LIBRA

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Introduction

As per some reports, especially by the year 2018 the eCommerce and some digital businesses reported unprecedented growth in the last few years and it is expected that these businesses will grow at a more robust rate in the upcoming years.

Over the years, the eCommerce field has been deeply influenced by technological developments and the latest technology is blockchain. This technology can open doors for new opportunities for the industry with its unmatched potential.

In this whitepaper, we are representing how Libra Coin with Blockchain technology can provide support and solutions for an eCommerce platform/ business. It will also provide information about how blockchain technology will also help businesses by

0.1 Providing Finance for Small Businesses,

0.2 Changing the way of transaction.

0.3 Engage real users and companies efficiently and also avoid wasting time and effort on fighting with fraudulent actors.

0.4 Transform and Simplify the Investment Lifecycle and also take care of all the other parts.

Additionally, In this Blockchain whitepaper, we are going to talk about how the blockchain works, how it is being used in various businesses, How it can solve the major challenges of the current model and we will also discuss the potential implications for records management.

This white paper represents Libra Ecosystem research, observation, solution, scope, opportunities, benefits, and process to the implication of all the solutions. In this white paper, our research consisted of attending various meetings, webinars, symposiums, online/offline market research, and discussions with external experts.

We also reviewed and analyzed articles and research papers published online. This whitepaper also contains some selected parts of these research papers and articles as a resource. This whitepaper is for Investors, businesses, and service providers and it will help you all to understand Blockchain Technology and how it can help us to solve all the problems faced by eCommerce Businesses.

It will also help to understand how the complete mechanism or process of Blockchain Technology will work together to provide the most robust solution and platform for an eCommerce Business.

Overview

In 2014 E-commerce worldwide sales were USD 1.33 trillion, it reached around USD 3 trillion in the 1st quarter of 2019 and it is estimated to reach USD 4.206 trillion by 2020 end, and 6.45trillion by 2023.
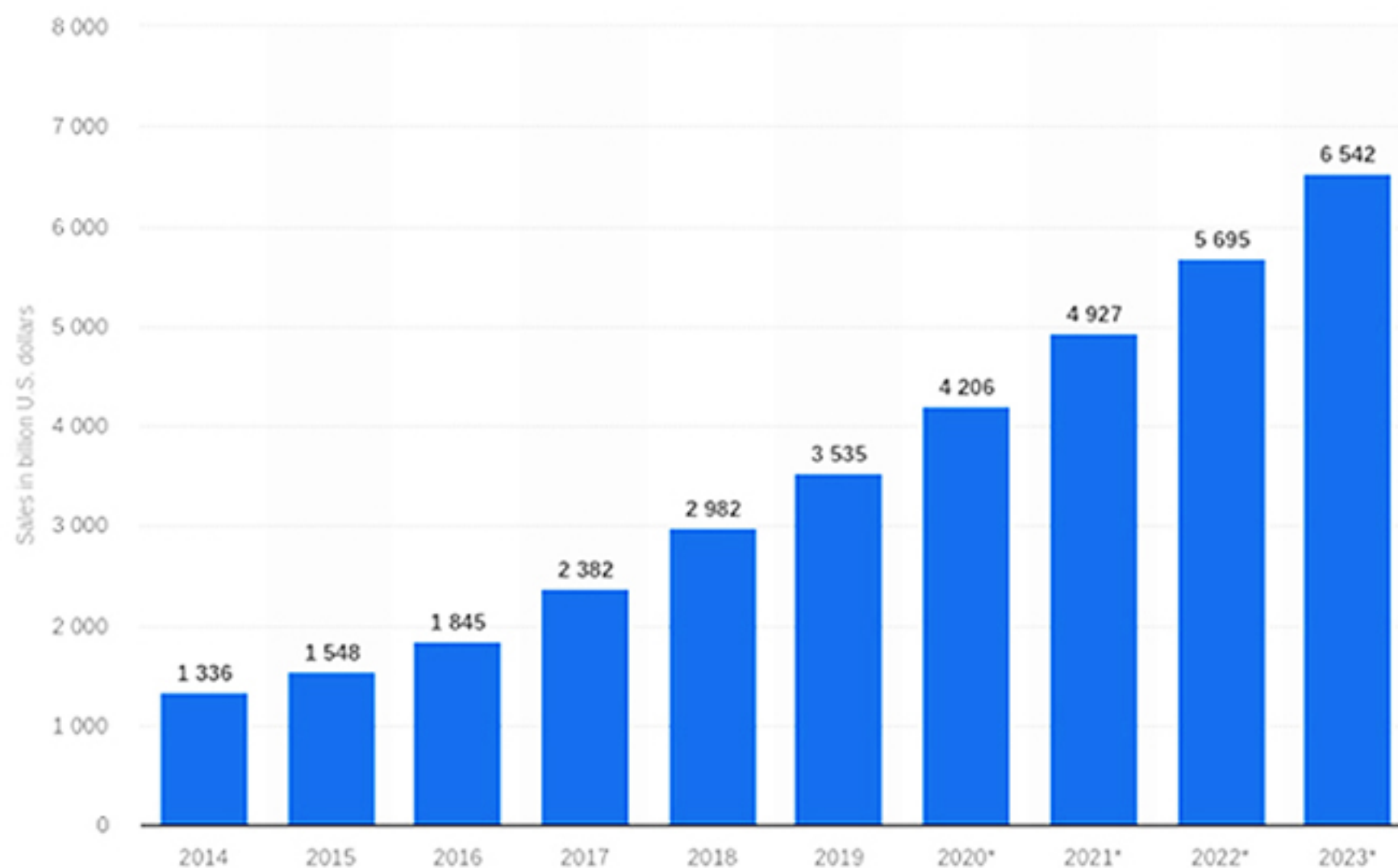
E-commerce share of retail sales was reported around 7.1% in 2015 and it was estimated to reach around 14.6% in 2020. Some online sources already confirmed that the number of people buying goods or services online crossed 1.7 billion in 2018 so crossing the milestone of 2 billion people/ buyers in 2020 doesn't seem that hard.

Undoubtedly, not just e-commerce business, but various other businesses are growing with rate, especially through the digital medium, but growth in E-commerce is on top of all. The evolution of the E-commerce industry has been exemplary and in all these years the concepts of online selling have been deeply influenced by technological developments.

One of the latest technologies is blockchain, blockchain technology will provide incomparable opportunities for the eCommerce industry with its unmatched potential.

With the Blockchain Technology need of middlemen to streamline operations and reduce complexities at all levels will be eliminated. Not just the need for middlemen will be eliminated, but it has a lot to offer to help e-commerce businesses by resolving their every day as well as long-term challenges.

Overview

It also needs to be noted that Blockchain Technology is the base of the cryptocurrency payments, and this fact actually makes it even more vital for the e-commerce industry. It can change the way transactions are being made now. It will also add various other important features and functions. Along with improving the level of data privacy and the overall process.
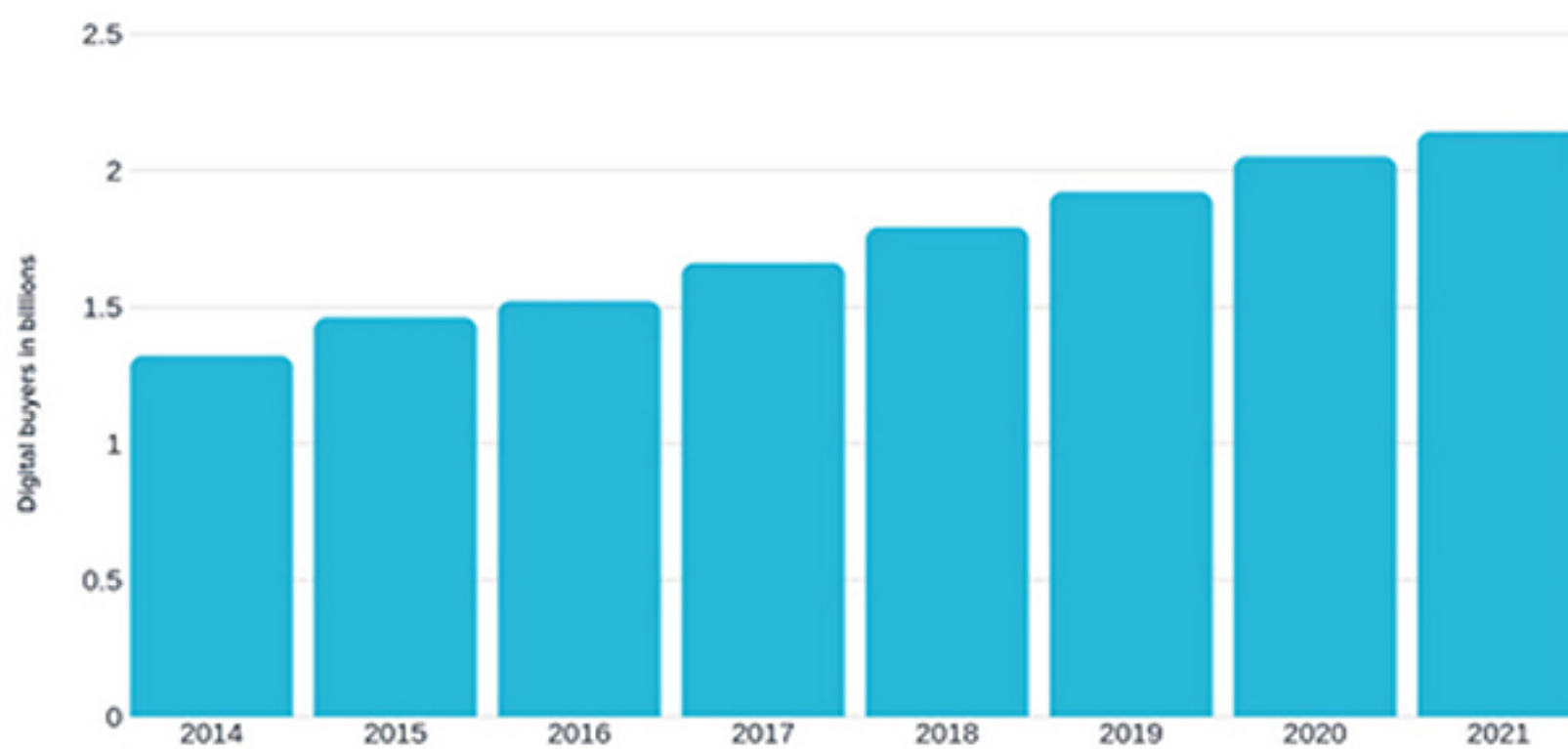
With Blockchain Technology traditional brick & mortar setups, along with e-commerce businesses, will be ready for some vital and necessary changes.

In this white paper, we will talk about the impact of the blockchain that will start appearing in e-commerce businesses in the upcoming years. But before revealing all the changes it will introduce we would like to point out some of the problems businesses in this industry are facing? and what exactly is blockchain technology?

This information will help inverters to invest in E-commerce development services in an effective manner. That's why we are engraving each and every point precisely and in an understandable way.

Biggest e-commerce challenges

ECommerce is a complex and tough domain, we already indicated that Blockchain with all its potential can help the businesses of the e-commerce industry, but there is also a need to understand the problems, challenges, and pain points the industry is facing.

Starting a business in this domain is a challenge in itself, and when starting is challenging then you can assume how tough survival and growth would be. Running businesses is more difficult compared to other fields. And that's why we prepared a list of some challenges everybody has to face on a day-to-day basis as well as in the long run in this field.
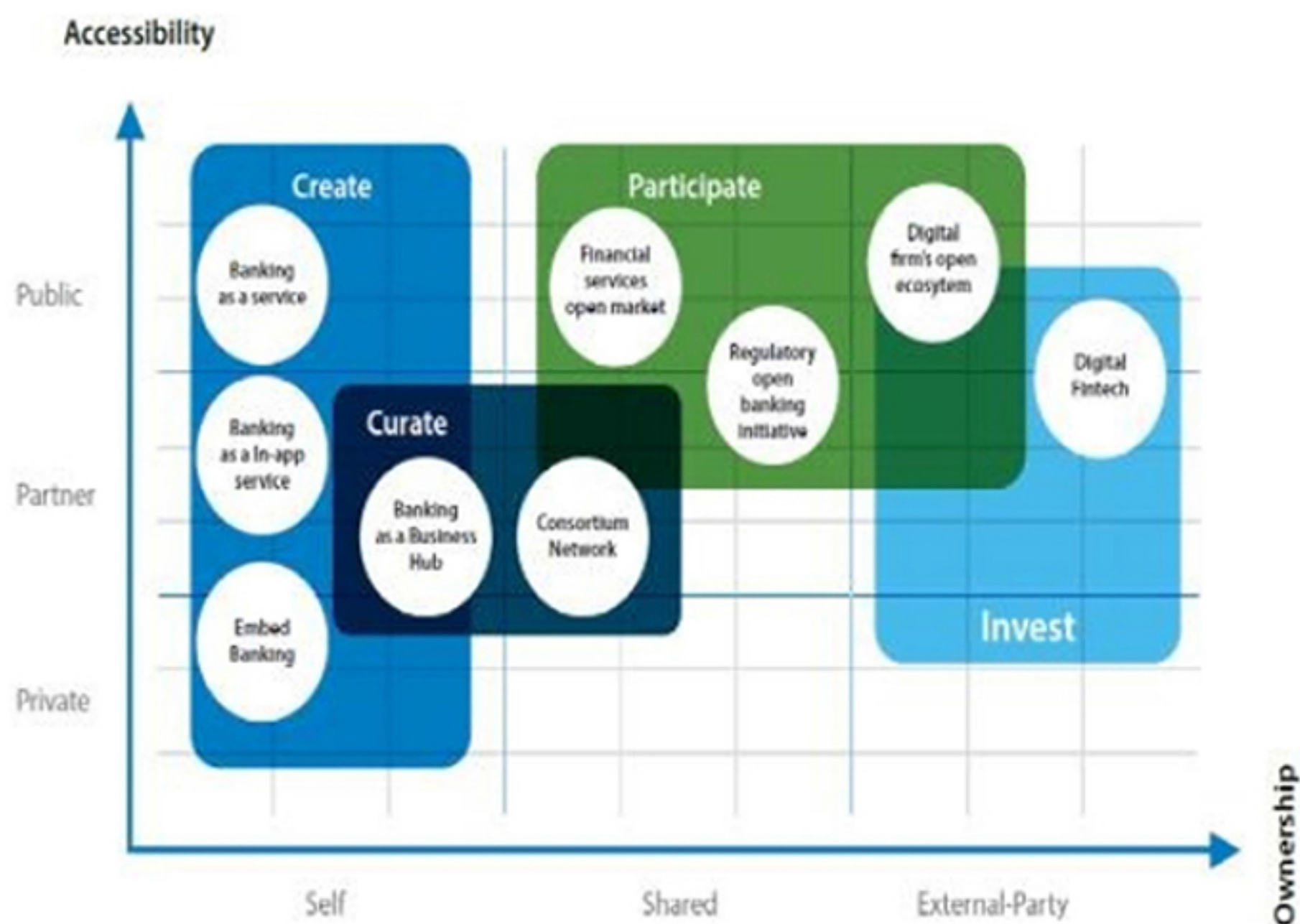
3.1 Lack of Financial services

To start a business, finance is required and if it is a small business, then they will need financial support and services from other sources. These sources can be bankers and investors, but large commercial bankers don't provide financial services to these small businesses due to the involvement of risks.

Biggest e-commerce challenges

Large commercial bankers always give priority to the revenue and not the potential of the idea or business. For them, it is too much risk for too little investment. It is very common nowadays that small businesses fail to get credit from commercial bankers, and commercial bankers will not give credit unless the business has a credit history.

Challenges faced by financial institutions while realising the benefits of Big Data

Challenge	Challenges faced by financial institutions (%)
Data is distributed and in silos	~52
No defined data governance	~32
Shortage of skilled resources to analyse data and communicate insights	~49
Lack of defined and clear business goals	~32
Lack of understanding on techniques/technologies	~32

Source: Narrative Science; The Financial Brand - Jan 2017
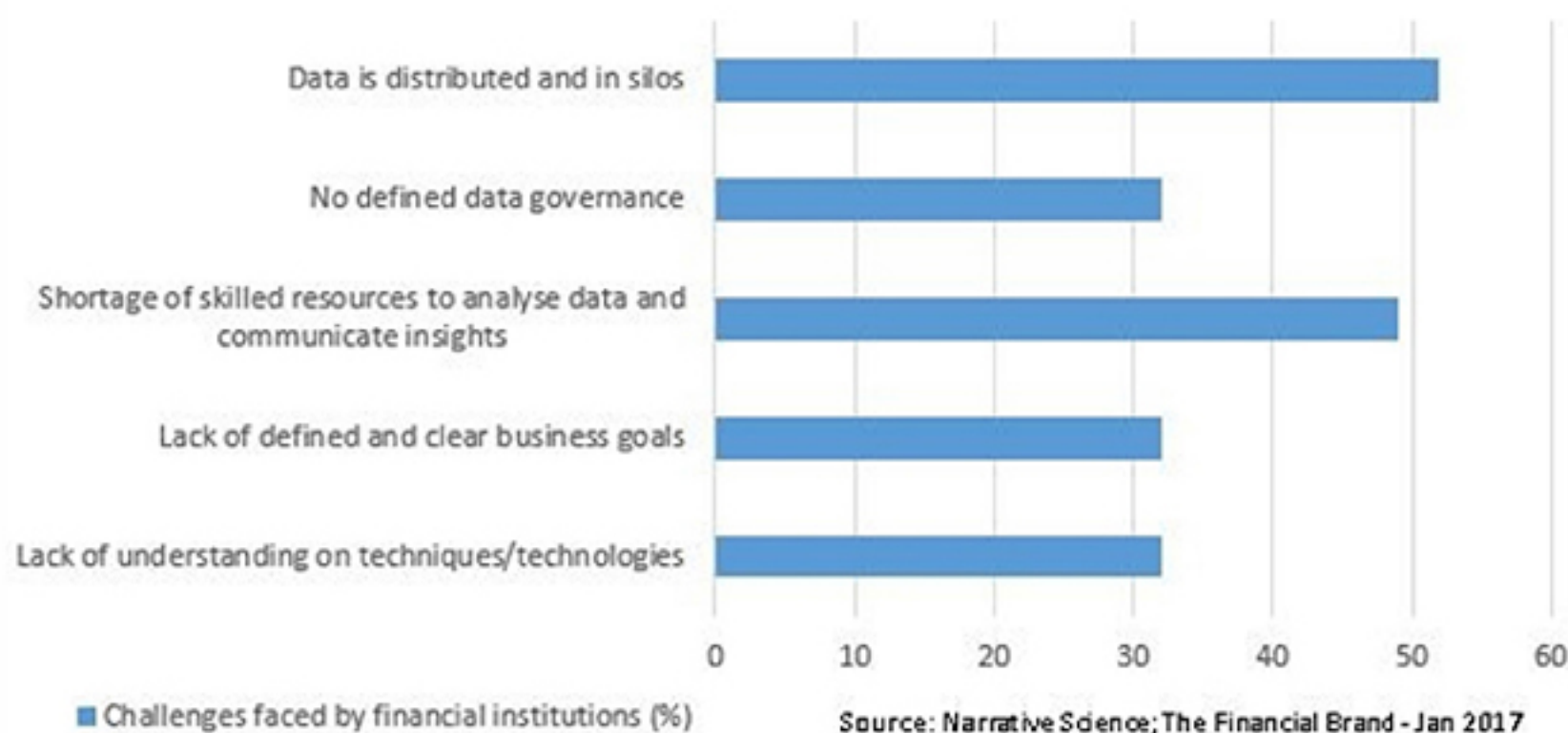
Additionally, bankers need collateral to mitigate risks and that's where the small businesses get stuck because they don't have any collateral assets other than their own business.

One more and a major reason is that banks generate revenue from the interests generated on large deposits and small businesses do not have such large deposits, so banks decline to provide any financial services.

3.2 Huge Competition

There is huge competition in each and every field and the e-commerce market is no different. It has always been extremely competitive, but it has a different story like in this domain, platforms of all sizes are offering similar products and services thus the competition between them is on the next level.

Biggest e-commerce challenges

Competition gets bigger day by day because more and more sellers/ business houses are diving in this Libra Coin at a rapid pace. From totally new businesses to platforms who are using the offline mode previously are showing huge interest in this domain, and that's why this domain is going to be more competitive as well as wider.

And to survive in such a competitive field, businesses of all sizes have to adopt smarter business technologies and models to stay alive in this field. The race in this Libra Coin begins with setting up exceptional e-commerce stores, to streamline the complete process from top to bottom that has to be imposed as part of the business.

3.3 The need for a Middlemen

After the challenges like Financial services and huge competition, this challenge will seem less problematic, but the story is different here.

Sellers are always worried about the middlemen. Actually, in the traditional business model middlemen take away a massive part of the earnings during the selling process. There are many live examples still running online and I am damn sure that you probably used one already.

These services add their huge commission in the cost of the products and thus they sell products at a higher rate and generate good revenue but the original seller earns a tiny part.

Additionally, sellers are also required to pay processing fees for transactions to facilitate payments for the completion of the transactions. Such extra fees reduce the profits of the sellers to a substantial extent means lower revenue to the seller.

Furthermore, the processing fee is not the only thing that sellers are worried about. There are a number of other charges the middlemen cut from the seller's revenue, there are 2-3 more charges.

3.4 Protection of consumer data

We live in a privacy concerned society, almost everyone is concerned about their data and personal information privacy. And Consumers of the eCommerce field are no different.

The protection of consumer data is another important concern for these businesses because they need to build the customer's trust and also have to maintain it, to keep them assured that their details and data, whether it is personal and financial details or details of the transaction or products are completely safe with them.

Biggest e-commerce challenges

Annual number of data breaches and exposed records in the United States from 2005 to 2018 (in millions)

Data breaches and records exposed in millions

Year	Data breaches	Million records exposed
2005	157	
2006	321	19.1
2007	446	127.7
2008	656	35.7
2009	498	222.5
2010	662	16.2
2011	419	22.9
2012	447	17.3
2013	614	91.98
2014	783	85.61
2015	781	169.07
2016	1 093	36.6
2017	1 632	197.61
2018	1 244	446.52

• Data breaches • Million records exposed

Source
Identity Theft Resource Center
© Statista 2019

Additional Information:
United States; Identity Theft Resource Center; 2005 to 2018

In recent years, governments have taken some very strict steps and they also implemented various guidelines in the same matter. One of them is the General Data Protection Regulation (GDPR). Implementation of GDPR made data security a more important thing to take care of for online enterprises.

Due to the implementation of such guidelines, nowadays sellers are forced to invest heavily in data encryption and other measures to prevent hacking, data leak, and tracking.

At the present time, online enterprises have to take it seriously and by reflecting the implemented data protection measures they can build trust, and by following the released guidelines carefully they can also keep it maintained.

3.5 Complex Process

The working process of E-commerce is really complicated, and selling makes everything more complex. Selling through E-commerce involves a list of operations, which include but not limited to supply chain, logistics, payments, etc. Managing this array of operations and involvement of intermediaries is another key challenge in this Libra Coin.

To make everything work together and in a synchronous way, businesses have to ensure that the inventory, as well as the shipping and delivery functions, are working perfectly and it is not an easy task. A small mistake in any part can affect customer relationships. But there are a lot of things that merchants need to manage.

The introduction of block chain will not impact this complex process directly, but by providing better support and the more revenue it will make sure the eCommerce business will run smoothly and in a long time.

3.6 Fraudulent actors

It is very common that if something is growing at a rocket speed it will attract many types of fraud. The E-Commerce domain, including online retail transactions & revenue is breaking each and every record in the years 2019 and 2020. With continuous growth, it also becomes one of the fastest-growing fields which is attracting bad actors and cyber criminals.

These bad actors and cybercriminals are always in search of opportunities to defraud digital businesses, and that's why there is a need to focus on fraud detection and protection and also take strict action against them.

Blockchain can mitigate these risks to a huge extent because it has better functions and elements to deal with these types of risks.

3.7 Investment lifecycle

At the present time most of the businesses whether it is innovative tech-driven startups, SMEs, or other public and private sector companies, are struggling to access funds or get investment directly from the public investors. And due to the consistent Investment lifecycle, these businesses lost their shine after a short time frame.

All the above challenges can be considered as the reasons behind it, but actually the problem is something different either small businesses are not being able to meet the expectations or they grow at a slower rate as compared to the estimated rate reflected to the investors.
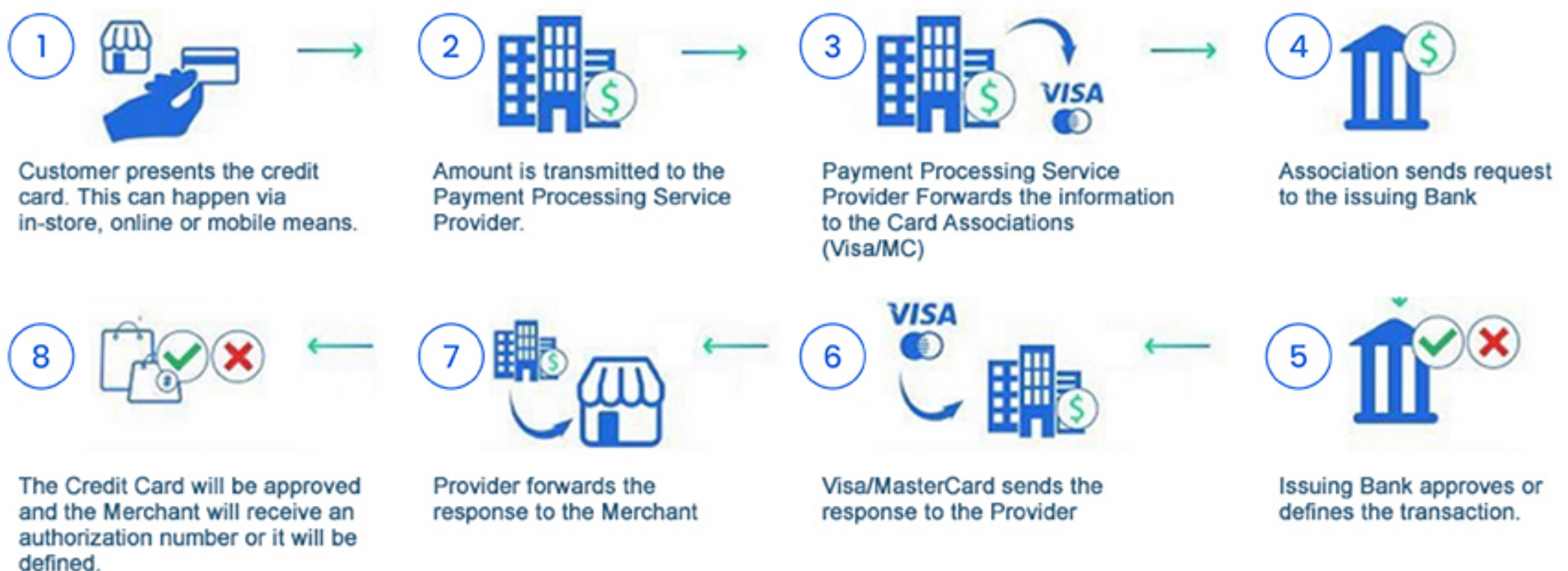
Biggest e-commerce challenges

Additionally, Small businesses usually fail to keep necessary things transparent, which results in losing the trust of investors. They also fail to seize opportunities so they can get noticed easily in the market with new Investors.

3.8 Inability to take payment in Ether

Ethereum economy reached a market cap of USD 36billion as of June 14, last year. But at the present time, merchants are not able to accept payments in Ether, They are only providing options such as Credit Card, Debit card, Internet Banking, UPI, Wallets, and Cash on delivery, etc.

However, a totally new digital asset class is also on the way, it is Coins of products that are built on the Ethereum platform. The introduction of a totally new kind of digital asset allows the creation of a Coin-based digital asset economy. Some of the industry experts also expected that until the year 2025, 10% of global GDP will be generated on blockchains. And if such high numbers and possibilities are there then merchants will definitely want to participate in the blockchain created economy.

1. Customer presents the credit card. This can happen via in-store, online or mobile means.

2. Amount is transmitted to the Payment Processing Service Provider.

3. Payment Processing Service Provider Forwards the information to the Card Associations (Visa/MC)

4. Association sends request to the issuing Bank

8. The Credit Card will be approved and the Merchant will receive an authorization number or it will be defined.

7. Provider forwards the response to the Merchant

6. Visa/MasterCard sends the response to the Provider

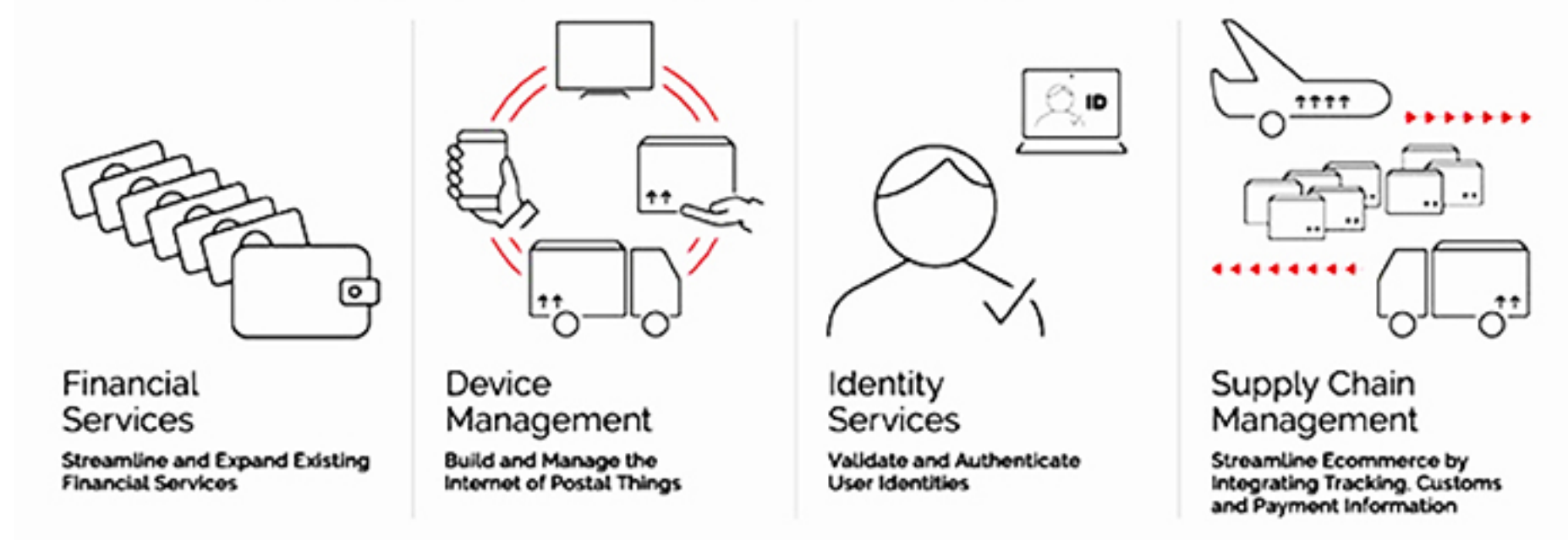5. Issuing Bank approves or defines the transaction.

After explaining some important challenges that sellers and investors are concerned about in the E-Commerce domain. We would also like to mention here that these challenges have been causing trouble for the sellers and their revenue since the beginning of this digital way of selling. And in all these years they have been looking for solutions and technologies that are capable enough of handling these challenges.

Finally, they have found a perfect solution for each of their problems in blockchain technology. It is a decentralized system that will bring lots of benefits to the e-commerce domain.

We will explore the impact and benefits of this technology in this whitepaper and we will also talk about solutions that it will provide in the e-commerce domain. But before that let's take a look at what exactly this blockchain technology is capable of?

Meet E-commerce Blockchain

SUMMARY OF POTENTIAL POSTAL BLOCKCHAIN APPLICATIONS

Financial Services
Streamline and Expand Existing Financial Services

Device Management
Build and Manage the Internet of Postal Things

Identity Services
Validate and Authenticate User Identities

Supply Chain Management
Streamline Ecommerce by Integrating Tracking, Customs and Payment Information

Even after the continuous growth and positive impact e-commerce has on the global economy, things have not been very bright for the sellers in this industry. They have a lot of challenges and huge competition to take care of but most of them can be solved with blockchain technology and more details can be found below.

4.1 Enhanced Operational Efficiency

With the decentralised model, the blockchain technology is capable of making the operations very efficient and hassle-free. Smart contracts will be used to take care of some of the most important tasks such as logistics and payment processing. The technology will play a very important role in integration between various management systems along with organising the complete workflow.

Blockchain technology provides a series of recorded data which can't be edited; it actually enhanced visualization/transparency across the supply chains. The platform will also provide all the required details too, including the origin, components, and processing of the product the customer is willing to buy.

It promotes decentralized database management that provides facilities to store a complete ownership of their digital assets, including digital storefronts, description, product photos, related videos, and reviews.

4.2 Trust and transparency in payments

The current payment gateways available on E-Commerce Platform such as Credit Cards, Debit cards, Internet banking, UPIs, Mobile wallet, etc. are not perfect and also not very secure and transparent methods.

Blockchain e-commerce will bring transparency in transactions, it will also make everything secure and error free. These all will actually foster the trust of the buyers. Additionally, each and every transaction will be recorded in a shared ledger, which can't be modified by anyone.

Block chains will offer faster processing speed, top-notch security, radical visibility, and ability to trace through the decentralized system. By keeping country and currency agnostic, cryptocurrency currencies will reduce the transaction costs of e-commerce stores located worldwide. The Blockchain technology is ready to replace some of the existing payment methods with some extra benefits that were not in reach of them.

4.3 More payment modes

At the current time there are limited payment options available for ECommerce users. They only have options such as Cash, Bank transfer, Credit Cards, Debit cards, Internet banking, UPIs, Mobile wallet, and some other digital payment gateways. These payment options have limited security options and they also can't provide transparency along with security at the same time.

Blockchain platform for cryptocurrency payments:

| Payment gateway for merchants | Wallet | Exchange | Blockchain | Arbitrage Software |

Cryptocurrency payment will provide the top-notch security features, along with traceability, transparency and faster transaction method.

4.4 Cost-Effectiveness

Take Bitcoin as an example which is a well known use-case of this technology. Both parties can rely on bitcoins and other cryptocurrencies that can make the complete process cost-effective. It will be a great addition in Digital Payment Gateways.
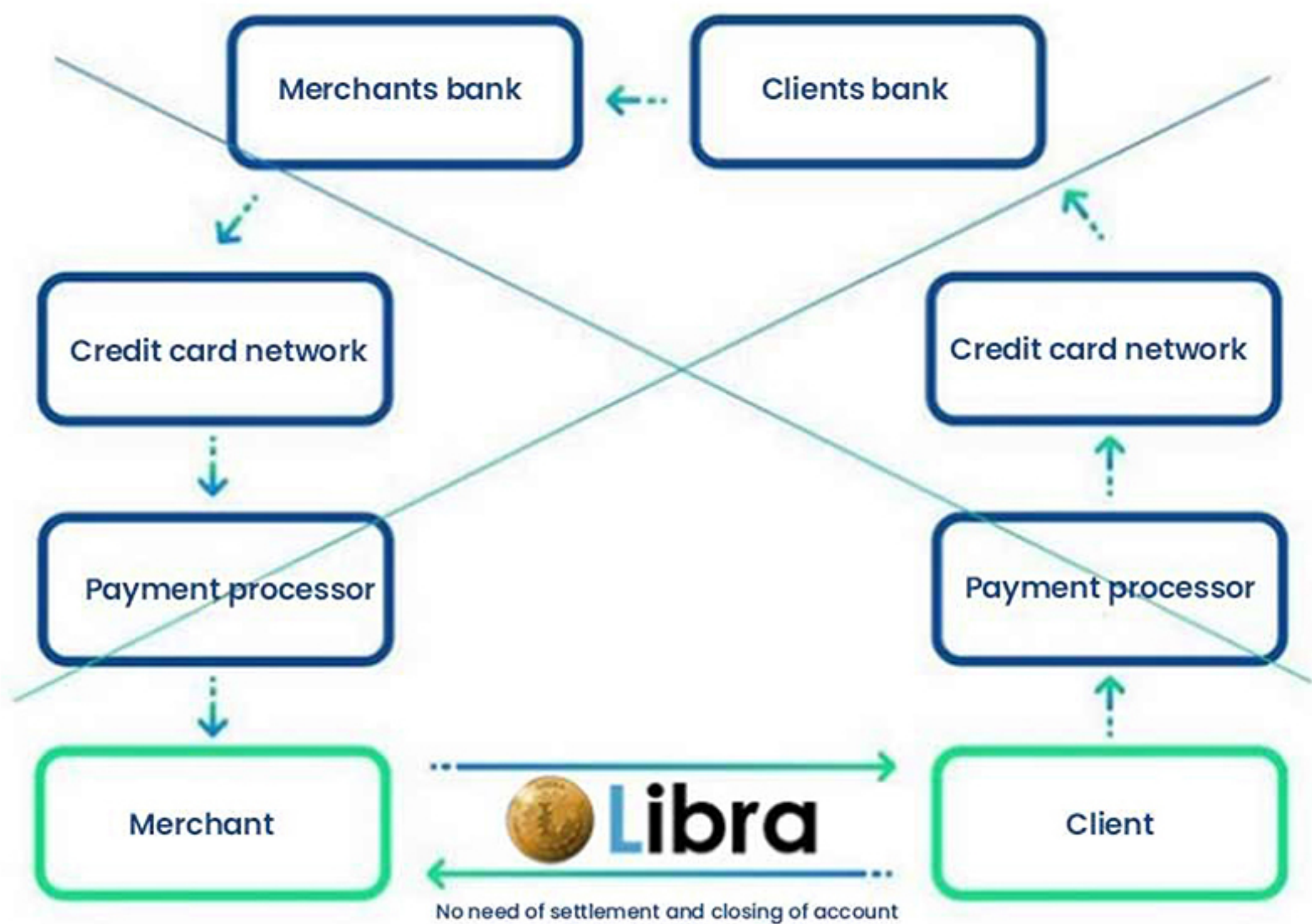
This mode of payment doesn't have payment processing involved so the seller can also accept payment at zero processing fees.
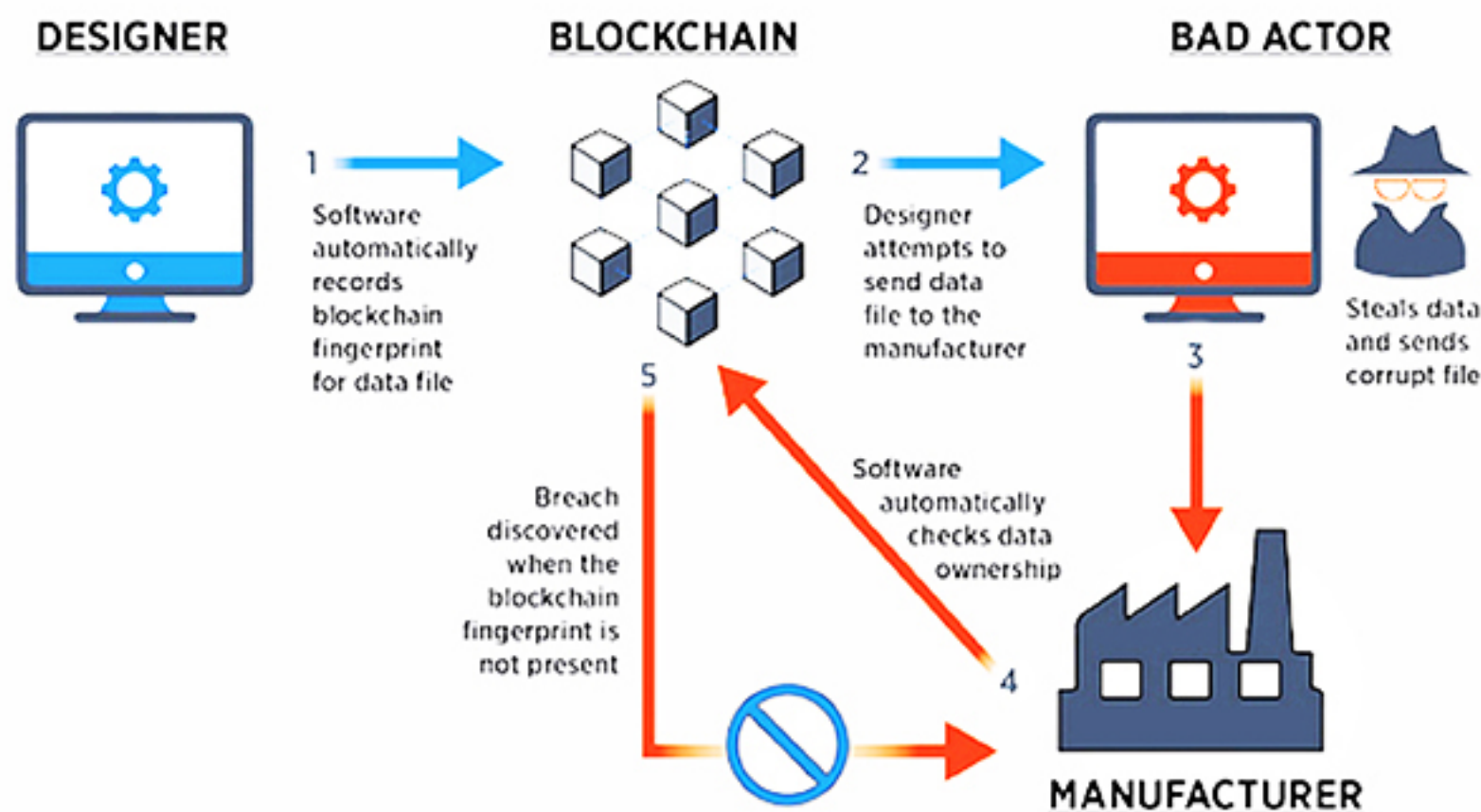
Due to the decentralized process the cost will automatically go down and still both the parties will have no loss. Thus, this will bring better rates for everyone, whether it is a seller, trader or the customer.

4.5 Dependable Data Security

Do you know that Blockchain technology also promotes Verification of transactions? Know, Right! Along with the transaction verification the block chain will also bring more data security features. Consumer data on online platforms are always at risk, whether they are centralized or stored in the cloud. The stored data can easily fall prey due to the weak encryption. And even someone is claiming the most well-encrypted systems, these can be cracked today or tomorrow.

That's why Blockchain technology is a must at the present time and also for the future. This technology will provide a decentralized ecosystem, which is practically impossible to hack due to the multiple organised manner of entry points and level of securities.

DESIGNER — **BLOCKCHAIN** — **BAD ACTOR**

1 Software automatically records blockchain fingerprint for data file

2 Designer attempts to send data file to the manufacturer

Steals data and sends corrupt file

Software automatically checks data ownership

5 Breach discovered when the blockchain fingerprint is not present

4

3

MANUFACTURER

The blockchain-based systems will eliminate the risk of being hacked or unauthorised access. So no one is going to break into them, thus gaining access to the sensitive data of customer information and databases is impossible. Another awesome thing blockchain technology can do is that even with providing all the securities it also maintains an uninterrupted workflow at the same time.

5.1 Smart Contracts & Workflows

Smart Contract allows us to facilitate a robust and hassle-free payment solution along with a decentralized trust and reputation system between parties through the blockchain.

Most of the important things such as Number of smart contracts, structure, and functionality will be defined during the development.

You can check the workflow below which represents the purchase and claim process and also shows you how the trust rate for both parties gets affected through it.

Client Makes a purchase
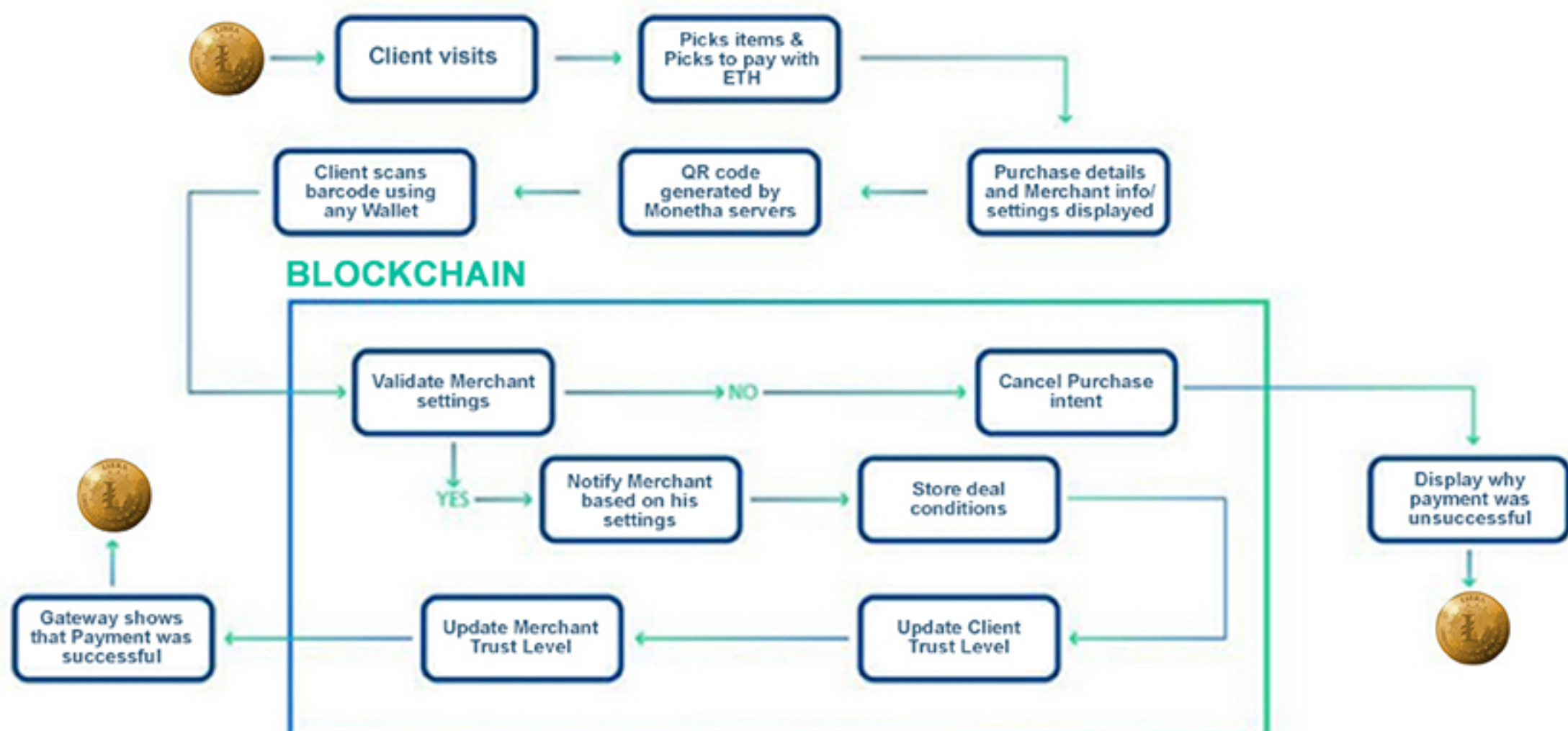
Claim Workflow

The workflow represented below will show you the process when the client initiates a claim that needs to be resolved with the merchant. Incentives for merchants and clients will be also introduced for fast process and to also maintain trust level.

Product architecture and product development timeline

Client files a claim
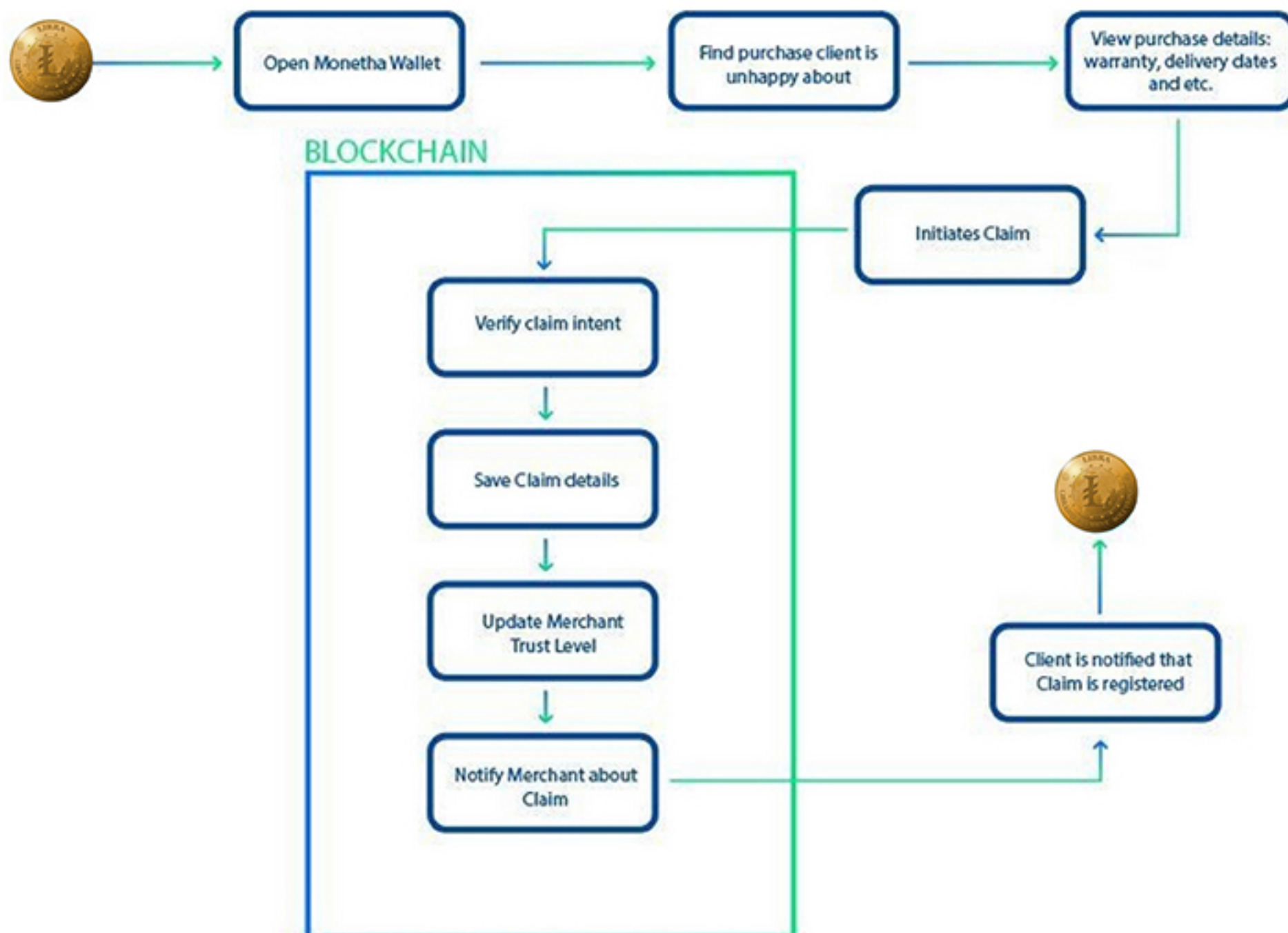
The merchant responds to a claim, fixes the problems with clients and also provides details of the resolution.
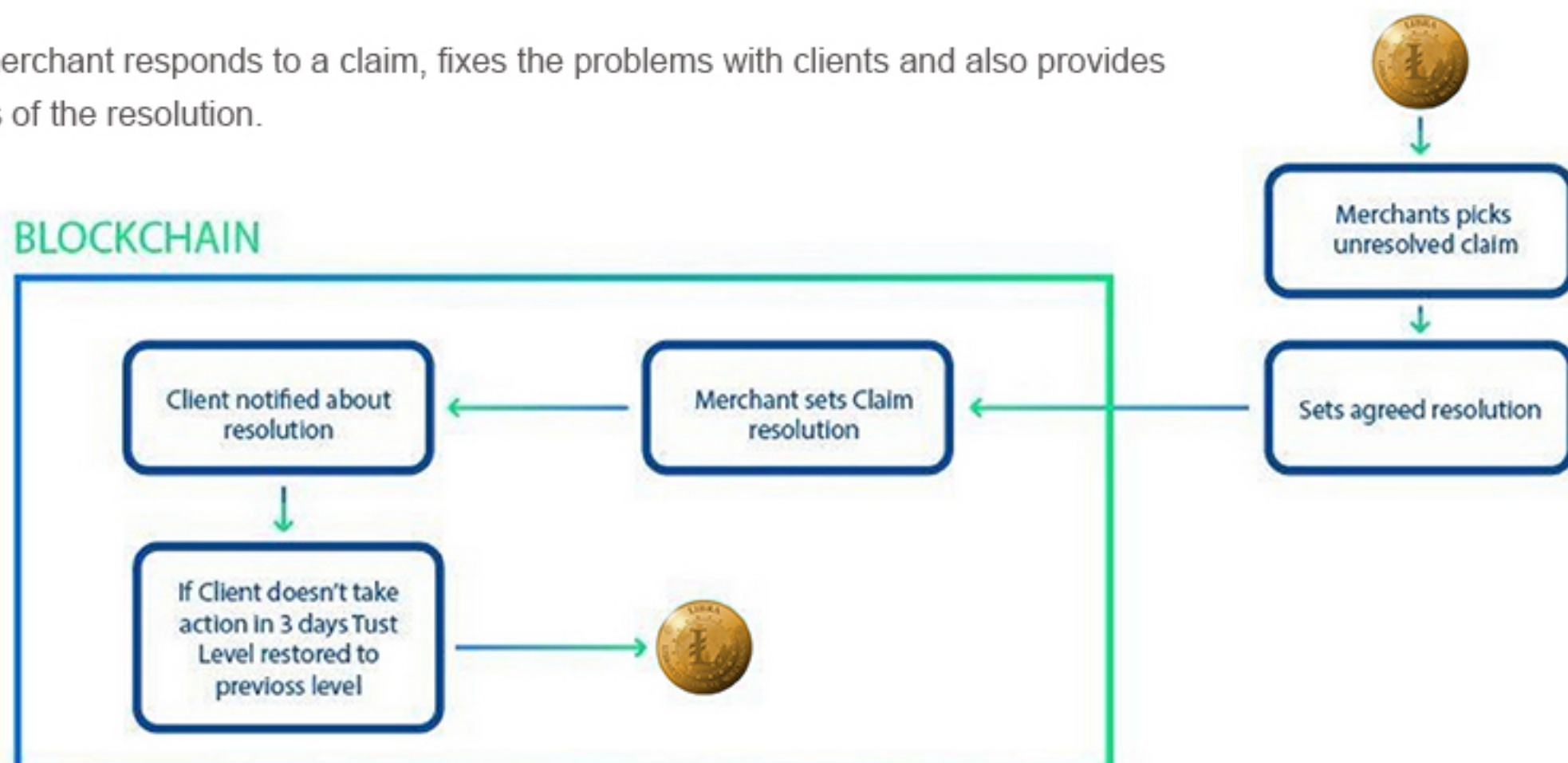
Product architecture and product development timeline

Both parties can solve the issues through offline mode and also with Libra Coin's messaging system. After solving the problem, merchants will add the terms of the Libra System through the Libra platform's e-platform. These terms can be money back, replacing the product, etc. The uploaded terms will be saved on the platform. After that the merchant has to wait a bit for client's confirmation.

Client Confirmation Resolution

The merchant will get a higher trust rating if the problem gets solved quickly. The client's trust rate will be also changed once the claim gets resolved.

BLOCKCHAIN

Merchant gets + Trust Level if Client Confirms in <24 hours

Client gets + Trust points

Client gets notification in Monetha Wallet
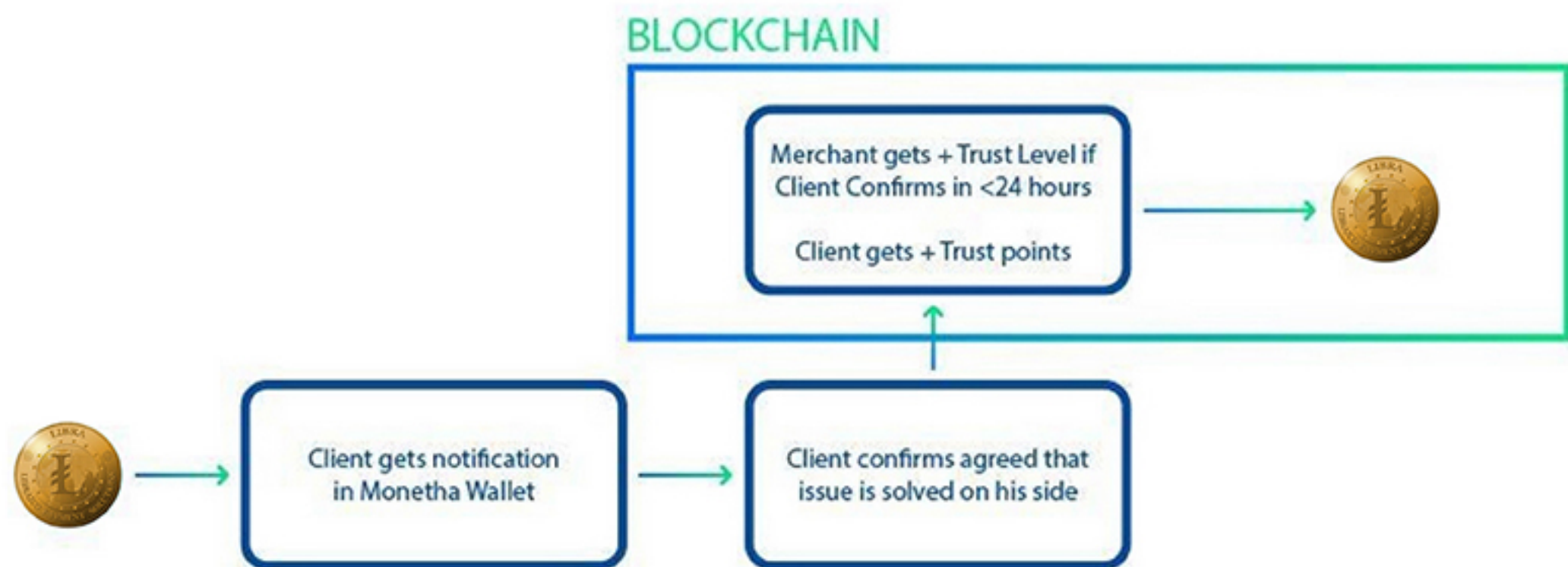
Client confirms agreed that issue is solved on his side

5.2 Intended Product Architecture

Ethereum blockchain

Payment:
- Deal coditions
- Warranty according law
- Parties info including latest state of both parties trust rate

Merchant:
- Decentralized wallet
- Public merchant profile
- Public trust rate
- Settings

Client:
- Decentralized wallet
- Public trust rate

Claim:
- Claim conditions and resolution
- Claim validation
- Involved parties trust rate

Libra

Monetha mobile wallet:
- Purchase history
- Purchase details
- Claim management

Client

Jaxx   Copay   Breadwallet

Product architecture and product development timeline

5.3 Beta Version of the product

Goal of Beta Version

0.1 Build and provide a platform for e-commerce merchants to provide a new payment solution and accept mobile payments in Ethereum-based currencies.

0.2 Present the potential of trust level mechanisms that will help to increase the transparency of e-commerce, that will be beneficial for both parties.

We are developing a solution that will allow merchants to receive a Libra payment gateway script that can be integrated into any shopping cart or website. To integrate the script into the system a minor knowledge will be required.

Our Workflow is simple, The Client/ customer/ or user can select a product as per their need and then they will add the product to the basket. After that they have to select pay with ETH. Libra Servers will generate a QR code by compiling all the details such as order number, price, currency, warranty, delivery option, etc. Users have to scan the code in the given time otherwise they will have to re-initiate payment.

When the User scans the code with the preferred mobile crypto wallet and taps on "Send", the transaction is sent to the blockchain together with purchase details.

Once the transactions receive required confirmation, then the clients will be notified and merchants will also receive the payment in their wallet.

We also have plans to introduce a Merchant Smart Contract wallet that will add options like rates, limits, and automatic exchange to local currency, etc.

We are moving forward with an aim to integrate with merchants in the early stage of the product even from the beta version. And by working with them together, we will test and improve our solution.

Integration at this stage will allow them to explore the platform, functions, and can also help us to get more help and advice. It will also allow them to improve their market reach, and with a simple setup they can start accepting online payments in ETH.

After the launch we will invite merchants to try our beta program to explore the features and functionality.

Product architecture and product development timeline

5.4 Product development roadmap.

The product development deadline may not be final and is subject to change based on feedback received from our initial customers.

Phase 1: Q1-Q5 2019 Research and Preparation

In this phase we will work on Idea, Research and Development, Team build-up, Coin Design & Analysis, and Develop White paper.

Phase 2: Q1-Q6 2020 Planning and Development

In this phase Platform development will begin and Beta will also release, along with it we will also work on Smart Contract Implementation. Event integration will also begin. We will also take care of Libra sale planning, ICO Distribution, Coin Listing on exchange.

Phase 3: Q1-Q6 2021 : App, card, and machine launch

In this phase Libra Coin Public Sales will start and other tasks such as Listing on an additional exchange, Launching the Blockchain R&D Centre, Release Application for iOS & Android, Launching Libra's debit Card, Launching Libra POS Machine will be performed.

Phase 4: Q1-Q6 2022 Final

In this phase we will furnish tasks such as Launching Online E-Shop, Launching Libra to Fait exchange, Launching Finance Solutions App, Release of Libra's Credit Card, Launching Libra Loan, Launching Libra's ATM Machine, etc.

Market opportunity and business model

As per annual reports the global e-commerce market size was USD 1.9 trillion in 2016, in 2018 it crossed USD 2.9 trillion and it is estimated to reach 4 trillion in 2020. In 2015 the global retail payments industry was worth USD 16 trillion and it is estimated to reach USD 21 trillion in 2020.

Furthermore, the Global payment revenue was reported on USD 1.8 trillion in 2015 and it is expected to reach USD 2.2 trillion in 2020.

As per the reports of the Boston Consulting Group, the payment industry is expected to go through a vital change. A mobile Payment volume, which was USD 8.6 billion in the US is expected to reach USD 274 billion only in the US.

Additionally, the mobile share in the total ecommerce was 23.6% in 2015, the same is expected to reach to 48.5% at the end of 2020. The number of merchants who accept mobile payment is also expected to grow at a 10X rate by the end of 2020.

6.1 Market Opportunity

6.1.1 Explosive Growth of E-commerce

As per the reports published on Statista, retail e-commerce sales were $1.33 trillion worldwide in 2014 and it is expected to cross $4.058 at the beginning of 2021.

The growth can be easily estimated after observing the number of shopes created on Shopify platform. In 2013 they had 84,000 shops in 2013, it reached 144,000 in 2014, then 243,000 in 2015, in 2016 it had 378,000 and in June 2020 there were 500,000 Active stores on Shopify. The data shows us a growth at around 4% rate.
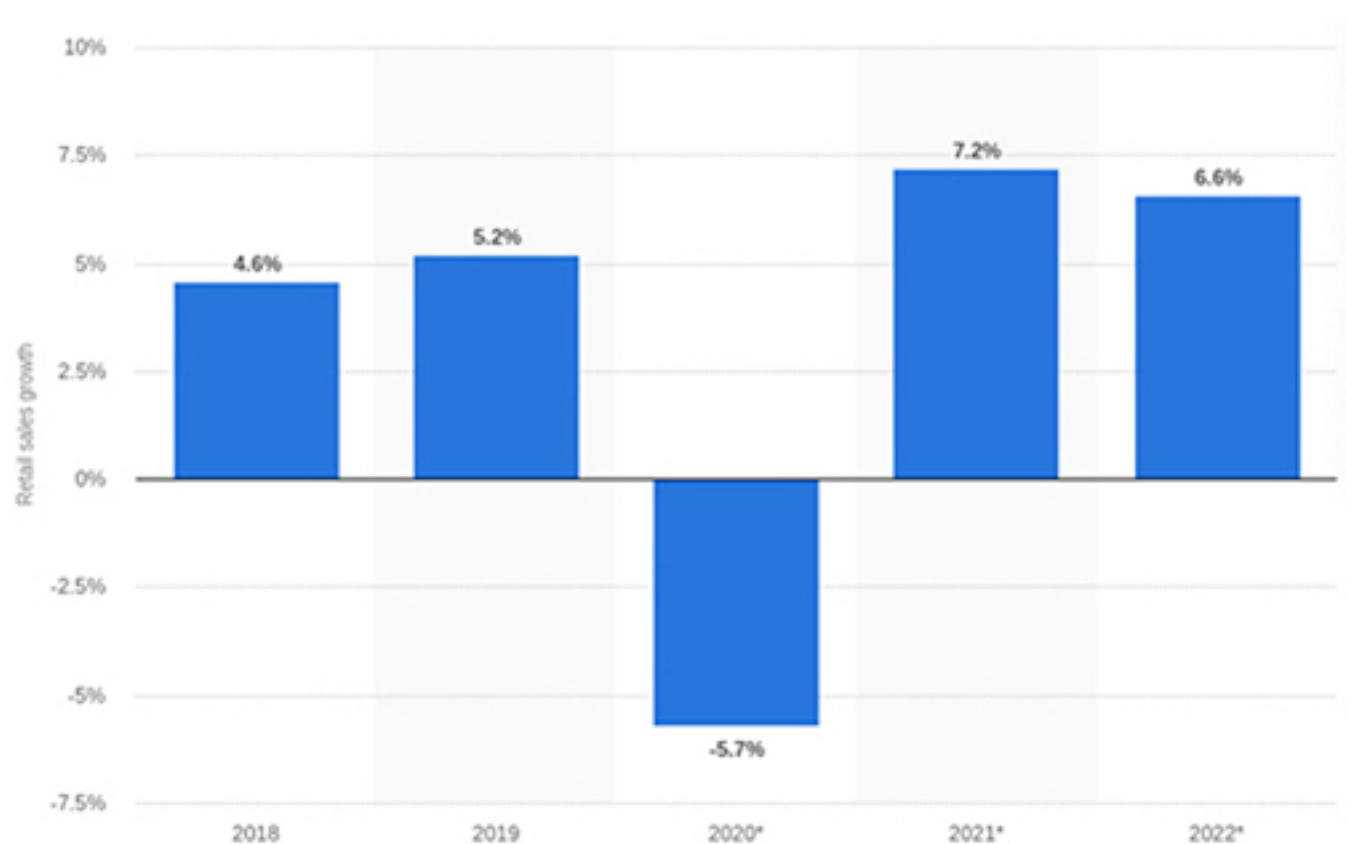
Market opportunity and business model

The E-commerce sector is also gaining greater weight in total retail sales globally. Even after being negative data in 2020, It is expected to reach 7.2% in 2021.

Statista also states that the number of people buying goods or services online will increase from 1.46 billion in 2015 to 2.2 billion in 2020.

6.1.2 Explosive Growth of Mobile and Digital Payments

As we already mentioned above that according to Boston Consulting Group, the digital payment industry is about to experience a huge shift towards mobile payments. As per reports Mobile payment volume, which was USD 8.6 billion during 2015-2016 in the US, is expected to reach $274bn only in US by 2020-2021.

Latest Technology will make digital payment easier and smoother. Inclusion of Smartphone payment features, block-chain, crypto currencies, ubiquitous connectivity, biometrics, Coinization, cloud computing and internet of things are a few trends that will change the way of transactions in the near future.

Digital Payment Transaction Value Projection ($ Trillion)
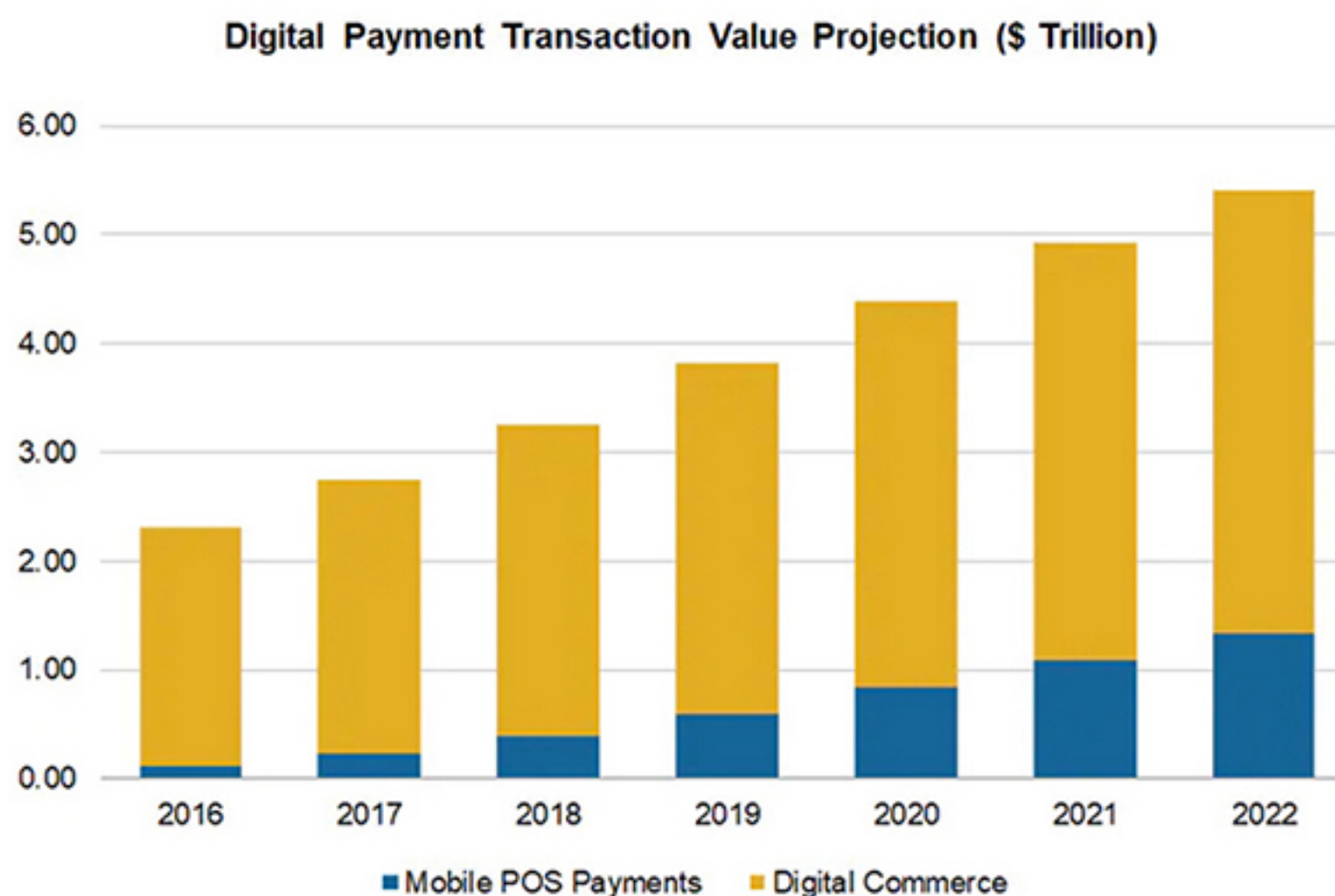
Number of Merchants who will accept the latest mode of payment will grow at 10X by 2020-2021. Mobile based payment solutions and proprietary payment networks will bring the hassle free payment options by offering low investment solutions.
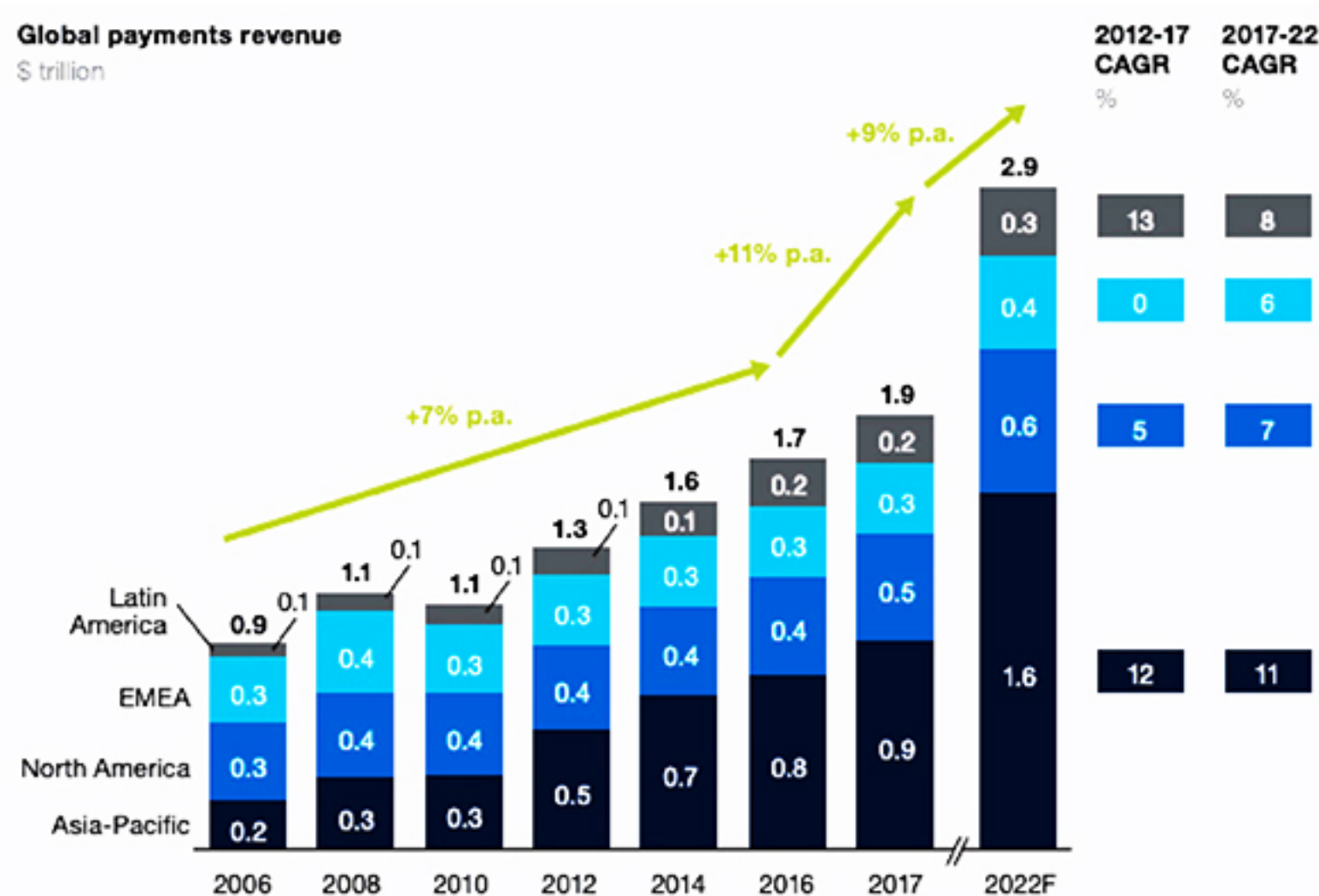
Market opportunity and business model

As per a report by Financial Times the number of payments through mobile will increase to $274 billion by 2021 in the US alone, and the members were nearly 50 times greater than those in the US last year. Mobile payment through Messaging/ chatting apps is also making the mobile payment smooth and hassle free. Mobile payment through these apps is also growing at supersonic speed.

Merchants are also including Mobile payment, Payment through UPIs, QR code scanning and other easier ways along with the already available options such as internet banking, payment through debit/credit cards and cash options.

6.1.3 Transaction volume and global payment revenues

The Payment industry is a huge industry, the total value of global retail payment transactions was USD 16 trillion in 2015, and due to the continuous growth it will cross 21 trillion in the first quarter of 2021.

This data includes data of all the consumer-to-merchant transactions across retails from various industries such as grocery, apparel, consumer durables, etc. As per reports digital payments had 8% share of the overall global retail payment market in 2015, which is USD 1.26 trillions. It is expected to reach 6.4 trillion.

Global payments revenue
$ trillion

	2012-17 CAGR %	2017-22 CAGR %

+9% p.a.

2.9
0.3 | 13 | 8
0.4 | 0 | 6

+11% p.a.

1.9
0.2
0.3
0.6 | 5 | 7

1.7
0.2
0.3
0.5

1.6
0.1
0.3
0.4

+7% p.a.

1.3
0.1
0.3
0.4

1.1
0.1
0.4

1.1
0.1
0.3

Latin America
0.9

EMEA
0.3

North America
0.3

Asia-Pacific
0.2 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 | 1.6 | 12 | 11

0.9
0.8
0.7
0.5
0.3 0.3 0.3 0.4 0.4 0.4

2006 2008 2010 2012 2014 2016 2017 2022F

Source: McKinsey Global Payments Map

Market opportunity and business model

Some reports also indicate that the global payment revenue market size is around USD 2 trillion in 2018-2019 and it is growing at a very good rate. Global digital payments are the payments revenues is the revenue generated by non-cash payment services including direct and indirect revenues.

Global Payment is the total revenues collected by financial services companies around the globe. As per research reports global payment revenues will be about USD 2.2 trillion at the end of 2020.

6.2 Business Model

The traditional payment gateways take around 0.25% +0.1 from the total fee as their revenue and it is also a mockup fee to the interchangeable rates.

Libra Coin on the other hand will charge a 1.5% transaction fee from merchants, from this 1.5%, 0.5% will go to "Voucher Smart Contract" for Libra Coin holders for allowing them to use it in the Libra Coin ecosystem and the remaining 1% will go to the company as revenue.

Lets crack the difference through an example If the total transaction fee the merchant is charged is 2.35%+$0.2 then 2.1% +$0.2 is the interchange part which will be divided between banks, and card associations and others and 0.25%+$0.1 is the markup part.

As we can see, Libra Coin is decreasing the transaction fee paid by merchants and that's it, they don't have to worry about more fees and they will also get more revenue to do further businesses.

Marketing and Strategy

7.1 Network Effect

Our decentralized trust and reputation system allows us to make a robust strategy focused on creating a network effect, we will start with a niche market and then move to another niche and broader markets. This is also known as a bowling pin strategy. More details are given below.

Stage 1. We will focus on the supply side first, so we will try to be accepted at as many locations as possible. We will also find and seize opportunities because it will provide incredible scaling. We will also partner with payment providers too for the same. We would like to inform you that we are already in positive talks with some of the major names in this industry.

Stage 2: Second stage will be ducate the initial client base in the existing crypto community. Main value propositions such as no spending limit, no need to pay credit card network fees, decentralized trust system.

Stage 3: Border Market adoption:

0.1 We will keep Supply side first, Libra Coin will be accepted in even more locations.

0.2 Educate the general public, supply will increase exposure and people will be interested to buy more from trusted merchants. Merchants who accept Libra Coin will be marked as trusted merchants by the decentralized reputation and trust system.

0.3 When People will start paying to the merchants and use the platform will be increased then the new mer chants will start joining the network.

Metcalfe's Law illustrates the Network effect, we can understand it with an example that One telephone is useless. Two people with telephones can only make one connection, but five telephones can make 10 connections and 12 telephones can make 66 connections.

Value of a network = $n(n-1)/2$ where n is number of people using the network

We will focus on the Supply side first because it will drive the demand and it will drive the supply. Then the Network effect will kick in; the more users there are, the more valuable it will be. This rapid adoption will be valuable for both sides, it will also bring a bigger network of users in connection.

7.2 Loyalty Program

To boost the reach of the network, network effects and to create an ecosystem for Libra Coin, Coins we will introduce a loyalty program for the customers. It will be far more effective than any other strategy because now loyalty programs are formed and facilitated by the merchants and not by the payment providers.

Customer Loyalty Program Advantages

| Customer retention | Increased customer satisfaction | Garnering insights | Increased revenue |

7.2.1 How does the loyalty program work?

0.1   If the customer purchases something and makes payment using Libra Coin then he/she will get a reward of 0.2% (percent might change over time) of the value of the total transaction in Libra Coin from the Libra Coin loyalty pool. The reward will be provided by Libra Coin and it will not depend on the product or services customers purchased and where the merchant and clients are located. It will depend on the transaction only.

0.2   Loyalty Coins will be collected at Libra Coin Wallet and can be used in payments made through it.
  - A.   Clients can pick an item to buy as per their interest.
  - B.   They can apply collected coins to get an equal amount of discount.
  - C.   These Coins can be converted to ETH in real time.
  - D.   Coins can be returned to the loyalty pool.
  - E.   Our platform also covers discounts for the merchants so they will get full item price.
  - F.   Our Coins can be applied for up-to 70% of the purchase value.
  - G.   Even after the loyalty Coin is applied, the client will still get the 0.2% of the amount paid by ETH.

0.3   Coins collected as rewards can be applied for a discount for 6 months, and the unused Coins will be returned back to the loyalty Coin pool.

0.4   However, Clients are not permitted to convert Coins collected in this way to any crypto currency or fiat currency.

0.5   Merchants can provide a bigger loyalty discount to their clients, and they can simply do that by adjusting their loyalty settings in the merchants interface.

0.6   The Exact percentage of loyalty Libra Coins provided with each and every purchase might be changed overtime.

Crowdsale details

The Libra crowdsale and the corresponding Coin creation process will be issued by Libra, a Swiss Limited Liability Company, and will be organised around Ethereum based smart contracts. If you are interested in supporting the development of the Libra Ecosystem, Project then you can do that by sending Ether currency to the designated address. By sending the Ether currency you are actually purchasing Libra Coins at the rate of 2.00 LIT per 1 ETH which will be added into the wallet directly.

0.1 Only the Ether currency will be accepted during the ICO.

0.2 The creation will be capped ("Soft Cap") upon receipt of ETH equivalent to Soft-cap: (10%). This amount is subject to change before the Coin creation events.

0.3 The Creation period for Coin will last 31 days, if Soft Cap is achieved sooner.

0.4 If the Soft Cap is achieved before the end of 31 days, additional contributions will be accepted for 120 hours if some contributors missed the very short window for Coin creation.

0.5 In any case, If the Crowdsale campaign does not reach its minimal capital goal then all funds will be returned automatically to the Coin holders by the Ethereum smart contract.

0.6 Coin Creation has a hard cap, after achieving this cap, Coin creation will be halted and no further contributions will be accepted. The hard cap amount is 90%.

0.7 If Coins remains unsold during the Crowdsale, then they will be burned automatically by the smart contract.

8.1 Libra Coin Softcap/ Hard Cap Details

Issuer	Libra Ecosystem
Soft Cap	10%
Hard Cap	90%
Total supply	2000000000 coins

Crowdsale details

Coin allocation	
Private and Crowd sale	20%
Founder and Team	20% Automatically locked for 12 months by smart contract.
Product Development	15%
Legal & Advisors	15%
Foundation and reserves	10%
Content Acquisitions and strategic partnership	10%
User rewards, Bounty Hunts	10% Automatically locked for 12 months by smart contract.
Date of crowdsale end	31 days or until soft cap is reached
Additional time if soft cap is reached	120h

Legal

9.1 General information

The Libra Coin does not have the legal qualification of a security, since it does not give any rights to dividends or interests. The sale of Libra Coin is final and non-refundable. Libra Coin are not shared and do not give any right to participate in the general meeting of Libra.

Libra Coin cannot have a performance or a particular value outside the Libra Platform. Libra Coin shall therefore not be used or purchased for speculative or investment purposes.

The purchaser of Libra Coin is aware that national securities laws, which ensure that investors are sold investments that include all the proper disclosures and are subject to regulatory scrutiny for the investors' protection, are not applicable.

Anyone purchasing Libra Coin expressly acknowledges and represents that she/he has carefully reviewed this white paper and fully understands the risks, costs and benefits associated with the purchase of Libra.

9.2 Knowledge required

The purchaser of Libra Coin undertakes that she/he understands and has significant experience of cryptocurrencies, blockchain systems and services, and that she/he fully understands the risks associated with the crowd sale as well as the mechanism related to the use of cryptocurrencies (incl. storage).

Libra shall not be responsible for any loss of Libra Coin or situations making it impossible to access Libra e Coin, which may result from any actions or omissions of the user or any person undertaking to acquire Libra Coin, as well as in case of hacker attacks.

9.3 Risks

Acquiring Libra Coin and storing them involves various risks, in particular the risk that Libra Coin may not be able to launch its operations and develop its blockchain and provide the services promised. Therefore, and prior to acquiring Libra Coin , any user should carefully consider the risks, costs and benefits of acquiring Libra Coin in the context of the crowd sale and, if necessary, obtain any independent advice in this regard.

Legal

Any interested person who is not in the position to accept or to understand the risks associated with the activity (incl. the risks related to the non-development of the Libra platform) or any other risks as indicated in the Terms & Conditions of the crowd sale should not acquire Libra Coin.

9.4 Important disclaimer

This white paper shall not and cannot be considered as an invitation to enter into an investment. It does not constitute or relate in any way nor should it be considered as an offering of securities in any jurisdiction. This white paper does not include or contain any information or indication that might be considered as a recommendation or that might be used as a basis for any investment decision. Libra Coin are just ethereum based coins which can be used only on the Libra platform and are not intended to be used as an investment.

The offering of Libra Coin on a trading platform is done in order to allow the use of the Libra platform and not for speculative purposes. The offering of Libra Coin on a trading platform does not change the legal qualification of the Coin, which remains a simple means for the use of the Libra platform and is not a security.

Libra Coin is not to be considered as an advisor in any legal, tax or financial matters. Any information in the white paper is provided for general information purposes only and Libra Coin does not provide any warranty as to the accuracy and completeness of this information.
Libra Coin is not a financial intermediary according to Cryptocurrency law and is not required to obtain any authorization for Anti Money Laundering purposes. Acquiring Libra Coin shall not grant any right or influence over Libra Coin organization and governance to the Purchasers.

Regulatory authorities are carefully scrutinizing businesses and operations associated with cryptocurrencies in the world. In that respect, regulatory measures, investigations or actions may impact the Libra Coin business and even limit or prevent it from developing its operations in the future.

Any person undertaking to acquire Libra Coin must be aware of the Libra e-Coin business model, the white paper or terms and conditions may change or need to be modified because of new regulatory and compliance requirements from any applicable laws in any jurisdiction. In such a case, purchasers and anyone undertaking to acquire Libra Coin acknowledge and understand that neither Libra Coin nor any of its affiliates shall be held liable for any direct or indirect loss or damage caused by such changes.

Libra Ecosystem will do its utmost to launch its operations and develop the Libra Coin platform. Anyone undertaking to acquire Libra Coin acknowledges and understands that Libra Coin does not provide any guarantee that it will manage to achieve it. They acknowledge and understand therefore that Libra Ecosystem (incl. its bodies and employees) assumes no liability or responsibility for any loss or damage that would result from or relate to the incapacity to use Libra Coin, except in case of intentional misconduct or gross negligence.

9.5 Representation and warranties

By participating in the crowd sale, the purchaser agrees to the above and in particular, they represent and warrant that they:

0.1 Have read carefully the terms and conditions attached to the white paper; agree to their full contents and accept to be legally bound by them;

0.2 Are authorized and have full power to purchase Libra e-Coin according to the laws that apply in their jurisdiction of domicile;

0.3 Are neither a US citizen or resident;

0.4 Live in a jurisdiction which allows Libra Ecosystem to sell Libra Coin through a crowd sale without requiring any local authorization;

0.5 Are familiar with all related regulations in the specific jurisdiction in which they are based and that purchasing cryptographic Coins in that jurisdiction is not prohibited, restricted or subject to additional conditions of any kind;

0.6 Will not use the crowd sale for any illegal activity, including but not limited to money laundering and the financing of terrorism;

0.7 Have sufficient knowledge about the nature of the cryptographic Coins and have significant experience with, and functional understanding of, the usage and intricacies of dealing with cryptographic Coins and currencies and block chain-based systems and services;

0.8 Purchase Libra Coin because they wish to have access to the Libra Coin platform;

0.9 Are not purchasing Libra Coin for the purpose of speculative investment or usage.

9.6 Governing law and arbitration

Any dispute or controversy arising from or under the crowd sale shall be resolved by arbitration in accordance with the Estonia Rules of International Arbitration of the Estonia Chamber of Commerce in force on the date when the Notice of Arbitration is submitted in accordance with these Rules. The arbitration panel shall consist of one arbitrator only. The seat of the arbitration shall be Lugano, Estonia. The arbitral proceedings shall be conducted in English.

Team

10.1 Libra Team

Co Founder Business : Kathy Marlow
Kathy Marlow has a very interesting background as he came to Blockchain technology development. He is very precise in his work as a software engineer so he does not let even a minor bug slip by unnoticed!

Co Founder CMO : Irina Nazarova
The mastermind architect of "Libra" technology. A blockchain technology. He earned gigantic experience as a Manager of technology Development at "BNC", a digital advertising company. He is an engineering star who built and led more than 100+ engineers to build a scalable technology "Irina" now used. With a degree in computer science, Irina Nazarova is recognized as one of the thought leaders in "blockchain technology" software development philosophy,

Digital Marketer : Mohsin Qureshi
Moshin Qureshi is the Digital Marketing Expert at SAG Infotech. He has a magnificent experience in SEO, SMO, SEM data analysis and strategy building and also has good knowledge of industry tools and marketing biz of around 10+ years. He has been maintaining a good track record in promoting businesses on Social media platforms and other platforms. He has an unmatched knowledge in digital marketing, which will bring a lot of value to "Libra Ecosystem" and his strategic experience in IPO's is potentially very precious for Libra Ecosystem.

Blockchain Developer : Lalit Yogi
Lalit Yogi is senior developer at SAG IPL, he has extensive 10+ years of experience in developing websites, web apps and blockchain development work. He always enjoyed exciting and complex challenges. In his long professional journey he focused on understanding data structures, learning algorithms, and solving genuinely complicated problems. He has experience of converting ideas and dreams into reality using C, C++, Golang, Java, PHP, and JavaScript.

Head of UX / UI Designer / Engineer : Arjun Shekhawat
Arjun Shekhawat is a illustrious UX/UI designer who has been working in SAG Infotech from the last 6 years. Arjun Shekhawat is most effective when designing engaging user interfaces for Mobile apps and websites. He has created some very attractive product landing pages, and graphics for customers of SAG Infotech. Along with UI/UX and graphics designing he also has a strong knowledge in front end coding, thus, he can easily communicate with developers.

Team

10.2 Libra Advisory Team

Marketing advisor : Catherine Heath

Co-Founder of "Night Office". He is also the CEO of a successful marketing agency "Verta". Catherine's knowledge in digital marketing brings a lot of value to "Libra" and his strategic experience in IPO's is potentially very precious for "Libra Coin " ICO.

Business advisor : Andrii Zharikov

10 years of experience designing and implementing software solutions. With the main expertise at the moment carrying in: B2B Ecommerce, Blockchain based systems development, data driven applications and document management applications. Participated as a technical consultant in startups. Helped designing and building scalable, durable and cost optimized solutions covering mobile, frontend and backend tracks.

Head Of Corporate Finance advisor : Belona Chiradze

Belona Chiradze has been deeply involved in payments industry. After a successful run, his project "Dreambid" (CEO) was later bought by an e-commerce giant "Midas group". "Dreambid" later became Groupon Payments. After the acquisition, Sean's involvement in payments didn't stop.

Solicitor/Legal advisor : Tea Cheishvili

Tea Cheishvili helps us navigate through Cryptocurrancy's legal and regulatory framework. They helped us make the structuring of the coin for the launch of the Coin sale and coordinate with the regulatory authority.

Technology advisor : Thomas Bony

Thomas Bony is a who also has a great product Management Thinking. His experience working in companies like "B&B" has positioned him as a high demand user experience technology advisor. Thomas Bony is most effective when designing user interfaces, attractive products. He also has a strong knowledge in technology, so can communicate with developers very easily.

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