

FABA Venture Capital Token



White Paper

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Agenda

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We are the co-creators of human potential

- 🌱 (FABA) is the first venture capital token with positive impact on our lives. Decentralized voting system enables shared decision making when selecting projects.
- 🌱 We connect traditional venture capital market economy with the crypto world bringing new opportunities to both.
- 🌱 FABA LTD invests in those projects that passed through professional due diligence process, where it becomes an equity shareholder.
- 🌱 Due to our professional approach, financial investment and the time commitment of the mentors and (FABA) token holders, the valuation of companies raises. Our investments are then exited at their peak to return multiples of initial investment to our token holders.
- 🌱 Faba was founded by a group of experienced people, whose interest is to support projects and teams of people with ambition to influence the world.
- 🌱 The Common Vision has helped to define the target segments and future megatrends which are changing the environment today and are contributing to further development:
 - Foodtech, Biotech, AI, Robotics and other sector agnostic opportunities
- 🌱 The investment horizon is set at 8 years. (FABA) token holders will be rewarded throughout the course of investment based on the dividend strategy of each company and actual exit time.
- 🌱 The main goal of Faba is to become the largest venture capital company that supports game-changing projects with the positive impact on our environment.

FABA Team



Robert Flocius

CEO, Faba Invest



Alex Nakonechny

CTO, Faba Invest



Julia Zajacova

CFO, Faba Invest



Radek Zejda

CSO, Faba Invest



Jan Mejzlik

Lawyer, mentor Faba Invest



Jonathan Todd

Mentor, Faba Invest



William Jalloul

Mentor, Faba Invest



Lenka Love

Mentor, Faba Invest



Maksim Beliaev

Ideamaker, Faba Invest



Zahar Deina

ICO Advisor, Faba Invest

FABA Core Team

Robert Flocius - CEO

- 🌱 I'm the Financial Executive with broad experience in all aspects of equity investments. Former shareholder and Co-founder of UB Networks Benelux NV - a US based data communications company and first world partner of Cisco systems Inc. later sold to Newbridge for \$ 260 million. I served as senior Adviser to Madge Networks (fastest growing UK company in 1996). My focus: M&A, Equity, IPO's, Structured Finance, Consulting.

Alexander Nakonechny - CTO

- 🌱 I focus primarily on the field of crisis management and business models set ups, which is essential in the implementation of business projects in different stages and sizes.

Julia Zajacova - CFO

- 🌱 I graduated from Economics with specialisation on production management and logistics. I have 12 years of international experience in supply chain management working for the large corporates, specifically in planning and forecasting positions. I'd love to use my wide experience in order to support the new ideas, technologies and turn them into fresh energy.

Radek Zejda - CSO

- 🌱 In my career I have worked mainly on sales positions. For the last 5 years, I have been working with people in the field of coaching and mentoring. Business, Management, HR and Marketing are areas that I understand and in which I see my value add.

FABA Mentor Team

Jonathan Todd

- 🍌 I have 10 years of experience in founding some of the largest media brands on the web today. I specialise in building teams, marketing, UX and customer retention. I have had 3 successful exits in this time. I am looking to add value as a mentor to any web/mobile based projects.

Blake Wittman

- 🍌 I've spent my 18-year career spreading my passion for people and purpose. My experience was gleaned across a broad spectrum of companies – from internet startups to Fortune100 companies. I currently serve as shareholder and CEO of GoodCall, an innovative disrupter in the recruitment space, and I run European strategic sales for two other HR startups.

Philip Staehelin

- 🍌 I have more than 25 years of experience in the corporate and consulting world. I served as CEO of a \$500m payments company, I was a Managing Partner for Roland Berger, as well as holding executive roles in T-Mobile, Accenture, A.T. Kearney and CA-IB Investment Bank. I'm also a co-owner of Startup Yard (CEE's oldest startup accelerator).

Robert Breadon

- 🍌 I have over 25 years of international business experience with startups in 9 different countries and 30 locations. The last ten years I have become a licence NLP trainer and use the techniques to accelerate development to maximum capacity. In Prague my training centre www.breadon.cz offers professional coaching services to corporate and domestic clients.

🍌 **AND OTHERS**

FABA token Economics Mechanism

In the first round of investment, FABA LTD together with (FABA) token holders, aim to support a maximum of 110 projects with the outlook of 11-17 successful projects that will reach target valuation of 10-30 multiples of the initial investment. It is common that up to 60% of average VC portfolio companies will fail with ROI lower than 1 and the remaining companies will generate ROI between 1 to 5. FABA will eliminate the fail rate by execution of comprehensive due diligence process and implementation of tranching mechanism binded to the agreed key milestones of the invested project. It is expected to execute all the Seed investments in the first 1 - 2 years and private equity investments within the 1st year for ensuring enough time to achieve significant increase in value before exiting the shares which will be happening continually.

(FABA) token has voting rights. Each holder of min. 2000 (FABA) tokens has a voting right and can have own input on short listed projects.

We are preparing an interface where it is possible to submit new projects proposals and votes. Both FABA LTD and (FABA) tokens holders will be able to submit projects for voting. Once the project gets majority of positive votes out of total FABA voters, it is considered as pre-approved for funding. FABA LTD is allowed to use max. 20% of its voting rights. This mechanism allows us to get feedback from the market and the inspiration when decision making on new investments. The time frame is always one month, and each new project proposal is charged a symbolic processing fee. Faba application will also display projects already supported with a basic reporting scheme and a dedicated mentor.



FABA token Economics Mechanism

- The FABA is an evergreen VC company so the FABA Token is issued and listed on crypto stock exchange for infinite period
- When successful acquisition of any of the portfolio companies comes, then FABA use 70 % of the sum that was successfully generated over initial investment for re-investing and 30 % of the sum will be distributed among the FABA token holders on pro rata basis
- The distribution of funds/ dividends will be following:
 - **Acquisition Income – Initial Investment = Success Funds**
 - **Success Funds * 0,7 = Amount to be distributed on pro rata basis among FABA token holders**
 - **Success Funds * 0,3 = Amount from Success Funds to be reinvested in FABA portfolio**
 - **Initial investment + Amount from Success funds to be reinvested in FABA portfolio = amount that will be used for further investing**
- If the Acquisition Income is lower than Initial Investment, FABA will use the whole amount for further investments only
- By the constant re-investing of 30 % from each success we ensure growth of FABA token by increasing the investment capital and value of equities in prospective startups being held

FABA Token Model

Faba has decided to transform traditional venture capital into a modern blockchain system to make an investment through (FABA) token more accessible for non-accredited investors.

Main goal of the ICO process is to involve crypto community and bring new ideas from the market which can be influenced by the voting rights. (FABA) token substitutes for business shares with a profit right which is paid in ETH. All returns on investment to token holders are paid at the time of exit. Liquidity of (FABA) token will be determined by listing on the stock exchange, where it is faster for the investors to sell compared to the non-public traded shares. Dividends are paid continuously throughout the course of the investment. It is not necessary to wait for the classical general board meeting, where dividends are paid once a year. (FABA) token holders vote to inspire start-ups with their valuable market feedback and together with Faba team take decisions on new investments. Entrepreneurs who believe in their projects are highly encouraged to apply with Faba.



ICO FABa token concept

FABA Token Road Map

1st ICO ROUND 1 (FABA) token = \$1

- 01.03.2018 – 17.04.2018 PRIVATE SALE BONUS 40%
- 18.04.2018 – 05.06.2018 PRE ICO BONUS 40%
- 06.06.2018 1st ICO ROUND**
- 06.06.2018 – 31.07.2018 ICO BONUS 40%
- 01.08.2018 – 30.09.2018 ICO BONUS 30%
- 01.10.2018 – 30.11.2018 ICO BONUS 20%
- 01.11.2018 – 31.12.2018 1st STAGE FUNDING
- 01.12.2018 – 31.12.2018 ICO BONUS 10%
- 01.01.2019 – 31.01.2019 ICO
- 01.02.2019 – 28.02.2019 MARKETING BOOST – STARTUP ARTICLES

2nd ICO ROUND 1 (FABA) token = \$1.3

- 01.03.2019 2nd ICO ROUND**
- 01.03.2019 – 31.03.2019 ICO BONUS 20%
- 01.04.2019 – 30.04.2019 ICO BONUS 15%
- 01.05.2019 – 31.05.2019 ICO BONUS 10%
- 01.06.2019 – 30.06.2019 ICO
- Q3 2019 STOCK EXCHANGE
- Q3 2019 FABA APPLICATION
- 2019–2023 FUNDING STARTUPS
- 2023–2027 EXIT PART – SELLING SHARES
- 2027 NEXT INVESTMENT ROUND FUNDING & SELLING

ICO FABa Token Concept



🍷 (FABA) token value in 1st ICO round:	\$1
🍷 (FABA) token value in 2nd ICO round:	\$1.3
🍷 Total number of Faba tokens:	160M (FABA) tokens
🍷 PRE ICO + ICO sale:	80M (FABA) tokens
🍷 ICO Hardcap	\$67,5M
🍷 ICO Softcap	\$4M
🍷 Investment to startups:	\$60.95M
🍷 Min. investment:	\$200 – 1 st round, \$1300 – 2 nd round
🍷 Number of projects:	110
🍷 Duration of ICO raising :	12 months, 2 rounds
🍷 Pessimistic ROI:	35 % p.a. (excl. unicorn*)
🍷 Optimistic ROI:	138 % p.a. (incl. unicorn*)
🍷 Exit 110 startups:	\$0.172 - 0.672B
🍷 Investor's voting right:	2000 (FABA) tokens = 1 vote
🍷 First investment horizon:	8 years
🍷 Project regions:	Europe, USA, India
🍷 FABa LTD domicile:	London, Great Britain

* Company with valuation \$1B and more.

FABA Token Distribution

(FABA) Tokens distribution	Amount	%
Total number of (FABA) tokens	160M	100%
(FABA) tokens for ICO sale	79.5M	49.69%
Pre ICO (FABA) tokens	0.5M	0.31%
Company *	76.8M	40%
Mentor team **	3.2M	10%

* Company tokens are vested for period of 2 years

** Mentor team = Token contribution for external mentors helping FABA to accelerate and increase value of FABA portfolio companies.

Faba project will launch a sale of (FABA) tokens. Faba will release 160M of (FABA) tokens. Total of 50% of (FABA) tokens will be available for ICO sale, which represents 80M. This amount of tokens for ICO sale will be divided into 2 phases: 1. Pre ICO and 2. ICO. 40 % of (FABA) tokens will be kept by Faba company, these tokens are vested and cannot be sold for period of 2 years. 10 % will be divided among the mentor team, these tokens are vested for period of 1 year. After the period of 1 year, 50 % of tokens can be sold.

During the pre ICO phase, there will be 0.5M tokens available for sale and 79.5M during the ICO. Unsold tokens will be shredded.

PRE ICO

PRE ICO	
(FABA) Tokens amount	0.5M
Minimum purchase	\$1
Bonus	40%
Period	48 days
Start	18.04.18
End	05.06.18

During the pre ICO phase, 0.5M of (FABA) tokens will be available for sale. Tokens will be sold with 40 % bonus, which means for the purchase of 1 (FABA) token the investor gets 1.4 of (FABA) token.

Timing for pre ICO is 48 days. If 0.5M (FABA) tokens are sold out earlier, then the pre ICO ends automatically with it.

Pre ICO will be allocated to marketing and PR.

Funds Allocation

ICO tokens distribution	(FABA)
Total number of (FABA) tokens for ICO investors	79.5M
Investing to startups	60.95M
Operations	4M
Bonus ICO token	10M
Affiliate program 10%	2M
Software development	0.55M
Marketing	2M

During the ICO phase, 79.5M of (FABA) tokens will be available for sale. Majority of the ICO funds will be used for investing into concept proven projects and selected startups.

Operations represent a management fee, which includes administration, offices, legal costs etc..

Software development includes startup application and FABA app development.

Marketing support includes social networks, media articles, ICO internet portals, etc..

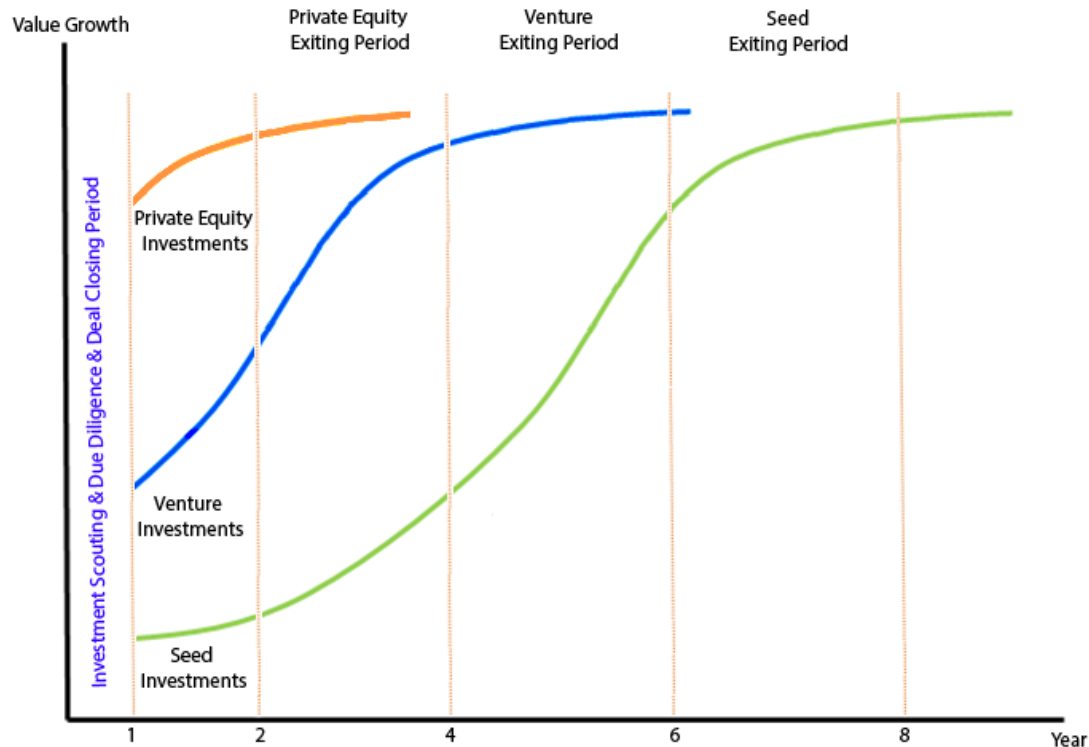
In the event that tokens are sold prior to schedule, then ICO ends automatically with it.

ICO Bonus Program

Bonus program		
1st ICO round, Token value \$1		
Period 1	06.06.2018 – 31.07.2018	40%
Period 2	01.08.2018 – 30.09.2018	30%
Period 3	01.10.2018 – 30.11.2018	20%
Period 4	01.12.2018 – 31.12.2018	10%
Period 5	01.01.2019 – 31.01.2019	0%
2nd ICO round, Token value \$1.3		
Period 1	01.03.2019 – 31.03.2019	20%
Period 2	01.04.2019 – 30.04.2019	15%
Period 3	01.05.2019 – 31.05.2019	10%
Period 4	01.06.2019 – 30.06.2019	0%
Affiliate program	For recommendation, user gets bonus from realized payment	10%

Bonuses will range from 10 % to 40 % linked to the time of sale. In the first ICO round bonuses range from 40 % to 10 % and their nominal value is \$1 for one (FABA) token, where for the purchase of one (FABA) token the investor gets 1.1 up to 1.4 of (FABA) tokens. In the second ICO round bonuses from 10 % to 20 % will be available with nominal value of \$1.3 for one (FABA) token, where for the purchase of 1 (FABA) token the investor gets 1.1 up to 1.2 of (FABA) tokens. Special affiliate bonus program will be available for the recommendation, which represents 10 % from the realized payment in (FABA) tokens.

Token Value Proposition



After successful exiting of the portfolio company the 30 % of the acquired funds will be re-invested and 70 % distributed to token holders. Reinvestment will ensure the continuity of the token and its value creation for infinite period of FABA token existence.

The growth of the FABA token value in the first year is driven by the successful allocation of the investment budget. We plan to scout, evaluate and close the prospective deals within the first year since the ICO round is closed.

We diversify our portfolio to three stages of investments – Seed, Venture, Private Equity. For each stage we estimated the exit strategy and timeline for exit that should ensure effective ROI for each invested startup during the time.

Improvement of portfolio companies performance and exits ensure the continuous growth of FABA token dividend and value since the listing on the crypto-exchange.

Investment Focus

We carefully selected the most promising areas of innovation based on our expertise and most painful problems nowadays. We focus on problems that can affect billion of people and their solution can bring a significant impact for humanity.

We particularly love and seek opportunities in following sectors:

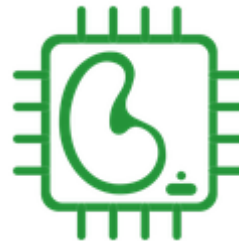


Biotech

Drug and antibiotic resistance, Diagnostics, Genetics, Healthcare Delivery Optimization

Foodtech

Especially meat alternatives, superfoods, improvements for production, food management



Robotics

Collaborative robots, Open automation architectures, Internet of Things with focus on Impact



AI

AI assistants, AI recruiting tools, Security, Specialized Artificial Intelligence And Machine Learning and others

Blockchain

Applications in Biotech and Supply chain management, fintech for emerging countries

When we identify revolutionary potential and impact in different industry, we can be sector agnostic.

Investment Deal-flow

We believe the dealflow is absolutely crucial to increase the chances of investing the unicorn. Our experience is that the top 1% out of the thousands of applications will be selected for the closer due diligence. Therefore we formulated comprehensive strategy to attract the top companies seeking the venture and private equity investments.

The most prospective source of companies for screening is our network of contacts that our team has built for passed years of being actively involved in venture capital industry. We cooperate on sourcing with independent scouts, technology experts and mentors that are influencing the start-up environment in Europe and USA.

Our team will support and actively participate on the most important start-up events among the Europe and USA.

Last but not least source of the most innovative and promising companies is the European Universities. We are actively approaching the top Universities to get access to spin-off companies usually hidden on the prestigious university transfer departments without the knowledge of approaching the venture capital investors.

Evaluation of potential project

The process of selecting a suitable project begins with an analysis of the basic form that is filled in by the applicant on our web page: vc.fabainvest.com

Once the project fits into Faba's investment strategy based on our investment memorandum and meets following criteria: business segment, market, global expansion and the size of the required investment, then it is invited to the elevator pitch presentation for introduction. Presentation is evaluated by mentors (people who have a proven track record of building and selling their own companies, or who have been in top management positions), they ask questions and give feedback to the project. At the end of the presentation mentors vote if the project can pass to the next round of assessment.

More than 50 % of votes are decisive. In every project, both the business plan and the core team are evaluated. The product or service can be always changed on its way, but it is the CEO and his team, that is the most important factor. Following is the publication of a successful elevator pitch in the application - blockchain, where (FABA) token holders (owning min. 2000 FABA tokens) give feedback as potential consumers and together with Faba team take decision on the investment.

Evaluation of potential project

The duration of the presentation together with the additional questions from mentors is set for 1-1.5 hours. The applicant receives in advance by e-mail the content of the presentation:

- 📌 product / service description - current status
- 📌 market product need / service solving + value add
- 📌 core team, key roles and their substitutability
- 📌 business model
- 📌 marketing strategy
- 📌 competition and competitive advantage
- 📌 market position, planned expansion + SWOT analysis
- 📌 3 year plan - operational costs development and CAPEX
- 📌 investment offer - the amount of the business shares offered
- 📌 the required amount of investment and its breakup
- 📌 exit strategy

Evaluation of potential project

When the majority of mentors decide positively, one or more interested Faba mentors become the project mentor based on their experience. The mentor is financially motivated for his time and support and gains a call option for the minority stake for his commitment until the exit. The authorized capacity for one mentor is 2-3 projects.

At the investment stage of negotiations, Faba helps with the completion of the business plan, which becomes the annex of the company's share transfer agreement. The investment is divided into three tranches according to the KPI'S fulfilment on the bases of the business plan. Faba and the mentor get an equity share and the right for a call option for the investment provided. In the seed stage of the investment, Faba acquires a total of 30 % of the company's shares, of which the mentor receives 5% call option. For companies that have a turnover and proof of concept the amount of the equity is determined individually based on the company's valuation. The valuation is then determined by company's assets 3 x EBITDA, human capital, market share, segment and its valuation environment, potential, all reduced by risk.

FABA LTD, together with the project founders, must agree on the exit strategy prior to the investment. After investment, the project is shared in our online application, where the core activity and reporting schemes are described. This includes reports (revenue, costs, number of staff numbers, realization plans and their current status), mentors, as well as all online communication chat.

FABA Application

There will be an application available for FABA token holders in order to monitor our investments.

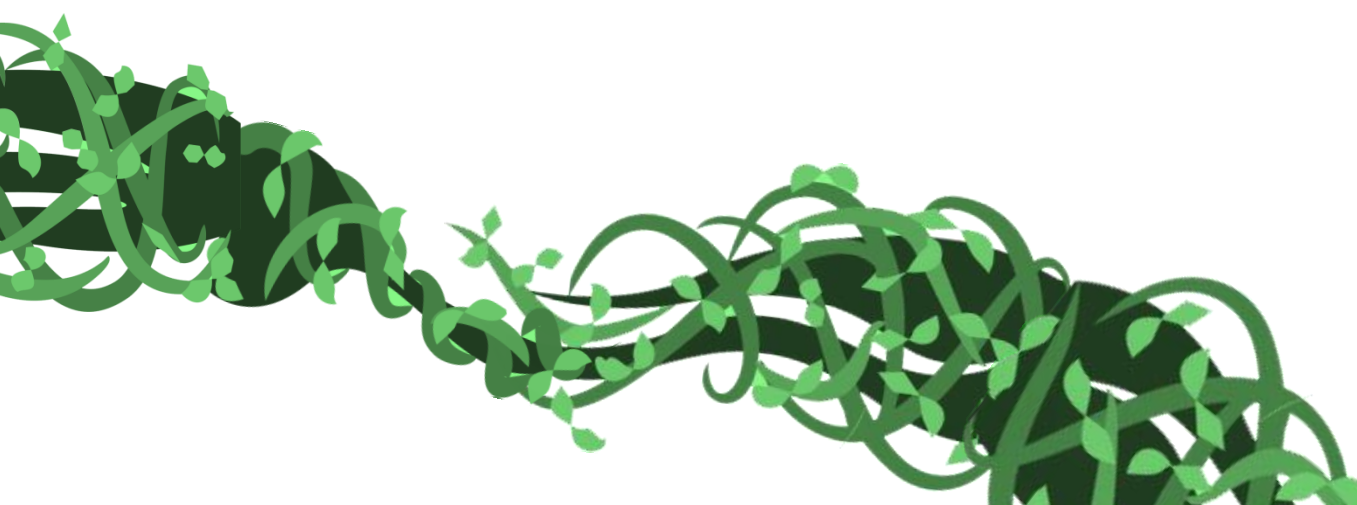
Users will be able to:

- 🌱 Monitor projects into which Faba already invested and see their latest updates.
- 🌱 Vote for projects on the blockchain level (based on the voting rights) and help us choose the right investments.
- 🌱 Check regular company updates and news.

Profit

Profit will be fairly distributed based on the shares sold in Faba's investment portfolio. Distribution of profit will be published in advance in the press release on Faba website. The press release will include the name of the exiting company, the conditions under which the company was sold, the cash flow and the pay-out date. Profit will be distributed in ETH to the ETH wallet of (FABA) token holders. It will always be paid at the time of receiving the funds for the company's shares sold.

After listing (FABA) token on the stock market, we will promote (FABA) token's value by continual global marketing of individual projects that Faba invests into.



What do we offer to FABa token holders?



Return on investment incl. unicorn 1.100 % for
8 years, 138 % p.a.

Return on investment excl. unicorn 282 % for
8 years, 35 % p.a.



(FABa) token liquidity

+

Distribution of profit in ETH on (FABa) token level

+

Voting right (2000 FABa = 1 vote)



Average return on investment

- Investment into 110 projects out of which 11-17 best represent 10-30 x the return on investment, 1 out of 100 projects gets an valuation of \$ 1B (unicorn)
- We support a portfolio of multiple projects to diversify return on investment
- E.g. Faba invests \$ 60.95M inward investment - expected return of \$ 0,672B including unicorn, \$ 0.172B excluding unicorn



Faba ICO Investment Portfolio

Supporting projects with global development potential

🌱 72 x seed (idea) – \$ 180 000

For the seed companies we invest to create a proof of concept (functioning prototype).

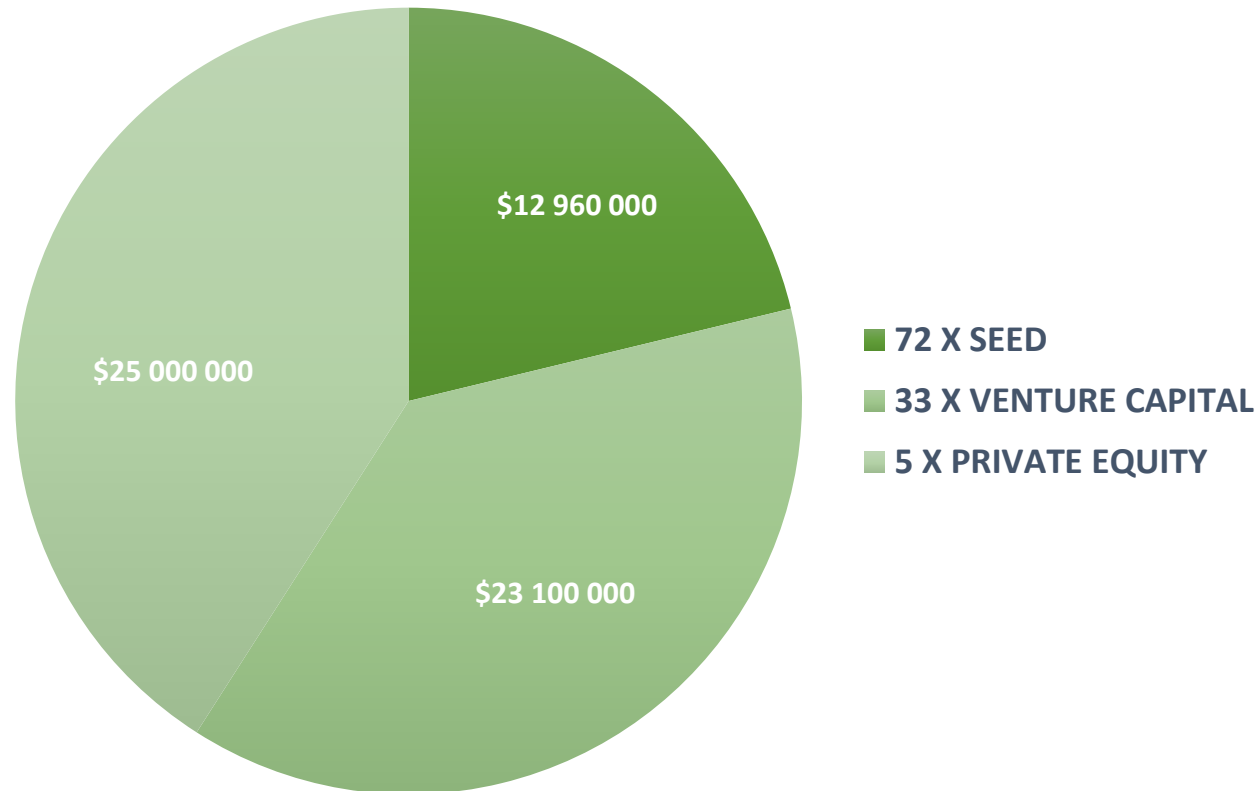
🌱 33 x venture capital (turnover) –\$ 700 000

Venture capital (the initial income phase), is to be used as stabilization of the main expansion strategy.

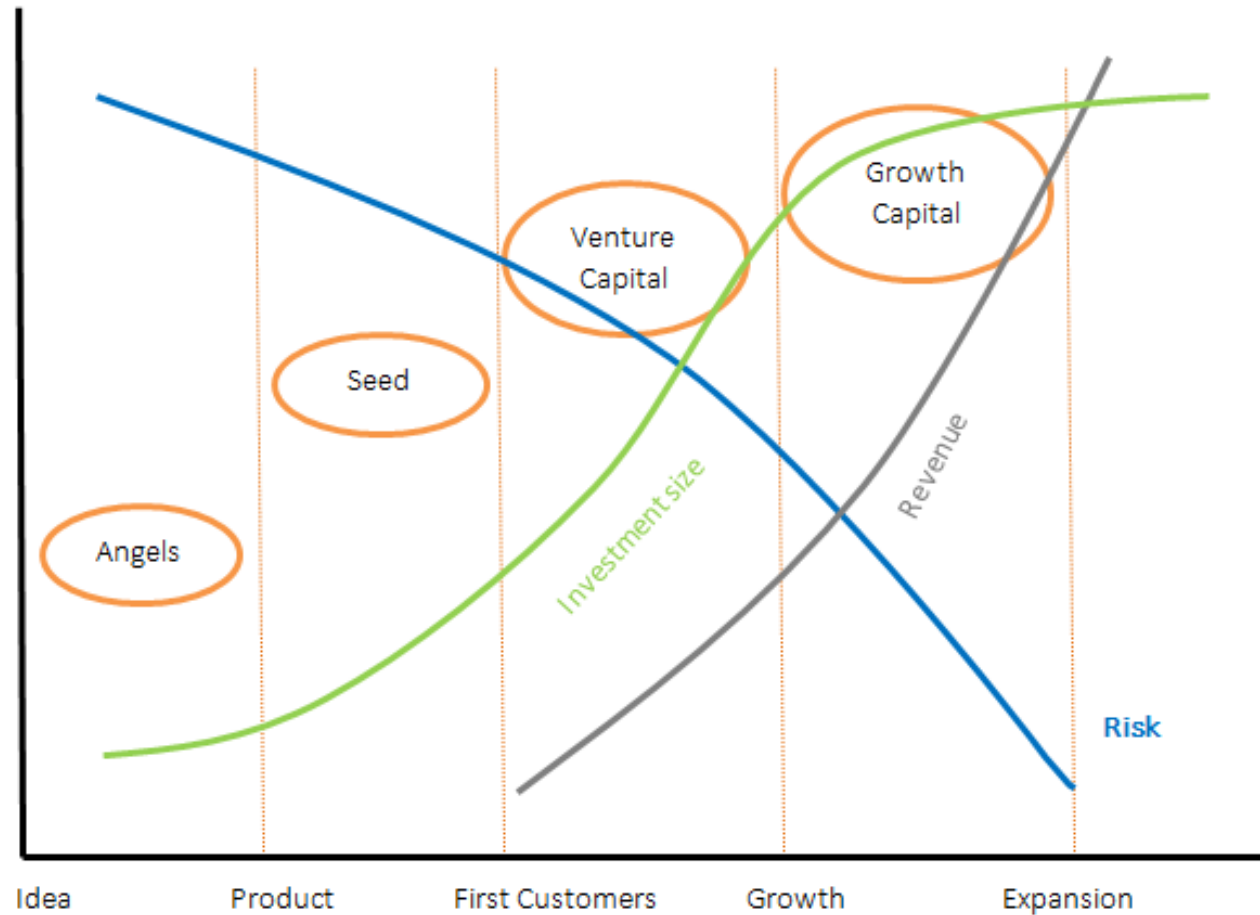
🌱 5 x private equity – \$ 5 000 000

These are companies with minimum risk, with the high potential of growth.

Faba ICO Investment Portfolio



Investment to startups



Where do we look for projects?



USA

Californian Silicon Valley has been considered as one of the most innovative place in the world for decades. In the vicinity of San Francisco, they are the headquarters of internet giants and computer world as Facebook, Google or Apple.



India

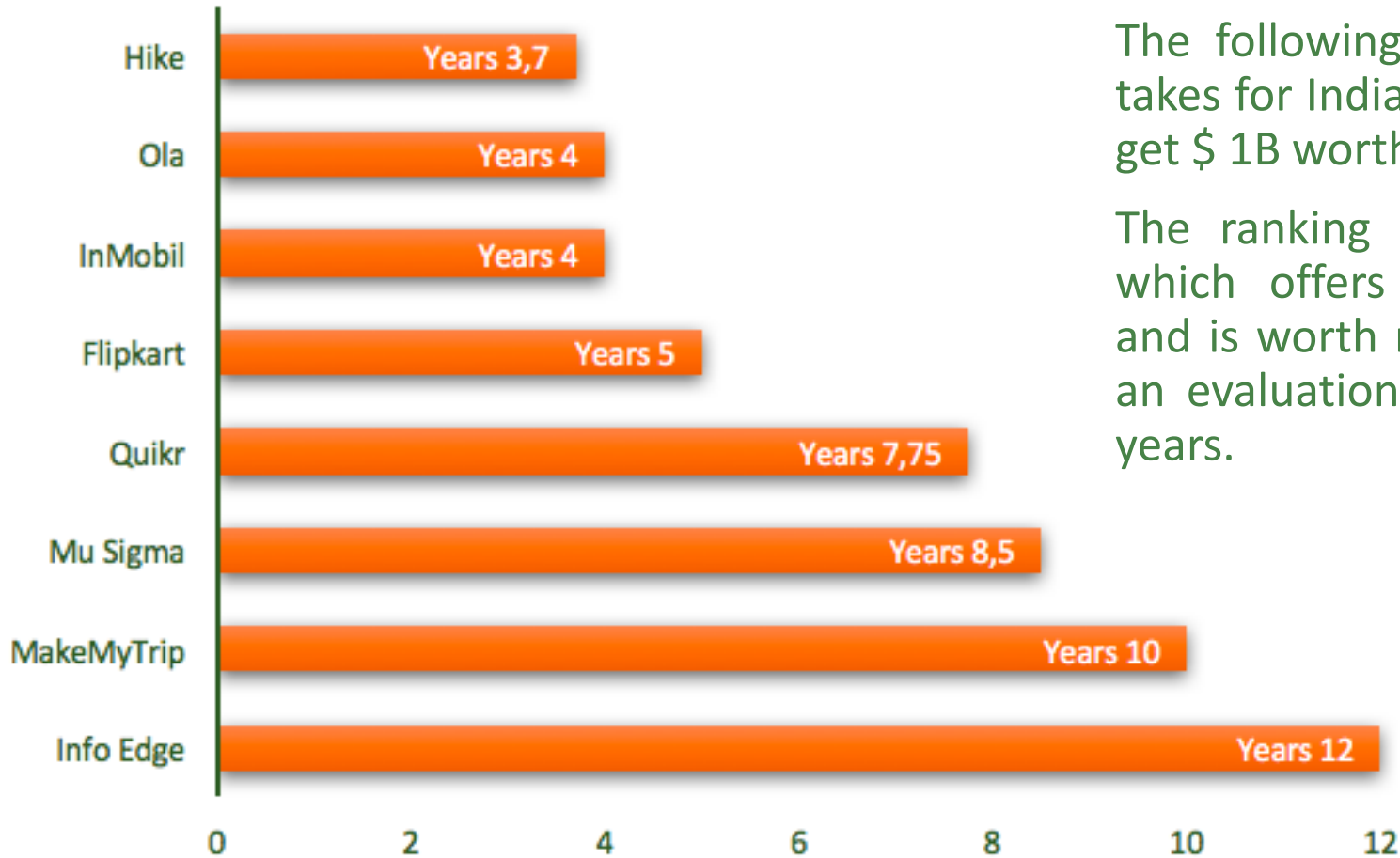
With an estimate of 1.3B population, India is the world's largest democracy. GDP is the fourth-largest in the world after the United States, China and Japan. India represents huge market and dynamic development.



Europe

Czech Republic belongs to the most technologically developed countries in EU. Successful projects as AVG and AVAST were born here.

How fast do unicorns grow in India ?.



The following chart shows how long it takes for Indian technology companies to get \$ 1B worth of so-called unicorns.

The ranking is led by Hike a start-up which offers a messaging application, and is worth more than a billion dollars, an evaluation reached in less than four years.



Synergy



Value add

How venture capital works

- 🍷 Invia.cz (CZ) In 2008, the entry of the Polish investor MCI was 2.7M EUR for a 50.1% share. In 2011 and 2012 MCI increases its business share to around 80%.
- 🍷 Year 2016 Czech Rockaway Capital is buying Invia for 76M EUR.
- 🍷 MCI for its share got 54M EUR. The first investment returned eleven times, later 3.5 times.

invia

mci

r o c k a w a y

How venture capital works

- 🍌 Uber was founded in the year 2009. In the same year the company received initial investment (seed funding) in the amount of \$ 200 000.
- 🍌 In 2010, Uber received \$ 1.25M and 2011 additional \$ 44.5M.
- 🍌 In June 2014 Uber announced, that it received \$ 1.2B funding and its estimated value reached \$ 18.2B. Next investment was \$ 1.5B in the summer.
- 🍌 In the beginning of 2018 Soft Bank buys 2.9% of Uber shares for 1.4B dollars from Uber Co-founder Travis Kalanick.



How do we choose the startups?

- 🌱 The foundation of a successful startup is a unique team of people
- 🌱 Product /customer need solution / company impact
- 🌱 Economy and market policy, how can a product become successful
- 🌱 Grow potential / Value
- 🌱 Exit horizon 3-8 years
- 🌱 Global ambition



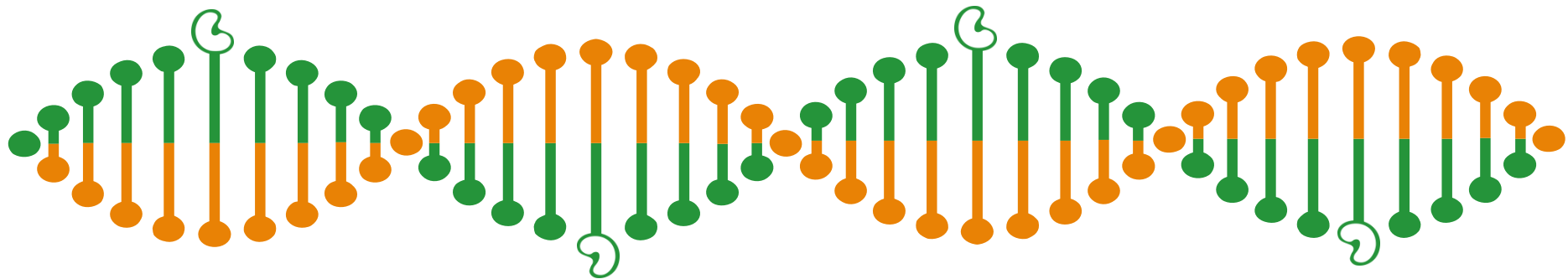
What is the key to a successful investment?

Value add

- 👉 Project control by Faba team
- 👉 Network of accelerators and other external partners
- 👉 Creating the right environment for development
- 👉 Support by our experts and mentors
- 👉 Co-investment, using kickstarter platforms

To approve the investment is required

- 👉 Quality business plan
- 👉 Unique team
- 👉 Due diligence
- 👉 Correctly selected market
- 👉 Quality product that addresses the need
- 👉 Thoughtful investment strategy



Expert Reviews



Contact

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“Become a part of new FABA economy and make the world better together with us!”