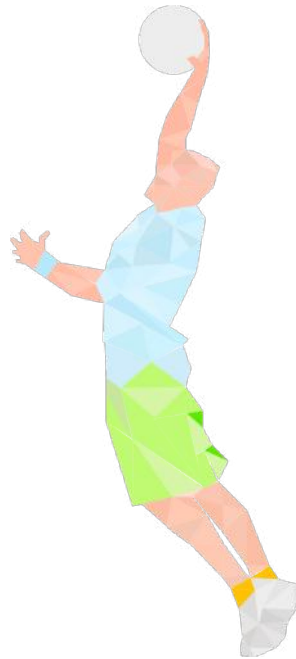


White Paper



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# DECENTRALIZED SPORTS INVESTMENT & FUNDING ECOSYSTEM

## EXECUTIVE SUMMARY

Everyone loves sport. It drives us to challenge our limits, keeping us healthier, happier and passionately motivated. Sport boosts self-esteem and brings people closer together. Yet the sports industry today is an enormous, trillion-dollar commercial enterprise involving countless participants on all levels of economic activity, where goods and services are traded daily all over the world.

Athletes, especially up-and-coming ones at the outset of their professional careers, face many issues when it comes to funding their training and participation in worldwide competitions. Many athletes depend exclusively on institutions that control financing in sport, which then own their image rights and career path. Many clubs and other sports organizations also frequently struggle with financial and liquidity issues, lacking channels to monetize their fans' attention. **SportyFi is about to change this.**

SportyFi will provide the wider global community with ways to invest in sport, giving both fans and potential investors the tools to directly participate in one of the biggest and fastest growing industries. By disrupting the existing model of sports participation financing, SportyFi will allow the sports community to raise funds independently across the world, creating brand new strategies for investment into sport. To achieve this, SportyFi will launch a **Smart Manager Platform** and a **SportyFi Professional Fund**.

**SportyFi**, a decentralized sports ecosystem, is set to facilitate change and reshape the sports financing industry. It will be a smart ecosystem, a global community that runs on the Ethereum platform, utilizing smart contract capacities and other benefits of the blockchain revolution to minimize the logistical issues and related costs, and to maximize potential for low-overhead, secure and instant transactions between the participants in the sports economy, alongside new ways for athletes and sports entities to reach funding opportunities.

The present document illuminates SportyFi's vision for the utilization of blockchain technology in the sports financing industry, in addition to explaining and introducing the SportyFi Token (SPF) as a utility token of value fueling the SportyFi ecosystem. Integrated within the SPF Token smart contract will be the utility function of a DAO, in the form of the SportyFi ecosystem consensus platform, enabling voting on future proposals.

## 1. THE IDEA BEHIND SPORTYFI

The blockchain technology revolution enables SportyFi to actively participate in the coming paradigm shift in the sports industry, reaching for goals that were beyond the horizon of realistic implementation before the advent of blockchain.

SportyFi facilitates a revolution in the world of sports financing, providing a direct financial connection between athletes, sports clubs and sports organizations on the one hand, and the general public of fans, sports enthusiasts and individual businesspeople on the other. SportyFi will not only add an additional player to the sports industry, it will rather establish a completely new (sub)industry. It will create blockchain-based possibilities which were not possible or existing to date.

## 2. THE DEPLOYMENT OF THE SPORTYFI FINANCING ECOSYSTEM

The roadmap to the full deployment of the SportyFi financing ecosystem is extensive, divided into three basic Phases:

Phase 1: Token Crowdsale Phase

Phase 2: Platform Development and Deployment Phase, SportyFi's Fund Initiation

Phase 3: Platform and Fund Optimization, Marketing and Monetization Phase

### PHASE 1: THE SPORTYFI TOKEN CROWDSALE

The SportyFi Token will be a fully ERC20 compatible utility token of value. Token Symbol: SPF.

During the SPF Token Pre-Crowdsale and Crowdsale, a total of up to 200 million of non-mineable SPF Tokens will be issued. Contributions will be made available in ETH (Ethereum) only. Each ETH contributed for the entire duration of the SPF Token Crowdsale will entitle the contributor to approx. 2,500 SPF Tokens (the exact amount to be calculated and determined one day before the SPF Token Crowdsale starts, depending on the then value of ETH).

Out of up to **200 million SPF Tokens**:

- » up to **134,000,000 SPF Tokens** (67%) will be distributed to the contributors in the SPF Token Pre-Crowdsale and Crowdsale;
- » up to **36,000,000 SPF Tokens** (18%) will be distributed to the Founders and Team;
- » up to **20,000,000 SPF Tokens** (10%) will be distributed to the Advisors and Ambassadors; and
- » up to **10,000,000 SPF Tokens** (5%) are assigned for future incentives for fast growth (e.g. strategic future partnerships).

The SPF Token Crowdsale will be open for 17 days from its launch. The smart contract will generate SPF Tokens immediately upon receiving ETH at its address. In due time, after the Token Crowdsale reaches its hard cap or closes after 17 days, whichever occurs first, the SPF Tokens will be released to the contributors and to SportyFi Ltd, according to the split outlined above. Each ETH contributed will generate a corresponding number of SPF Tokens (approx. 2,500 SPF Tokens for the contributor, plus potential bonuses and a corresponding amount of SPF Tokens to be distributed to SportyFi Ltd).

#### A 10% bonus will be allocated to:

- » contributors who contribute within **72 hours** of the SPF Token Crowdsale launch; or
- » contributors who contribute over **100 ETH**.

Please note: each contributor cannot receive a bonus in excess of 10% (even if they contribute within 72 hours of the SPF Token Crowdsale launch with more than 100 ETH). No other bonus of any kind or nature will be offered subsequently. SportyFi Ltd however reserves the right to introduce an SPF Token Pre-Crowdsale contribution period (by invitation only), where the bonus for the exclusive duration of the SPF Token Pre-Crowdsale contribution period may be up to 15% (at the discretion of SportyFi Ltd). SPF Tokens, based on the funds raised during the Token Pre-Crowdsale contribution period, will be generated and distributed several hours prior to the start of the official SPF Token Crowdsale. The SPF Tokens distributed during the Token Pre-Crowdsale contribution period will not exceed 70% of all the available SPF Tokens assigned to the contributors (in other words, during the SPF Token Pre-Crowdsale not more than 93.800.000 SPF Tokens out of 134,000,000 SPF Tokens will be distributed).

The Token's base price will be set one day before the SPF Token Crowdsale starts. Similarly, the ETH/USD exchange rate will be locked based on the market exchange rate as of one day before the SPF Token Crowdsale starts and shall remain valid for the entire duration of the SPF Token Crowdsale.

The SPF Token Crowdsale will be successful if during the SPF Token Pre-Crowdsale and SPF Token Crowdsale period at least **USD 1,500,000** is contributed. If the SPF Token Crowdsale is not successful (i.e. in case less than **USD 1,500,000** is contributed), all contributed funds will be returned to the contributors. The hard cap is set at **USD 16 million** (minus potential bonuses).

#### PHASE 2:

#### SMART MANAGER PLATFORM DEVELOPMENT AND DEPLOYMENT PHASE, SPORTYFI PROFESSIONAL FUND INITIATION

SportyFi will consist of two main pillars, the Smart Manager Platform and the SportyFi Professional Fund.

Depending on the amount of funds contributed, SportyFi will first develop and deploy the Smart Manager Platform (divided into two phases, the Donations Module if up to USD 3.5 million is contributed and thereafter the Investment Module if over USD 3.5 million is contributed). If over USD 9,000,000 is contributed, the excess, up to the hard cap, will be assigned to the SportyFi Professional Fund.

##### \$0 – 1,499,999

Token Crowdsale is not successful  
(all invested funds will be returned  
to the investors)

##### \$1,500,000 – 3,499,999

Development and Deployment of  
the Donations Section within the  
Smart Manager Platform

##### \$3,500,000 – 8,999,999

Development and Deployment of  
the Investment Section within the  
Smart Manager Platform

##### \$9,000,000 – up to the amount of hard cap of 16 million (less potential bonuses)

Allocation of the Funds into the  
SportyFi Professional Fund

USD CONTRIBUTED	ACTION
0 – USD 1,499,999	Token Crowdsale is not successful (all invested funds will be returned to the investors)
USD 1,500,000 – USD 3,499,999	Development and Deployment of the Donations Module within the Smart Manager Platform
USD 3,500,000 – USD 8,999,999	Development and Deployment of the Investment Module within the Smart Manager Platform
USD 9,000,000 – up to the amount of the hard cap of USD 16 million (less potential bonuses)	Allocation of the Funds into the SportyFi Professional Fund

## SPORTYFI SMART MANAGER PLATFORM

SportyFi's Smart Manager Platform facilitates a revolution in the world of sports financing, providing a direct financial connection between the athletes, sports clubs and organizations with the public of fans, sports enthusiasts and individual businesspeople.

The Smart Manager Platform is a blockchain-based sports crowdfunding platform, acting as an intermediary connecting those with an active need for funding with contributing crowds on a micro level. The Smart Manager Platform can be used by anyone connected with sport, whether an athlete, a team, a club or any other sports organization (to simplify this White Paper, we will hereby provide a theoretical athlete's presentation, while the same rules apply for any other participants, such as teams, clubs and other sport organizations, with corresponding modifications).

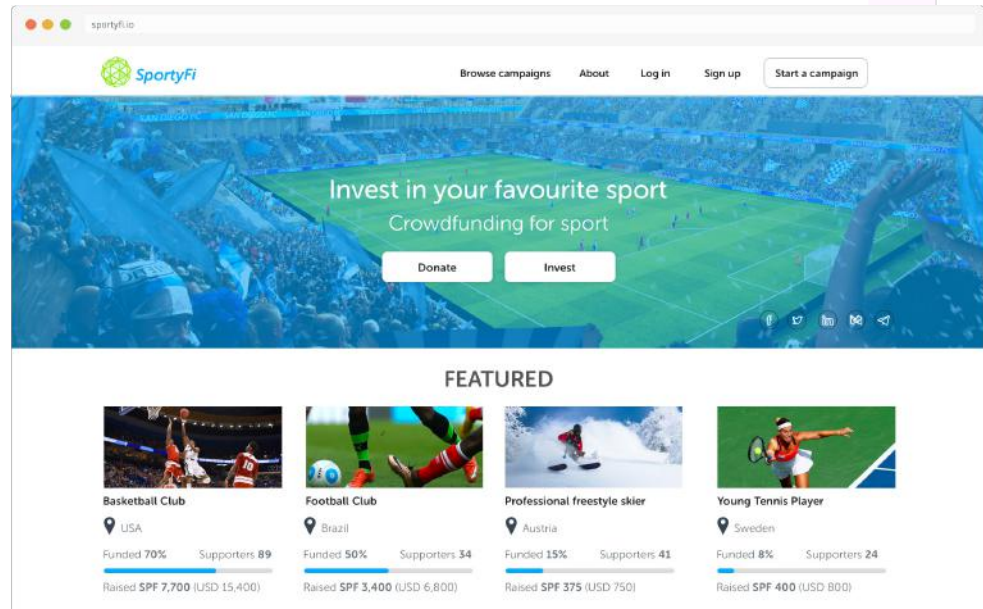
It will offer athletes, sports clubs and organizations a blockchain-based platform where they are able to create profiles listing their current achievements and plans for the future, and the types of investment they are looking for in order to finance their goals. SportyFi will offer crowdfunding possibilities for athletes, sports clubs and organizations. On the other end, the SportyFi Smart Manager Platform will enable the public to get involved in sport on a personal level, acquiring a stake, for instance, in the career path of a young athlete by supporting them financially as they progress. The crowd is always stronger than the individual!

Until SportyFi, only major conglomerates, corporations and people commanding extensive amounts of capital were able to participate in the sports financing industry. SportyFi will turn the tables in this regard, giving the power of sports financing to the public—the fans. Each individual will have the opportunity to directly support their favorite athlete or club, reaping the rewards of their success. In addition to simple donations, smart investment contracts will allow fans and sports enthusiasts to invest directly into athletes, clubs or other sport organizations, with the aim of possible future returns. On these grounds, SportyFi introduces a brand new industry of crowd micro-financing, which provides athletes, clubs and organizations with macro-funding on their respective end.

By leveraging the SportyFi Smart Manager Platform, any fan or sports enthusiast can become a sports investor, depending on their interests and values.

The Platform will have two main pillars: a cryptocurrency-based donations platform (the Donations Module), and a cryptocurrency financial reward-based platform (the Investment Module).

Below is the concept of the SportyFi Smart Manager Platform landing page:



## **DONATIONS MODULE**

The Donations Module will offer athletes a blockchain-based platform where they are able to create profiles listing their current achievements and plans for the future, and their specific crowdfunding goals. Opening an account on SportyFi will be guided by SportyFi's detailed instructions, and will be free of charge.

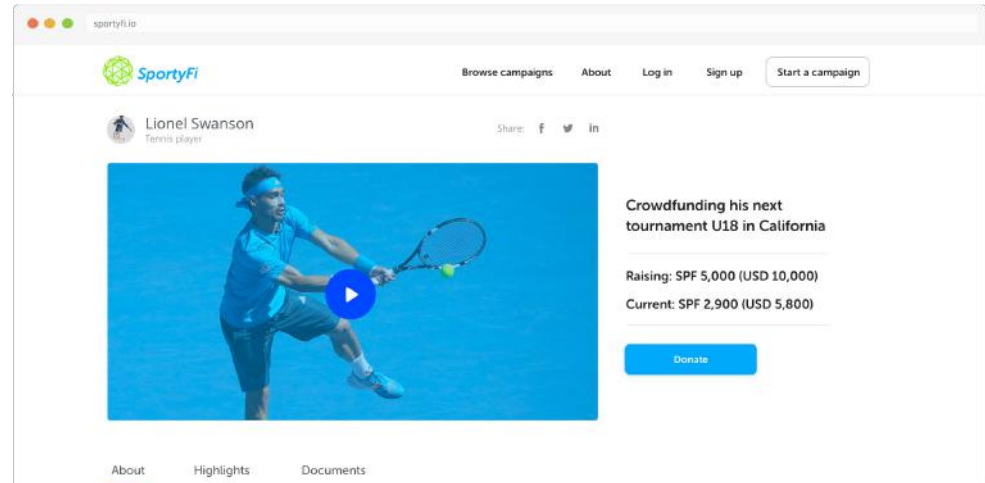
A detailed presentation of the athlete is crucial for a successful crowdfunding campaign. Instructions embedded in the platform will guide each athlete to provide the best story for the donors, set the fundraising target, upload photos and provide engaging videos. Furthermore, the platform will offer each athlete predetermined options for givebacks (small gifts or a simple thank you note in a letter, signed card or even a signed jersey, public social channels thank you notice, ticket for the next game, and similar), while each athlete will also be presented with the option to generate their own custom givebacks.

Athletes will be free to specify their crowdfunding goals related to the core sport activities, decide what purpose the funds are raised for (e.g. costs of training or equipment, travel and accommodation costs to attend competitions, participation fees, etc.). Each athlete will also be free to decide if, and what kinds of givebacks they will offer to their donors. Wise planning is key in this regard—the athlete's chances for a successful crowdfunding campaign or sponsorship request rely heavily on the quality of their profile, the career trajectory and generation of accompanying content such as professional photos and videos. A solid sports history (and personal story) backed up with social media links and achievements might boost their chances further. Setting the right funding goal and duration of the campaign will likewise be important. The specifics are up to the athlete, while SportyFi will offer adequate guidance in the form of clear instructions and pre-written advice in the form of Q&As. Furthermore, SportyFi's back office will provide live guidance and counseling sessions.

SportyFi is very strict on the KYC check and will dedicate considerable resources to preventing fraud or the creation of fake accounts, and any other potential embezzlement. SportyFi's back office will be assigned the task of verifying the authenticity of the person or entity and their profile (e.g. a copy of personal identity card, utility bill or similar documents will be requested for submission and in certain cases also a live video (e.g. Skype) conference will be performed, before the profile is published). Each profile created will be checked and pre-approved by SportyFi prior to publication, to ensure that the person under whose name the campaign is running is in fact the account holder. SportyFi's back office will regularly monitor and redact the content of the platform, as well as edit or delete any inappropriate material.

An athlete campaigning on the Donations Module and opening their personal account will be assigned a personal SPF-compatible wallet (ERC20) with a unique personal key for the transfer of SPF Tokens (while, within the Donations Module only, SportyFi might introduce an option for donations in ETH cryptocurrency or in other tokens of value, depending on popular demand and technical capabilities).

Below is the concept of an athlete's personal profile and the basic available features in the Donations Module:



Once an athlete opens their personal account, they can start campaigning, and from that moment on, success will predominantly lie in their own hands, and those of their networking supporters. If they catch the right momentum and their strategy is sound, backed by realistic potential, they will likely succeed in attracting financial interest. The campaign's visibility is up to the athlete's network from that point on, available for promotion on social media, with supporters, friends, relatives, fans and the general public. SportyFi's back office, however, looks to also actively assist promising athletes with profile management tasks, so that their fundraising campaign has an optimal chance of success.

#### Actions after the end of campaign in the Donations Module

Upon the conclusion of a campaign, SportyFi's back office will guide the athlete in the collection of the funds and the exchange of the SPF Tokens into fiat currency, if so requested, and will offer any other support required.

For each donation made over the Donations Module, SportyFi will charge a fixed transaction fee of 5%. All the SPF Tokens contributed to an athlete will be made available to the athlete—minus the above specified fixed transaction fee of 5%. Different fees might apply, exclusively in the case of charity projects or discounted campaigns.

As with any case of donations, the donors are solely responsible for any applicable tax deductibility and each athlete or recipient of donations will be responsible for the reporting and payment of all the applicable taxes in their country of residence.

#### Additional Payable Services Offered by SportyFi within the Donations Module

Furthermore, SportyFi will offer additional payable services within the Donations Module:

- » detailed support and counseling in running a personal profile and devising the best campaign strategy (other than the general support described above);
- » payment for an account exposure placement in the "Featured" area, or for other campaign promotion services;
- » advertising space on the SportyFi Donations Module.



### The Purpose of the SPF Token within the Donations Module

The purpose of the SPF Token within the Donations Module will be:

- » to make donations;
- » to purchase support from SportyFi in relation to profile management and campaign strategy;
- » to purchase special features, such as the "Featured section" or "Hot pick" and similar features.

### EXAMPLE CASE PRESENTATION:

Claire is 18, a highly promising tennis player. She was just invited to play at a prominent tournament in London. Her parents are facing severe liquidity issues. She'll have to cancel the trip since she cannot afford the USD 7,000+ travel and accommodation costs. However, she decides to open a personal account on the SportyFi Smart Manager Platform and ask for donations. She designs an appealing profile with detailed description of her achievements and career trajectory, accompanied by photos and with a short video addressing the contributors. With personal network engagement and some buzz, within 12 days of her campaign start, she reaches the set crowdfunding goal of USD 7,000. She receives exactly 7,000 SPF Tokens (the value of 1 SPF Token at that moment is USD 1.07) into her wallet from 487 donors (she had a great Facebook campaign so 37% of the funds collected are from her Facebook friends, while other donors were persuaded separately using, among other channels, the SportyFi platform profile with a detailed description of her achievements and career trajectory). After the 5% deduction of the transaction fee, charged by SportyFi, her wallet is richer for 6,650 SPF Tokens. Since the SPF Token is liquid on several exchanges, she is able to sell them at the market price of USD 1.07, and within 5 days receives the amount of USD 7,100.00 in her Bank Account (while USD 15.50 goes to the exchange fee and bank transfer costs). Claire needed some guidance regarding the exchange of the SPF Tokens into fiat currency and contacted SportyFi, receiving her answers in due time. Now, she is able to attend the London tournament. When she comes back, she writes a personal e-mail to her backers, with a brief account and a thank you note for the contribution, enclosing some photos of her London competition participation, where she took 3rd place. Success!

### INVESTMENT MODULE

The second pillar of the Smart Manager Platform, the Investment Module, will enable detailed sponsorship smart contracts of various types, and most importantly, the so-called complex investment smart contracts where an athlete, club or other sports organization can offer a long-term deal to financiers by committing a share of their future income or other revenue stream in exchange for an upfront investment.

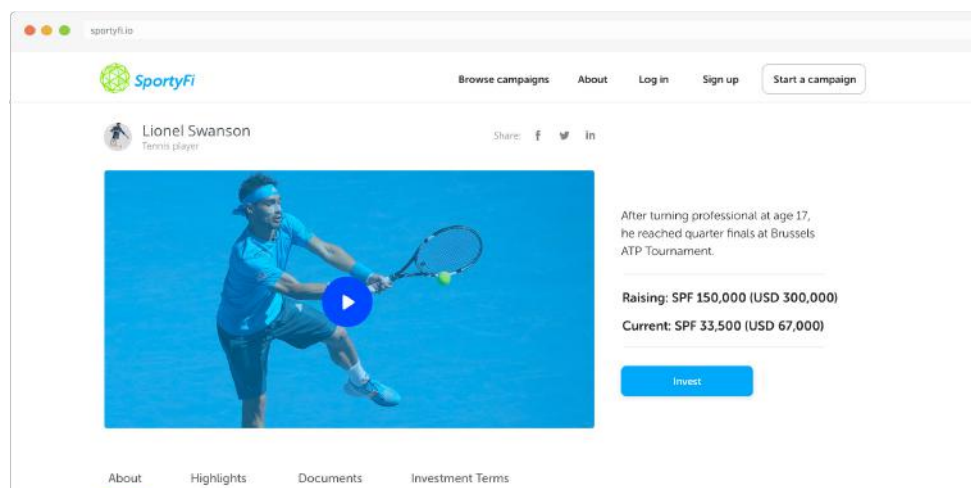
### Investment Module – for Athletes, Teams, Clubs and other Sports Organizations

The Investment Module will offer athletes, teams, clubs and other sports organizations a blockchain/smart contract-based platform where they are able to create profiles listing their current achievements and plans for the future. Opening an account on SportyFi will be properly guided by SportyFi's detailed instructions and will be free of charge.

A detailed personal presentation will be crucial for athletes (again, to simplify this White Paper, we will hereby provide a theoretical athlete's presentation, while the same rules apply for any other participants, such as teams, clubs and other sport organizations, with corresponding modifications) to reach their set investment goals. Instructions embedded in the platform will guide each athlete in the creation of the best presentation of achievements, the projection of the investment targets, creation of content and uploading of photos and videos. Furthermore, the platform will offer athletes predetermined smart contract clauses, alongside the perk of requesting specific smart contract clauses from SportyFi charge-free, tailored to their wishes and needs.

Athletes will be free to choose their investment goals, decide what purpose the invested funds are used for (e.g. costs of training or equipment, travel and accommodation costs to attend competitions, participation fees, and similar). Athletes are free to decide what kind of rights to offer in exchange for the investment. Proper structuring and assessment of the investment goals and adjustment of the offered rights will be crucial for a successful investment campaign. If the athlete provides engaging content for dissemination on other platforms, especially achievements and career trajectory, their chances of a successful investment campaign will increase. Accolades and momentum might boost an athlete's chances further, while setting the right investment goal and campaign duration will likewise be important. Athletes will also be able to ask for peer-to-peer lending transactions.

Below is concept of an athlete's personal profile and the basic available features in the Investment Module:



It's up to the athlete to curate all the above, while SportyFi offers guidance in the form of concise instructions and pre-written advice in the form of Q&A. Furthermore, SportyFi's back office will provide live online support.

An athlete campaigning on the Investment Module with their account will be assigned a personal SPF-compatible wallet (ERC20) for the transfer of SPF Tokens with a unique personal key.

In addition to the features described above, the following features will also be available within the Investment Module:

- » equity campaigns, where, for example, a sports club crowdfunds itself by way of offering equity shares to its fans and investors;
- » debt campaigns seeking low or no-interest-rate loans.

## INVESTMENT MODULE – FOR INVESTORS

Anyone aged 18 or over can become an investor on the SportyFi Smart Manager platform. When opening an account, each investor will be assigned an ERC20 compatible wallet. Once the wallet receives SPF Tokens, the investor is ready to start making investments.

It is entirely up to the investor to decide on the athlete, team, club or sports organization they will invest in. Although SportyFi's back office will check and pre-approve each profile, it will be up to the investor to make adequate due diligence of athletes, teams, clubs or sports organizations

in order to pick those with the greatest potential and the most favorable prospects of a high return on investment. There will be no money-back guarantee, so the degree of insight and understanding is crucial. Investors will thus primarily be talent seekers and scouts rolled into one, and naturally savvy people seeking good investments in a lively and wealthy industry.

Investors will be able to invest into athletes, teams, clubs or other sport organizations and in exchange for an upfront investment receive, for example:

- » a share of future image rights of an athlete;
- » a share of future sponsorship proceeds;
- » commercial rights relationships;
- » a share of transfer rights;
- » other athletes' economic rights.

Assuming the investor makes the right moves, the returns will be deposited back into their wallet on the Smart Manager Platform.

**The campaign on the Investment Module is complete. What now?**

When an investment contract expires or reaches certain conditions, SportyFi's back office will guide the parties on the collection of the funds and exchange of the SPF Tokens into fiat currency, if so requested, and will offer any other support required.

SportyFi's back office will monitor the investees' careers and track whether or not they are honoring the obligations they undertook on the Smart Manager Platform in relation to their investors (while data and information provided by the investors themselves will, naturally, be appreciated). SportyFi's legal enforcement team will make sure each investee fulfils the obligations they undertook on the Smart Manager Platform.

SportyFi will ensure the anonymity of the investors. In order to secure investor privacy, SportyFi will incorporate a UK-law-governed Trust to be the legal owner of the rights of the investors, being authorized to enforce investor rights, whereby the investors remain the beneficial owners of the rights. Once the Trust conducts the enforcement, the proceeds will be divided among the investors according to their share. In countries where trusts are not recognized, the underlying smart contract will establish adequate parallel debt structures and other legal structures, if required.

As with any case of investment, each athlete or recipient of an investment is responsible for the reporting and payment of all the applicable taxes and similarly, investors are solely responsible for any applicable tax deductibility and the payment of all legislated taxes in their country of residence or incorporation.

For each investment made over the Investment Module, SportyFi will charge a fixed transaction fee of up to 12%, depending on the type of the investment and connected costs for SportyFi. All SPF Tokens invested into an athlete will be made available to the athlete—minus the above specified transaction fee of up to 12%. Furthermore, a 5% commission fee will be charged by SportyFi at the time the initial investee repays the agreed proceeds to the investor.

#### Additional Services offered by SportyFi on the Investment Module

SportyFi will offer additional services for purchase within the Investment Module:

- » detailed support and advice on profile management, as well as the design of a solid investment campaign strategy;
- » payment for exposure in the “Featured section” or “Hot Pick Section” or other networking services;
- » advertising space on the SportyFi Investment Module.

#### The purpose of the SPF Token within the Investment Module

The purpose of the SPF Token within the Investment Module:

- » Investments within the Investment Module will strictly be limited to SPF Token (SPF Tokens will thus be the only available currency for making investments, representing the “entry ticket” into the world of individual-based sports investment);
- » To purchase support from SportyFi in relation to investment campaign strategy and networking;
- » To purchase special features, such as the “Featured section” or the “Hot pick” and similar.

#### EXAMPLE CASE PRESENTATION:

Claire is 19, a young tennis professional on the rise. She just placed third at a visible tournament in London alongside some other accolades. However, she still can’t afford to hire a personal manager and is not mainstream enough to attract sponsors. Claire and her family are struggling with the financing of her practice, nutrition, travels and accommodation costs. The costs are increasing as her tennis career evolves, while funds remain mostly the same. Claire calculates that her annual costs for an optimal training regimen are approx. USD 80,000. She performs an analysis and determines that within 3 years, her tennis career will progress to the point she’s able to secure major corporate sponsors and fund her own running costs. Claire thus decides she will offer 25% of all her future sponsorship proceeds received within the period of 10 years in exchange for an investment of USD 270,000. She opens a personal account on the SportyFi platform, setting the investment goal at USD 270,000 and marking the predetermined option to offer 25% of future sponsorship proceeds in exchange for an upfront investment of USD 270,000. Due to her good track record, athleticism and dedication, investors identify potential in her. Within three months, Claire is able to reach the full investment goal of USD 270,000, contributed by 638 investors (some contributing a couple of thousand USD). She receives 84,112 SPF Tokens (the value of 1 SPF Token at that moment is USD 3.21) into her wallet. After the 10% deduction of the transaction fee charged by SportyFi for this kind of transaction (SportyFi has different prices, depending on the type of transaction and Claire decided for this type of transaction), she receives 75,701 SPF Tokens. As the SPF Token is liquid on several exchanges, she is able to sell them at the market price of USD 3.21 and within 5 days receive an amount of approx. USD 243,000 to her bank account. She will now be able to focus on her training and stop worrying about her finances.

At the age of 23, Claire manages to reach the Wimbledon semi-finals and is ranked No. 7 in the WTA Rankings. She signs a sponsorship agreement with a major sports equipment and clothing company, based on which Claire is entitled to USD 1.5 million annually, for the duration of 5 years. Since young Claire signed a smart contract with her investors, Claire is obliged to transfer 25% of this sponsorship money to them. Investors get USD 375,000 each year, which means their initial investment is repaid within the first year after Claire signs the sponsorship agreement and each year thereafter is pure profit. SportyFi made it possible for Claire to launch her career while focusing exclusively on training. Investors identifying such talent and supporting it early can expect sizeable returns across the span of an athlete’s career, depending on the specific smart contract terms.

## THE SPORIFY PROFESSIONAL FUND

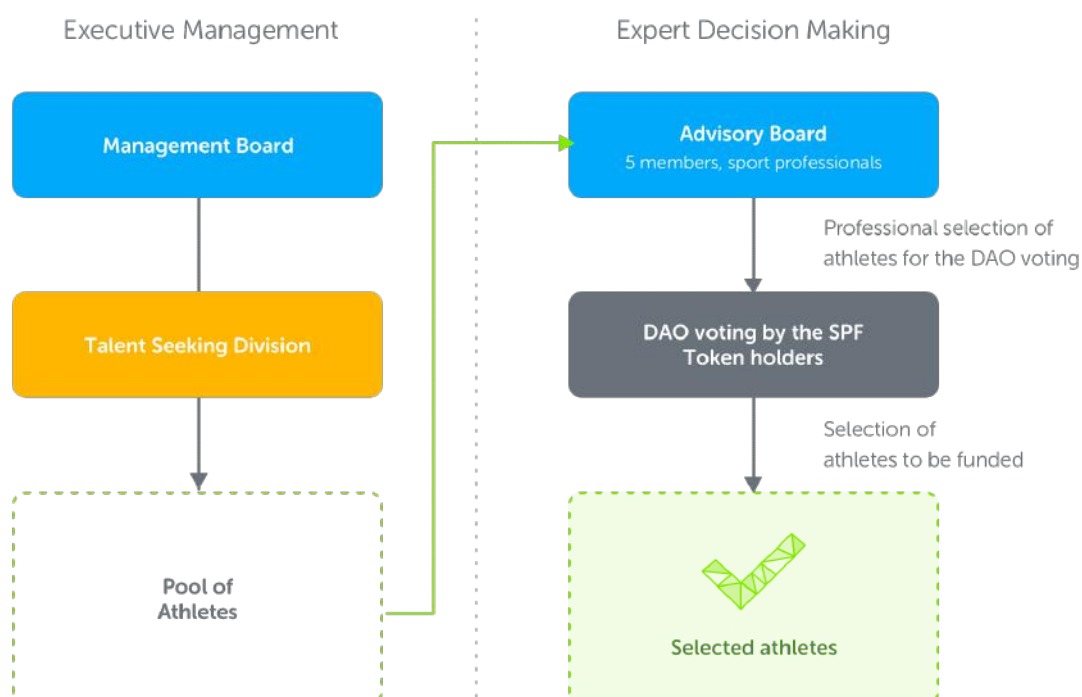
SportyFi's Token Crowdsale initiative will allocate a part of the funds raised during the SPF Token Pre-Crowdsale and Crowdsale into a special SportyFi Professional Fund (i.e. all funds raised over USD 9,000,000, up to the hard cap will be allocated into the SportyFi Professional Fund).

SportyFi will establish a special Advisory Board consisting of veteran competitors, coaches, scouts and other successful specialists. The Fund will invest into those athletes with the greatest perceived potential, in exchange for a future return based on revenue such as prize money, endorsements, appearances, image rights and similar rights of value. Since each sport is different, the investment strategy of the SportyFi Professional Fund will be diverse, driven by the numbers and by analyst expertise.

The mission of the SportyFi Professional Fund is to ensure the future growth of SportyFi Ltd, of the SportyFi Professional Fund and of the complete SportyFi ecosystem.

## HOW THE FUND OPERATES

Corporate structure of the fund:



The Fund operates on the basis of a two-tier decision-making process, the Executive Management consisting of the Management Board of SportyFi and the Talent-Seeking Division directly answerable to the Management Board, and the Expert Advisory Board.

The Executive Management will operate and run the day-to-day business of the Fund. The Talent-Seeking Division will be a team of sports specialists who scout for talent within the sports community and propose specific athletes from various sports to the Advisory Board, positing sufficient potential for investment.

The ultimate decision-making body of the Fund will be the Advisory Board, consisting of five (5) members, selected from veteran competitors, coaches, scouts, managers and other successful specialists.

SportyFi's Talent-Seeking Division will be entrusted with the task of seeking young and promising athletes as early as possible, with the greatest perceived return on investment. The selection of the athletes will then be meticulously reviewed by the Advisory Board that approves the athletes with the greatest potential, agrees with them on all the elements of the investment, and thereafter confirms the athletes are ready to be submitted to the DAO voting. In the process of the DAO voting, the presentation profile of each athlete will be uploaded to the SportyFi platform, with all the SPF Token-holders invited to vote. If the DAO voting confirms the investment into an athlete, the Executive Management team will prepare all the required documentation, setting the investment into motion.

The SportyFi team will thereafter closely monitor the development and professional trajectory of the athletes, and make sure they honor their obligations.

When making investments, the following rights might be considered in exchange for an upfront investment:

- » a share of future image rights of an athlete;
- » a share of future sponsorship proceeds;
- » commercial rights relationships;
- » a share of transfer rights;
- » other athletes' economic rights.

In addition to investments made into an athlete, SportyFi might also propose for DAO voting investments into sport clubs and other sport organizations, as well as a variety of other creative, compounded, or fan-marketed investment into the sports industry and its particular participants.

SportyFi will reinvest 70% of the profit generated by the Fund in such a way to purchase SPF Tokens on the market and invest such SPF Tokens further into new athletes, clubs and other sports organizations in accordance with the mechanism explained above.

### PHASE 3:

### PLATFORM AND FUND OPTIMIZATION, MARKETING AND MONETIZATION PHASE

Following the development and deployment of the Smart Manager Platform and the SportyFi Professional Fund, SportyFi will focus on their optimization, marketing and monetization in line with SportyFi's long-term objectives and core values.

**CHARITIES WILL BE  
VALUED AND ACTIVELY  
SUPPORTED BY SPORTYFI  
ON ALL LEVELS OF  
THE SPORTYFI  
ECOSYSTEM**

Organizations holding the official status of a sports charity organization will receive special treatment. SportyFi will offer official sports charity organizations discounted or even cost-free features on the SportyFi Smart Manager Platform, in accordance with SportyFi's policies and values.

### 3. THE SPF TOKEN

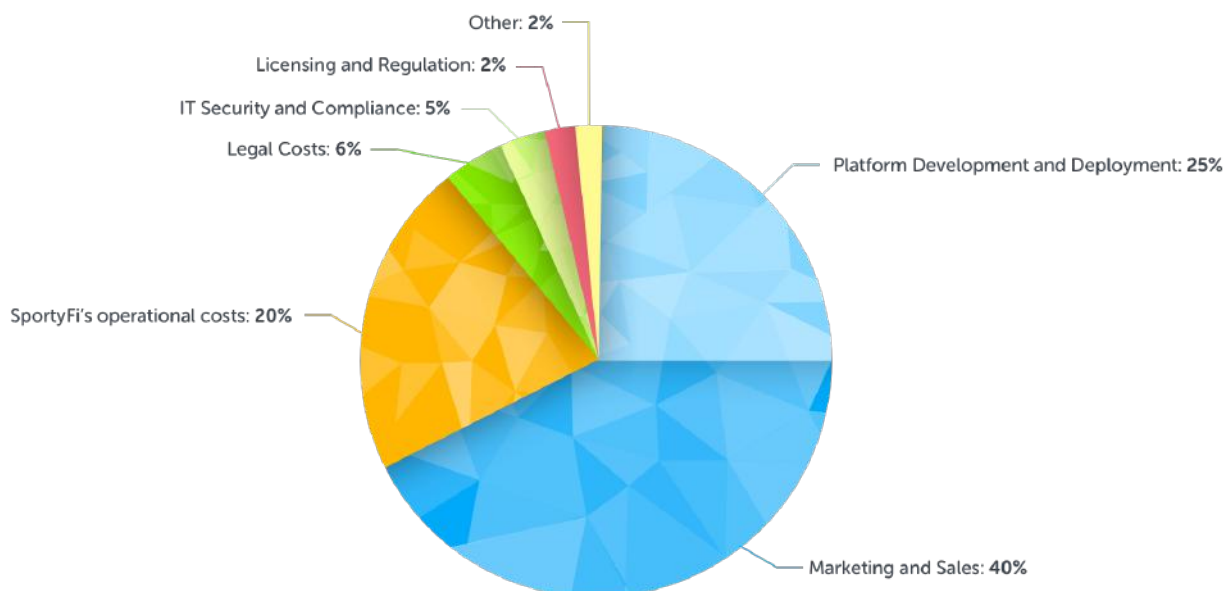
The SportyFi Token (SPF) will be a utility token of value that fuels the SportyFi ecosystem. It will not give its holders any right to participate in the management of SportyFi Ltd (of any kind or nature), it will not represent a shareholding in SportyFi Ltd (of any kind or nature), and will not give its holders any right (of any kind or nature) to the profits generated by SportyFi Ltd.

Integrated within the SPF Token smart contract will be the utility function of a decentralized autonomous organization (DAO)—operating as the SportyFi ecosystem consensus platform—where it will enable future proposal voting based on the share of SPF Tokens held.

The Smart Manager Platform will accept as a payment method only the SPF Token (while only in exceptional cases, ETH and other tokens of value may be added as a payment/investment vehicle, depending on popular demand and technical limitations, and only within the Donations Module).

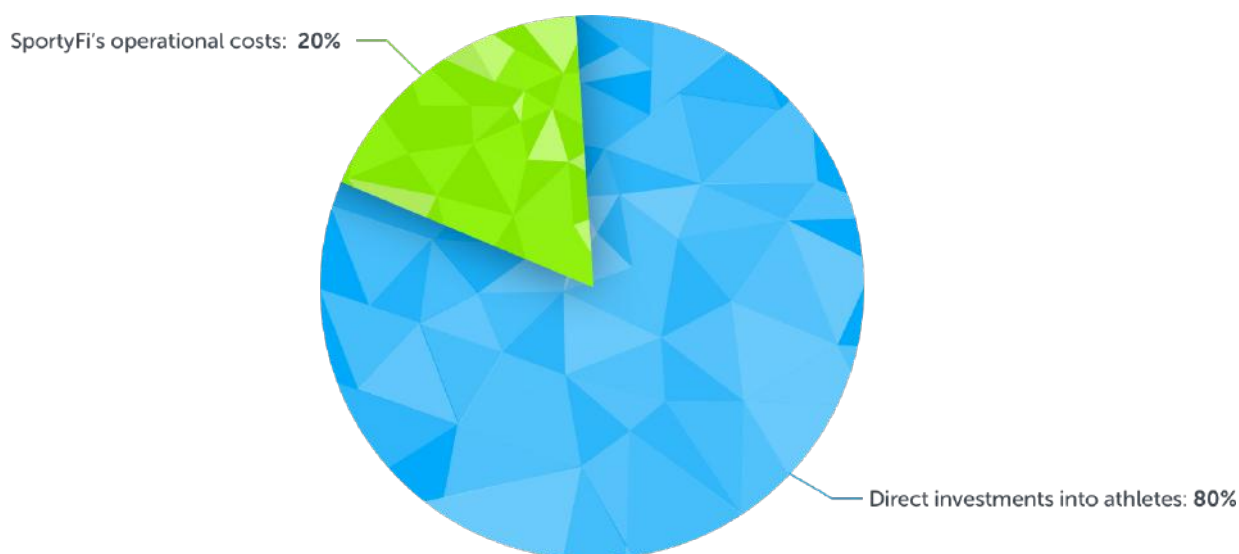
### 4. TARGETED UTILIZATION OF ETH CONTRIBUTED

Up to USD 9 million contributed will represent SportyFi's operating capital. The funds will be used for the development and full deployment of the Smart Manager Platform, its optimization, growth, marketing and monetization phase, in the following targeted way:



% OF CONTRIBUTION	INTENDED USE
25 %	Platform Development and Deployment
40 %	Marketing and Sales
20 %	SportyFi's Operational Costs
6 %	Legal Costs
5 %	IT Security and Compliance
2 %	Licensing & Regulation
2 %	Other

Contributions amounting to over USD 9 million will be allocated to the SportyFi Professional Fund, where the funds will be used in the following way:



% OF CONTRIBUTION	INTENDED USE
80 %	Direct investments into athletes
20 %	SportyFi's operational costs



## 5. THE TEAM AND ITS PAST ACHIEVEMENTS

The Team at SportyFi boasts an extensive record of accomplishment in the digital sphere of the sports industry.

In 2014, the core think-tank was set up to develop and deploy the online marketplace [trainers4me](#), where people can find and book sports instructors of any kind. Trainers4me was successfully launched in February 2015. In June 2015, the project received a major boost when tennis superstar Ana Ivanovic joined as co-owner. In March 2016, the team launched its second sports-related platform [onlinegym4me](#), offering sports enthusiasts across the globe the ability to exercise and stay in shape using live-streamed and recorded online classes.

In June 2016, Technogym, the leading global manufacturer of home and commercial fitness and gym equipment, identified exciting potential in the project, joining in as a strategic investor.

The SportyFi team thus has a proven record of accomplishment of developing and managing digital sports industry projects, from design to launch and beyond. For its upcoming mission, SportyFi has reached out to experts from additional relevant fields, especially on the business, development and promotional side of its many planned activities. Substantial practical experience (in marketing, IT development, blockchain, project development, public relations etc., alongside established connections in the global sports industry) will be channeled into the launch of the SportyFi project, and SportyFi is ready to tackle exactly the kind of challenges presented by such an ambitious endeavor.

As already noted above, the Team at SportyFi has identified the outstanding disruptive potential of the blockchain revolution and is ready to revolutionize the sports industry.

### **MARKO FILEJ | Co-founder, CEO**

Marko is an entrepreneur with vast experiences in the sports industry, and the mastermind behind the global sports platforms: Trainers4me and Onlinegym4me.

### **SIMON ŽGAVEC | Co-founder, Legal & Compliance**

Simon is an experienced attorney at law, specialized in banking and finance and capital markets law, with a special focus on fintech and emerging technologies.

### **TOMAŽ ČEPON | Co-founder**

Tomaž is the go-to operations manager, with over a decade of experience working in several international companies. His main areas of work are marketing and sales.

### **AMIR HUSKIĆ | CTO**

Amir is not only a technology enthusiast, but also an experienced professional with a wide knowledge of infotech, and also has an MSc in Computer and Information Science.

### **BLAŽ CARLI | Lead Developer**

Blaž is an IT professional with over 15 years of experience working on global enterprise projects like Trimo urban crash, Trainers4me, Onlinegym4me, and others.

**ROMINA KAVČIČ | Design Strategy**

Romina's vision is to make a more user-friendly future - pixel by pixel. She's a fan of data visualization and fintech, and worked on several blockchain projects.

**SLADANA ČEVRIČ | Community Coordinator**

Sladana is an expert in the field of qualitative marketing research, combining her knowledge, experience and strong interpersonal skills to gain insight into consumers' needs.

**MITJA RIBIČ | Frontend Developer**

Mitja is professional front-end coder, graphic designer and UX expert, who uses design to engage with users across print, screen and mobile.

**SONI MAKAROVIC | User Experience Designer**

Soni has worked in UX for over 10 years, with both agency as well as enterprise experience. He is on a mission to craft the perfect user experience.

**NEVA OMERZU | Content Manager**

Neva is a storyteller, focusing on how content lives on digital channels. She has worked on several international platforms, including Trainers4me and Onlinegym4me.

**PROFESSIONAL  
ADVISORS****TOMISLAV MUČIČ | Blockchain Consultant**

Tomislav has decades of experience in IT security and Project development and is an early adopter of the blockchain technology.

**IGOR ZGONC | Blockchain Consultant**

Igor has been entrepreneur, manager and consultant for 20 years in the field of information security, risk management and blockchain development.

**JAKA MELE | Blockchain Specialist**

Jaka combines high-tech, finance and communication experiences, and has played a crucial role in the successful crowdfunding of ICONOMI in mid 2016.

**PETER ŠEPETAVC | Marketing Strategy & PR Consultant**

A marketing professional with over 15 years of experience, Peter has worked on local and global marketing strategies with some of the world's biggest brands.

**AMBASSADORS  
AND SPORT  
ADVISORS****NORIAKI KASAI | Ski Jumping Legend**

Noriaki is the most recognizable athlete in the world of ski jumping. He has three Olympic medals and 17 wins in the FIS Ski Jumping World Cup.

**SAVO MILOŠEVIĆ | Former Football Player**

Savo is the Vice president of Football Association of Serbia. During his football career he played for FC Parma, Aston Villa, Espanyol, Celta Vigo, and Rubin Kazan.

**PRIMOŽ BREZEC | Former NBA Player, Basketball Scout**

Primož played in the NBA as a center for eight seasons after being one of the top players in Europe. He is currently a scout for the Cleveland Cavaliers.

**ŠPELA PRETNAR | Former Alpine Skier**

Špela works at the Ski Association of Slovenia. As a former pro skier, she won the small crystal globe in slalom and also has 13 podium finishes the Alpine Skiing World Cup.

**VASJA BAJC | Ski Jumping Coach**

Vasja is a ski jumper turned coach, who worked with the national teams of Japan, Netherlands, Sweden and Czech Republic. Currently coaching the US women's ski jumping team.

**MITJA RUZZIER, PhD | Professor of Entrepreneurship**

Mitja is the Head of the Department of Entrepreneurship at the University of Primorska, researching entrepreneurship, innovativeness, brands and internationalization of SMEs.

**VUK BRAJOVIĆ | Media & Communications Professional**

Vuk is a career marketing & communications professional, with distinguished international references in the area of sports – primarily tennis, football and basketball.

**DIEGO MOYA | Founder of Entrenar.me**

Diego is the founder of Entrenar.me, the largest community for fitness enthusiasts, personal trainers and fitness centers worldwide.

For a detailed and updated presentation of our Team members, Advisors and Ambassadors please visit [www.sportyfi.io](http://www.sportyfi.io).

## 6. THE ROADMAP TO FULL DEVELOPMENT AND DEPLOYMENT OF SPORTYFI ECOSYSTEM



SportyFi to become the default choice for athletes/clubs and other sports organisations in raising funds.

## NOTICE TO CONTRIBUTORS

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Each Contributor represents and warrants to SportyFi that they are fully aware of all the risks associated with the contribution, and with the transfer of ETH to the smart contract system (such as risk of software or blockchain weakness, regulatory risks and risks in change of legislation and/or change in its interpretation, risks of project failure, risk that the SPF Tokens will have no value, and other associated risks).

Each Contributor understands and accepts that the SPF Token is utility token of value and that by contributing ETH to the smart contract and getting SPF Tokens in exchange, it will have no right to participate in the management of SportyFi Ltd (of any kind or nature), it will have no shareholding in SportyFi Ltd (of any kind or nature) and it will have no right to participate in the profits generated by SportyFi Ltd (of any kind or nature).

Each Contributor further understands and accepts that any transfer of ETH to the smart contract is non-refundable.

Each Contributor further understands and accepts that smart contract technology is still in an early development stage and represents and warrants to SportyFi Ltd that it is fully aware of the associated risks with this regard.

Each Contributor or subsequent holder of SPF Tokens is solely liable for any tax obligation under the legislation of its country of residence or incorporation and any other applicable legislation it is subject to.

Each Contributor represents and warrants to SportyFi Ltd that the contributed funds do not derive from any illegal activity and allows SportyFi Ltd appropriate AML Checks. Contributor understands and accepts that SportyFi Ltd may at any time reject any contribution on the basis of simple suspicion that the funds derive from illegal acts or that AML regulation was not honored, without any explanation.

