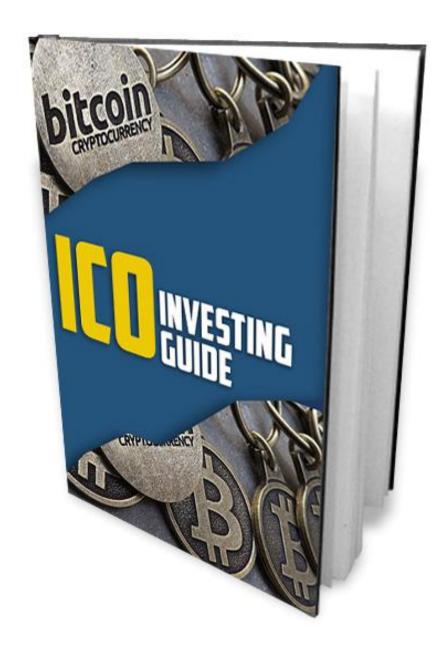


# **ICO Investing Guide**



Securing Your Future and Creating Generational Wealth



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#### Introduction

I believe we are still in the early days of a huge land rush going on with Crypto. Back in the .com days of the late 90's we saw some crazy things happening. Yet many of those predictions came true. The internet grew out of this and technologies and companies created then play a huge part of our lives today.

Right now the foundation of what is essentially a new internet is being created on the blockchain or more appropriately called DLT - Decentralized Ledger Technology.

This has already created several billionaires and thousands of millionaires. Before it's all over we will see tens of thousands more millionaires be minted and you have an actual shot at being one of those.

I'm going to share with you some insights I have on how you can take advantage of this once in a life time opportunity to possibly secure not just your own future but create generational wealth for your entire family.

This is however ULTRA high risk speculation. Never put your nest egg at risk. You only need a few fractional purchases to take advantage and ride the ICO wave yet to come in 2018 and onwards. I can't stress this enough. Don't put in large sums of money and you will need to diversify into at least 10 different ICO's.

Another major point I need to make is you will have to diversify your purchases. Just like with junior mining stocks you not only need solid exploration possibilities and ability to become a world class mine but you also need solid management and you must purchase 10-15 different junior miners which means spreading out your purchases. You do not have to purchase a full stake in 10-15 companies at once. Just ensure if you start to take part in ICO's you need to follow through and invest in several.



#### What is an ICO?

Simply put an ICO is an Initial Coin Offering. Where an IPO Initial public offering, you are purchasing shares of stock which represent ownership. For ICO's you are purchasing tokens that can be used on that cryptos software platform. As people use that platform for its set purpose they will need those tokens you have purchased to make transactions thus giving them their value. ICO's can also be called ITO's for Initial Token Offering.

Not all Tokens work in the same manner. Some are proof of stake and might pay you a commission of sorts for having possession of the tokens and verifying transactions. This all can get very complicated very quickly so let's not geek out and talk ultra nerd. Instead let me give you what I feel are the best insights I can so you can have the best shot at a 10X bagger, 100x bagger or even a 1,000X bagger.

(If you bought \$500 USD of XRP on January 1st of 2017 then on December 31st of 2017 you would of turned your \$500 into \$191,666.) . XRP would rise a total of 37,000 Percent gain.

ICO's have been the story for 2017 and for 2018 they continue to lead the charge.

Many have compared the ICO trend to the late 90's .com boom then bust. If you have been an investors for over 20 years you surely recall the euphoria and madness going on. You just could not pick a looser. It was near impossible.

You had companies adding a .com to their name and the next day their stock would double.

Today you have some of this exact same madness going on. CEO of Eastman Kodak (KODK) recently said right after their stock doubled from an announcement of a blockchain initiative that the change for the company is significant but not a stock doubling event.

My point here is lot's of ICO's coming out in 2018 and beyond will see some doublings and tripling in value. However this is largely due to euphoria going on in the market. What you need is a clear list of criteria too look through and compare those that have value with ICO's that have little value.



## Main Advantages of an ICO

There are several advantages to taking a stake in a Crypto company during an ICO. The main one is getting lots of tokens for cheap. Of course the future value of these tokens is unknown and you won't be able to sell your tokens till the blockchain is released which normally comes a few months after the ICO has been completed.

Another benefit of an ICO is you can often get extra bonus tokens in the range of 10% - 30%. These extra tokens act as sweeteners to ensure the ICO is fully funded.

Being one of the first into an ICO might get you extra tokens as well. I've gotten as high as 50% bonus for purchasing into an ICO the first hour of release. When these tokens are listed on exchanges I can comfortably sell off part of my bonus tokens if I wanted and more often then not (Historically) I can sell my bonus tokens and recoup most if not all of my original invest and there are times where upon being listed at an exchange the token might of already gone up 10 fold. That is if you use the right methods to find the right companies that everyone will want in on.

Take a second and visit this link:

https://icostats.com/roi-since-ico

You will see a listing of % gains many ICO's have had since inception. It's absolutely crazy to see these kinds of gains but they are there and there is no slowdown as of yet.



#### Main Draw Backs Of an ICO

One thing I should make clear is the ICO industry is very new. Like all new industries the regulations are not there and in many cases the SEC isn't even clear where things should be going. I would not even call this the wild west. It's more like prehistoric times.

This means your guard needs to always be up. Before you purchase an ICO you need to double check everything and see why you should <u>not buy it</u>. Before you send over the crypto to make a purchase you need to double check that the process you are using is the <u>correct process</u> outlined by the ICO company to ensure you are doing all the steps correctly.

You also need to have the mindset that these are startups. If you were a VC or angel Investor you probably look at 100 deals a year and maybe decide to invest a little into 1-3 of them. Startups are ultra risky and as someone who has been a founder of more than 1 company I can tell you they are painfully hard to get off the ground and there are pitfalls everywhere you step.

Nearly all these ICO's coming out the gates will fail. 2-5 years from now very few will exist. However some will go on to becoming the new backbone infrastructure to hundreds of other companies and make the long term token holders lots of money.

There are many pitfalls and that is why I'm writing this guide. To help you navigate as much as possible the ICO mine field and find some of the next golden nuggets.



## #1 - Does the underlying technology require DLT to function?

DLT (Decentralized Ledge Technology) AKA the blockchain should have a core use for the ICO you are looking at investing in.

Here is an example of a company (past ICO) that does use DLT and this company could not exist without it. Storj (storj.io) does decentralized open source cloud storage. This is similar to what Drop Box offers but only drop box is centralized. Storj utilizes DLT to store clients files securely on the Ledger in the cloud. Without DLT this company would not exist. They are also one of the first to be doing this and with existing successful companies out there like Drop Box they have a clear path to success.

Here is an example of a company (past ICO) that does <u>not</u> need to use DLT to accomplish its function. Skincoin (skincoin.org). Created to allow players to easily trade their gaming skins. However other market places already exist for this and doing this on a blockchain added no real benefit that the company could point too. Since launch this ICO has lost 90% or so of it's value at the time of this writing. That isn't to say Skincoin or it's creators won't pivot and go onto creating something fantastic. However they are not utilizing the block chain technology in a revolutionary way. They are not doing any land grabs.

So what you need to do is discover the full and complete role the token will play in the system. What's the purpose of the token and main objectives and why this token is the best way for achieving this objective.

Going back to my first point of needing to use DLT. Ensure the project can only be done using DLT. This will give you a strong indication if the company is worthy of your money.



#### #2 - Research Management

When it comes to the success or failure of an ICO the first place to look is the management and team members.

Having some members on board with past success is great. It shows they have been around the block before and are fully capable of delivering. It's not a requirement that members have a past success but it sure helps lend confidence.

I'm 100% fine with failure as well. Maybe one of the founders had a project they brought to market and it just failed and their company went under. I'm perfectly fine with this as you often learn way more through failure then success. The major point being for me they brought the product to market.

You need to consider that an ICO is generally just an idea on a sheet of paper. It's not real, at least not yet. The technology or platform isn't probably built yet. So you need to ensure they have the leadership and the developers with enough skill sets to deliver on the project and get it out the door.

The White Paper will list the names of the team members. Be sure to go through each one and spend 5-10 minutes of research on each if you are considering a purchase of the coin. Often times Linkedin profiles are included in the White paper. If not you can probably still find them on Linkedin by doing a search or simply contact the company to get profile listings.

Most of these people have Twitter accounts and Facebook pages or other profiles online. Take some time and hunt down what their story is. You may find that one developer has worked in the crypto space for 7 years and has helped start other projects not listed in the white paper which can be a great sign the leadership is brining the right talent on board.



## #3 - Long Term Case Use For Token - What Problem Are They Solving

Ask yourself who would want to buy and use this token.

I'm not talking short term here. You have to imagine if this platform does take off. If it does grow to be something large then whom are the people likely to not just want to use the system but need to use the system?

There really are two different people and both great questions you should be able to answer and chances are they are covered in the White paper. However you need to verify and think about this for yourself.

Let's go back to Storj - A Cloud Backup Company. End users will want to backup their data online. It's cheaper than other companies and at the end of the day that is a strong selling point. That and it being on DLT it's fully secured and not hackable.

Companies that will NEED to use this kind of service are those who may be required to have a certain level of encryption already. This might be Doctors, governments, military. I can certainly see major banks and corporations wanting to fully secure their online data and backups. When you add in the lower cost of STORJ over Amazon web Services and Azure you have a real presence and real power.



### #4 - Read the White Paper

The White Paper is the document all companies release prior to offering the ICO. This will include information such as brief backgrounds of the founders and other team members such as developers.

It will also include the core concept of the project and you can use it to help answer many of the required questions you need to ask.

Chances are there will be some high technical jargon in the document. You don't have to focus on that aspect but it is good to try and get a basic understanding of what is being talked about.

They will or should include case uses and exactly how the token will be used and what problem they are solving.

You can also discover if there is an existing underlining company that already has real customers and real revenue and their concept is something to help expand their core business through DLT. This is generally the best case and when that is the case it makes it a lot easier to feel confident pulling the trigger.

All of these ICO's are startups and many will talk about best case scenarios. That is their role. To paint a really nice picture for you. What you need to do is pick that picture apart and see why this company most likely won't succeed. Remember that nearly all these companies are going to fail. You need to find the best of the best.



## **#5 - See What Others Are Saying**

It's important to note that in the ICO world it's an echo chamber. Nearly all people will be cheerleaders and fully biased. Anyone who says phrases like "To the Moon" can be easily discounted. We are in a world of un-abashed euphoria or pure skepticism. Chances are the token will be seen as the best thing since Sliced Bread or a total scam not worth your time. The truth is always somewhere in the middle.

The idea here is to read through why people like or dislike. You will find plenty of good arguments on both sides. You can also dive in and ask questions and the ICO creator should be able to respond or their Dev team should be able to comment.

You need to READ. Not just the first page but the second and the third and the 4th. It's amazing how 1 token can have nothing but praise on the first 3 pages but then someone asking a really important question on page 4 and the question stirs up all kinds of issues and people really start jumping in outlining ABC issue as a deal killer.

#### Places you should checkout are:

https://bitcointalk.org/ - There will be a section for the token you are researching. It's there. If there isn't one sponsored by the creators of the token then it's probably a scam or they are too poorly organized to ever get a project off the ground.

https://www.reddit.com/ - Not always easy to find the token thread but it's probably there. At least it will be mentioned. You will generally find some intelligent answers and questions but 95% is to be ignored as it's clear those commenting have no real understanding of what the company is about. You just reading the white paper will be ahead of at least 90% of people.

Companies Social Channels - The company should have a Twitter and Facebook account. They most likely have a Telegram account as well as YouTube and maybe a few others. It's important to checkout Facebook and Twitter and do some digging. Here you can often find out more about the roadmap maybe not mentioned in the white paper or get some really insightful views from others.

The same goes for YouTube. I love the video format and over time you will find a few people on YouTube who you really like or just researching a specific ICO you can often gain some nice knowledge. It's probably my absolute favorite place for insight but like with everything needs to be taken with a grain of salt. If the person is talking about just selling once the token is listed on the exchange they are probably not the kind of person you want to listen too.

If you notice a celebrity pitching an ICO such as Paris Hilton, Jamie Foxx, Floyd Maywather (All pitched ICOS) then it's a near certainty that is an ICO to stay away from.



## #6 Operational Transparency

Transparency is key to gaining insight and understanding about a company during the ICO process.

They should have a clear roadmap with dates for goals and what objectives they are going to go after. They should share details along the way on how they are attaining those goals.

There should be 100% clarity for how the funds from the ICO are going to be used and if an owner/founder is getting tokens or other investors are getting tokens is there a lockup period before they will be allowed to divest their stake.

I like to checkout Twitter and Facebook often times to see how often the company has posted progress over the past 6 months to a year. Many of these ICO's have been years in the making so there should be plenty of history for postings as well as many updates along the way.

You also should be able to get questions answered by the ICO either through direct contact from their website or from the bitcointalk forum or on social media.



#### **#7 FOMO**

It's easy to have FOMO (Fear of Missing Out). One reason prices of Crypto currencies have shot up so high is because of this.

It's not hard to get carried away. You will see a company and feel you have to jump in on it that very second. Rarely if ever do you need to take action that day or even that week if you are keeping up with the top ICO's.

You are not looking to invest in 100 out of 100 ICO's. What you want is that 1 or 2 out of that 100 that shows real promise and wide spread global adoption is possible and that it utilizes DLT to solve a real world problem.

You are going to miss out on some real winners you didn't catch or you passed over. That is how it works. What you want is the Amazon type ICO that has real longer term value.

My point here is don't get swept away by the story and stick with investing the SAME amount in each and every company you partake in.

You should also have no issues selling part of your stake off. Generally after the ICO has been listed on an exchange you might see a quick drop or quick spike in price. Rarely does the token value at ICO time stay the same when it goes live. If you chose a solid company then there is a strong chance demand for that token will be higher than many others and if you got a bonus for the ICO purchase or up 100% off the bat I generally take my money off the table at that point.

FOMO can stop you from selling when you should sell. Nothing wrong taking your investment off the table and letting the rest ride when you are up 100%. It's probably my favorite thing about ICO's because you often can do this over and over again. Then re-buy a new ICO with the proceeds.



## **#8 Partaking After the ICO**

If you like a company or management but you are on the fence there is nothing wrong with just following the company and not partaking in the ICO.

Honestly this method can be far safe then going the pure ICO route.

Write down your notes on the company and why you like it as well as print off their roadmap. It should list when certain events will be accomplished. As the company starts to hit some of these mile stones you might feel more confident in taking part and staking a small claim in the company.

A big event is just getting the DLT released with the features the company says it will have. Many don't get out the door with the features they list or if they do it might not be done well.

Waiting till after the blockchain has been released and market adoption or customers start to come on board and prove out the token is a smart play. You can still get 1000x baggers going this route as XRP proved in 2017 being up 38,000%.

# How to Partake in an ICO Participation

By now you are probably getting a little excited. You are armed with the right questions and things to think about before you purchase an ICO but what about after you decide to take part in an ICO.

This process will seem hard and extreme. Take your time on it and prepare for it before taking part in your first ICO.

ALL ICO's should have a very clear step by step guide for you purchasing their tokens. The process they want you to take can vary. It depends on many different factors so be sure to always read the instructions listed on the ICO you are purchasing.

Step 1. Purchase a Crypto Asset. I recommend you Purchase Ethereum known as Ether or by the ETH symbol. The reason for this is ETH can be used for all ICO's out there. It costs far less to transact in over bitcoin BTC and it's a lot easier to look at and price.

I recommend you purchase your Ethereum from Coinbase. It can take a day or two to go through the registration process and make your first deposit. You don't have to purchase a full ETH coin. You can buy half a coin or whatever you are comfortable with.



As this process can take up to 5-6 business days to complete you may want to get started on this before you find an ICO you want to invest in.

So really step 1 is register on coinbase then purchase Ethereum so you can later trade that in for an ICO purchase.

Step 2. Create a myetherwallet account. The purpose for this is you need a place that can hold just about any ICO token. Not all wallets are created equal and MyEtherWallet has wide base support and the most well know Wallet for partaking in ICO purchases.

Many ICO's will send out tokens to the wallet that sent them the Ethereum. That means you can't send them tokens from an exchange but need your own wallet and this is where MyEtherWallet comes in.

Step 3. Follow the ICO guidelines for making the purchase. Once purchased be sure NEVER to share your secret keys. If this is a new infrastructure not tied into another platform the blockchain most likely is not out yet so you don't really have the tokens yet. You will be able to claim those tokens once the block chain is released.

Step 4. Record your tokens and what you purchased and for how much. If you are given tokens be sure to backup your wallet and have it stored in a secure location. I've had accounts hacked, I've had coins stolen, I've lost tokens, I've had tokens get corrupted. Believe me it will happen to you just like me so take extra caution. If I wasn't relaxed none of those things would of happened to me.



### **Conclusion**

I really hope you found this ICO buying guide helpful. I expect to add and refine it over the next several months. I truly believe this is a once in a life time opportunity and for those willing to do the work and find the best of the best you will do extremely well.