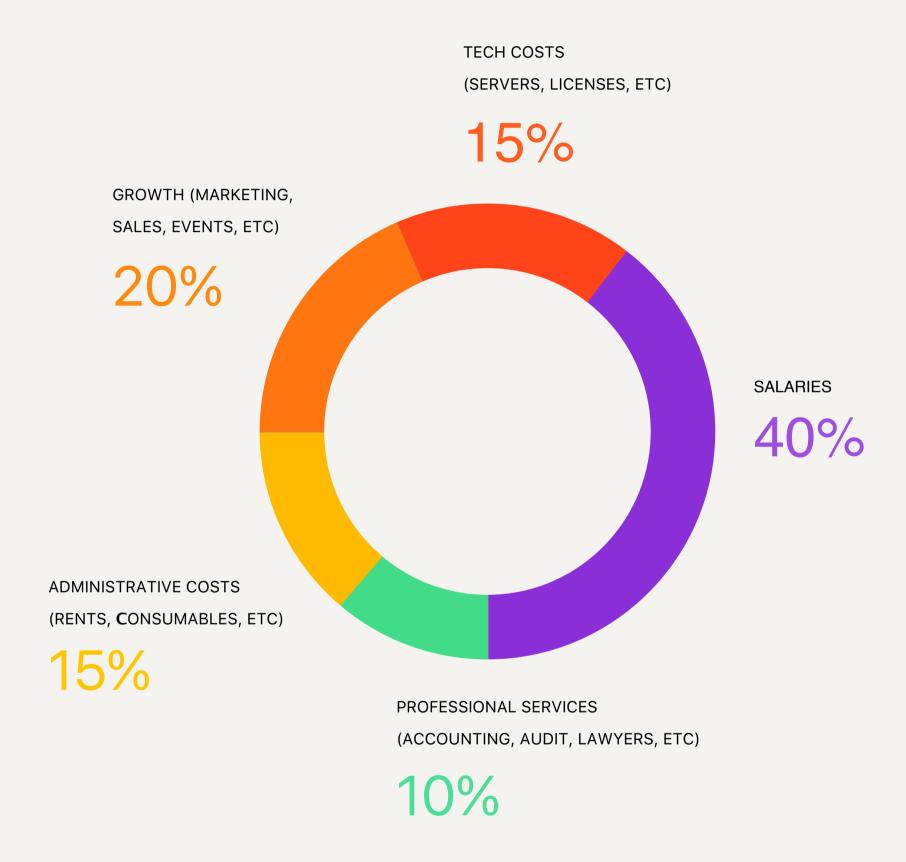
- Milestones achieved
- Costs for time frame
- Costs structure
- Loan portfolio size (after the First loan issued on the platform)
- Loan portfolio numbers (after the First loan issued on the platform)
- Loan portfolio performance (after the First loan issued on the platform)

Reports content and structure are subject to changes. At any time current token holders or interested investors are able to contact Wish Finance via ico@wishfinance.com

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Platform
costs structure

WishFinance platform team will spend funds raised at the ICO crowdsale to build the stable version of the platform and promote it globally.

The costs distribution:

TECH COSTS
(SERVERS, LICENSES, ETC)

15%

GROWTH (MARKETING,
SALES, EVENTS, ETC)

20%

SALARIES

40%

ADMINISTRATIVE COSTS
(RENTS, CONSUMABLES, ETC)

15%

PROFESSIONAL SERVICES
(ACCOUNTING, AUDIT, LAWYERS, ETC)

10%

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Financial
assumptions

On average loans economics:
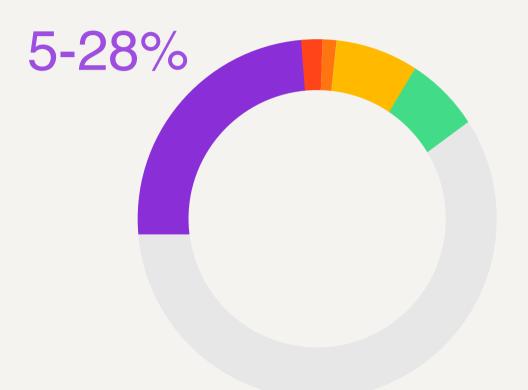
PAYMENTS
TO RESERVE FUND

1-8%

PAYMENTS FOR ACQUIRING
DATA

0-3%

INTEREST RATE
PER ANNUM FOR BORROWERS

5-28%

LENDER MARGIN
PER ANNUM

3-9%

LIQUIDITY PROVIDER MARGIN
PER ANNUM

0-8%

Exact percentages may vary in different countries and with different lenders: if a lender owns acquiring and have enough capital there no need to pay for acquiring data and liquidity.

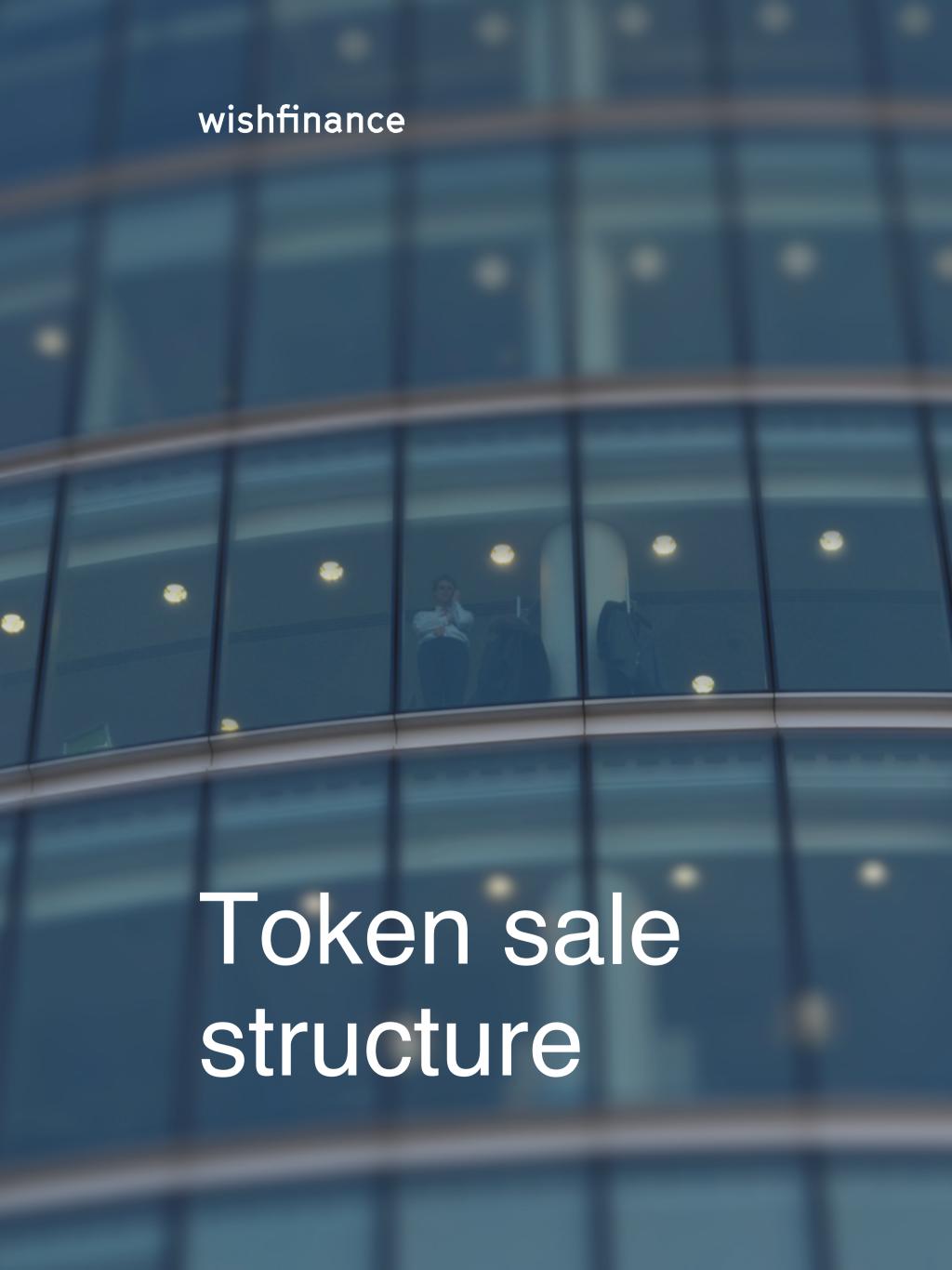Platform will be ready to process the first issue loan in Q3 2018.
Within 6 months of this platform will be able to process an active loan portfolio of $1000000000 globally, where the average active loan could be around $5000-$10000.

In Q4 2018 platform team intend to present a public beta version for Neural Network to help loan portfolio managers.

In 12 months the platform will be ready to maintain an active loan portfolio of $10000000000, where the average active loan could be around $5000-$10000.

In 24 months the platform will be ready to maintain an active loan portfolio of $50000000000, where the average active loan could be around $7000-$10000.

In 48 months the platform will be ready to maintain an active loan portfolio of $100000000000, where the average active loan could be around $10000-$20000.

Token sale structure

Wish Finance Token Sale overview:

TOKEN NAME:

WSH token

ICO DURATION:

Pre-sale - 27 October 2017
First phase - 6 November 2017

What does this token represent?

WSH tokens executed by an Ethereum are the access tokens. They needed to have access to the platform and manage a loan portfolio. Also, tokens could be rented from a token holder by a lender with revenue share.
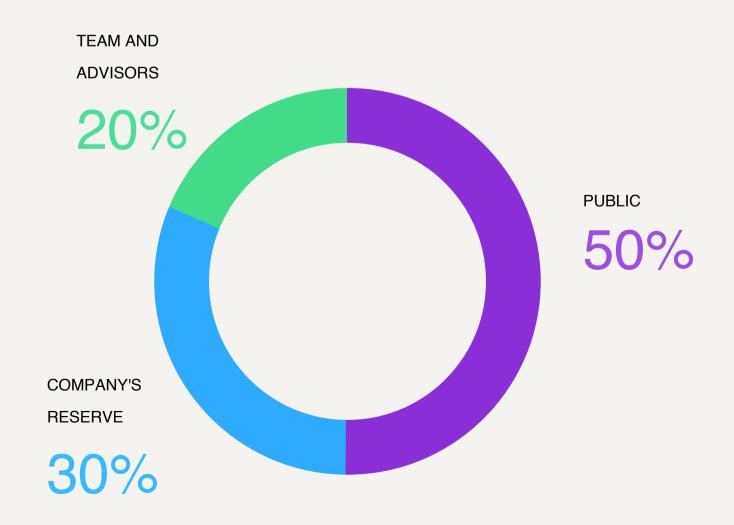
Downside protection

30% of the proceeds from WSH Distribution will be reserved for a guaranteed buyback of WSH tokens at 80% of the Distribution Rate nominated in USD. The reserve will be stored in the diversified portfolio of major cryptocurrencies and will last for 24 months after the tokens distribution.

PRICE PER TOKEN IN USD:

$1 - first week of sale
$1.05 - second week

$1.10 - after the second week
$2 - after the first phase of sale

TEAM AND ADVISORS

20%

PUBLIC

50%

COMPANY'S RESERVE

30%

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CRYPT
AUDIT

Cryptographic audit

A standard practice of smart contract projects today is the Cryptographic Audit, a set of monitoring tools and consulting that allows any member of the public to easily validate our smart contracts. This is how we will achieve our transparency goals:

01

PROOF OF RESERVES
We will give preference to exchanges that have implemented Proof of Solvency (PoS) measures; cold storage reserves can be audited, as is the case with Poloniex and Kraken.

02

PORTFOLIO REPORTING
Platform will store information about the whole portfolio and its performance on the blockchain, with all personal data anonymised. Our transparency policy will help the borrowers, funds, current and potential investors in many ways, including the predictability and accountability of their investments.

03

REGULAR BLOCKCHAIN SNAPSHOTS
To have proof that nobody mismanaged data between audits.

04

CHIEF BLOCKCHAIN OFFICER
WishFinance plans to have a new C-level position in the world of finances - Chief Blockchain Officer - who will be responsible for auditing and reporting our own use of blockchain technologies and push forward general financial technologies to clear and effective future.

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Token
Valuation
Forecast

ACCESS TOKEN

WSH is an Ethereum tokens - access tokens issued by WishFinance platform and needed to build and manage a loan portfolio on the platform.

The more prominent platform will become, the more loans it will process the more WSH tokens will be in use. Lenders could use only tokens deposited on the platform. And they could be traded from a public token holders on the exchanges, just as other access and utility tokens.

One token needed to manage one active loan. It means a lender with 1000 active loans should own and deposit 1000 WSH tokens.

PRICE PREASURE

Lender may rent lacking tokens from other token holders sharing with them the income from the loan portfolio on the basis of the auction.

Non-lender token holders can deposit owned tokens and lend them to lenders earning a share of loan portfolio profits. The auction will define a size of the dividend - lowest first.

Valuation example. Lender with 1000 loans owns 200 WSH tokens and may rent 800 tokens for 5% of his loan portfolio profits. Portfolio size is $5000000 with profit rate 8% p.a., so the dividends should be

5000000 * 0,08 * 0,05 = 20000 or $25 per token (owned and rented) per annum

x25 multiplier to the WSH token sale initial price - more and more lenders will buy tokens pushing price higher until it's valuation will achieve a balance of supply and demand.

The platform makes SME lending more profitable, which attracts more lenders, which increases the number of loans on the platform, which increases the demand for tokens, which creates a positive price pressure.

TOKENS BUYBACK

WishFinance platform usage fee is 2% of the whole loan portfolio managed by the platform. In platform economy, this cost needed to maintain the platform as software and hardware and provide lenders with all services.

After the platform launch in 2019, the team will distribute minimum 25% of the annual platform profits to buy back tokens from a holder on the current exchanges price.

Roadmap

February 2016

APAC and EU
markets research

April 2016

Concept
development

July 2016

Company set up
in Singapore

February 2017

Pilot SME lending
success with 0%
default rate

October 2016

Server software,
scoring and API
layer ready

September 2016

Minimum Viable
Product (MVP)
ready

July 2017

Whitepaper
publication

November 2017

WSH Initial
Token Offering

December 2017

WSH tokens
distribution

Late 2018

WishFinance
Platform Launch

Middle 2018

Neural Network
public beta,
Analytics beta

Early 2018

Portfolio
Management
Public Prototype
Release

wishfinance

Token Sale
Milestones

WISHFINANCE'S MINIMUM GOAL FOR ICO IS $2000000. WITH THIS AMOUNT WE WILL BE ABLE TO:
- Finish WishFinance platform software
- Finish developing a loan portfolio management on the blockchain technology
- Create Banking APIs for small banks and lenders
- Make the platform ready for lenders in Asia Pacific markets
- Start processing loans for SMEs at the end of 2018

IF THE ICO COLLECTS $3000000 WE WILL ADDITIONALLY BE ABLE TO:
- Finish Neural Network
- Upgrade scoring machine for better performance
- Create real-time analytics for loan portfolio managers
- Make the platform ready for lenders in EU markets

IF THE ICO COLLECTS $5000000 WE WILL ADDITIONALLY BE ABLE TO:
- Create an advanced Banking API system adjustable for big acquirers
- Upgrade analytical tool with pattern recognition and presets for different SMEs industries
- Make the platform ready for lenders in Africa and the Middle East markets

IF THE ICO COLLECTS $7000000 WE WILL ADDITIONALLY BE ABLE TO:
- Make the platform ready for lenders in South and North Americas markets
- Create a technology to score and lend to online merchants
- Add reporting tools for different markets regulations
- Build loan portfolio securitization mechanics

IF THE ICO COLLECTS $10000000 WE WILL ADDITIONALLY BE ABLE TO:
- Create new roles on the platform
- Build a product to connect insurance companies
- Build a product to connect liquidity providers

IF THE ICO COLLECTS $20000000 WE WILL ADDITIONALLY BE ABLE TO:
- Build a product for large banks and funds
- Build a product for governments to support SMEs

IF THE ICO COLLECTS $30000000 WE WILL ADDITIONALLY BE ABLE TO CREATE A WHITELABEL SOFTWARE FOR SME BANKING.

IF THE ICO COLLECTS $40000000 WE WILL ADDITIONALLY BE ABLE TO CREATE A PRODUCT FOR INTERNATIONAL TRADE FINANCING.

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EXIT
STRAT

Exit strategies
for investors

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Every participant of WishFinance platform's token sale will be the owner of WSH tokens (as described above) and may choose any of these suggested exit strategies:

Deposit WSH to WishFinance platform and use them to manage the loan portfolio

The most appropriate strategy for small and medium banks, credit unions, lending funds, moneylenders and other professional creditors. WSH tokens needed to maintain and manage loan portfolio. For example, with 5000 active loans, 5000 tokens should be deposited. And they could be sold at any moment at current exchange price.

Deposit WSH to WishFinance platform and lend them to earn profit share

The most suited tactic for strategic non-lender token holders who want to buy WSH tokens at lowest token sale price, earn revenue share for lending own deposited tokens to professional lenders and sell tokens at any moment.

Exchange WSH to other tokens

WSH tokens will be issued on the Ethereum platform and can be traded freely on connected exchanges at any time.

Sell WSH back to WishFinance

Starting in January 2019 Wish Finance will buy back WSH tokens every quarter at the current market price. Every token holder will be able to sell their tokens back to WishFinance.