

IS IT TIME TO OFFER SECURITY TOKEN OFFERINGS (STO) IN POLAND ?

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Initial Coin Offering vs Security Token Offering



ICO

In ICO investors are offered coins with the promise that one day they will be able to buy products or services for them.



STO

In STO investors are offered digital versions of company shares and other securities.



Initial Exchange Offering vs Security Token Offering



IEO

In IEO the role of market regulator is played by the exchange itself.



STO

In STO each emission is regulated by the national and European authorities

Initial Coin Offering (ICO) in 2018



01. Lost of blockchain valuation

The blockchain industry in January 2018 was valued at 700 billions \$, while in December 2019 it has shrunk to just 100 billion \$



02. Bahama syndrome

According to some statistic, over 80% of ICO project was never a real, nor it became real.

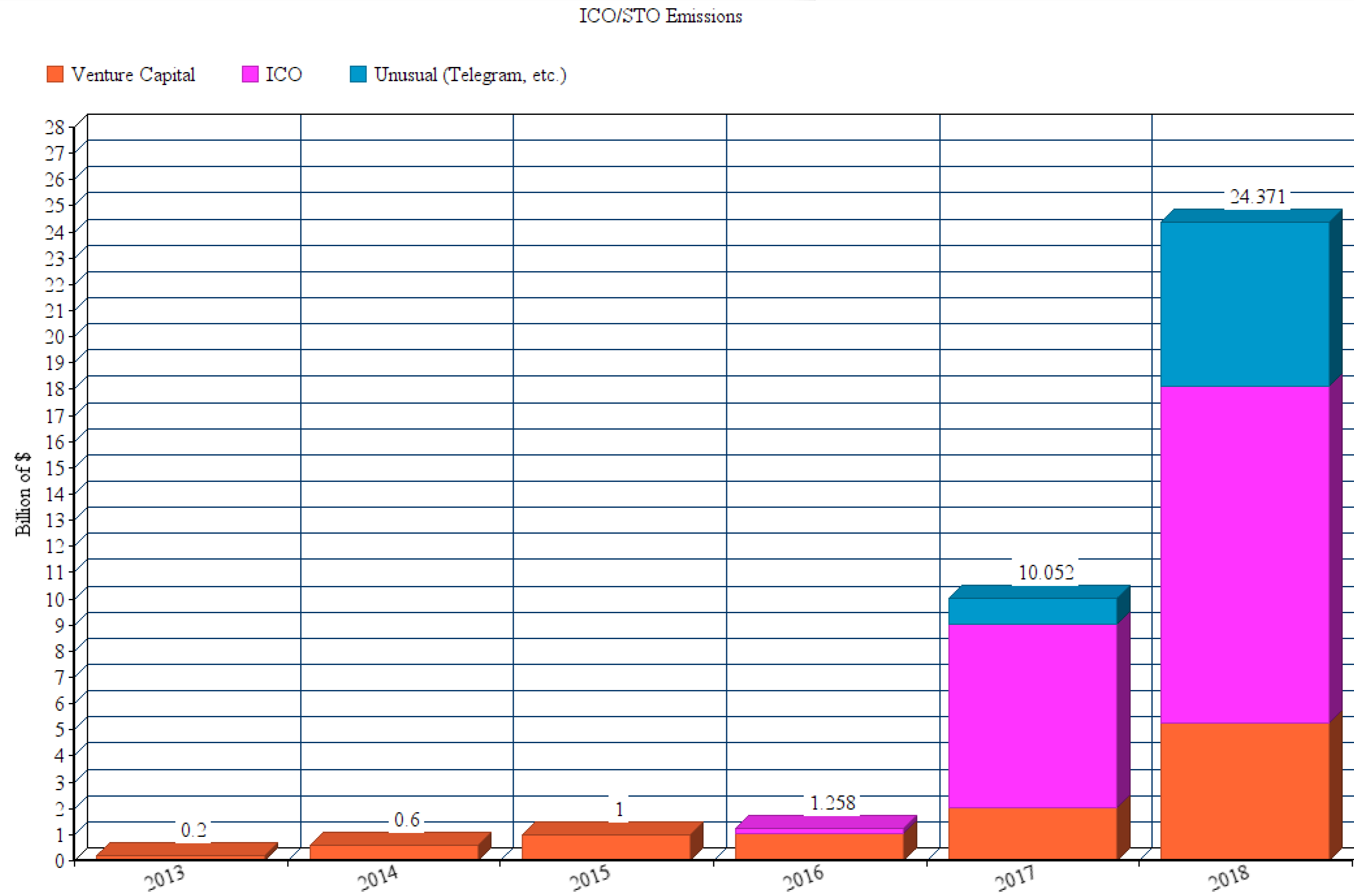


03. Lost of investors trust

We are observing a true exodus of investors from the ICO. The number of successful emissions and their value has dropped in the past months.

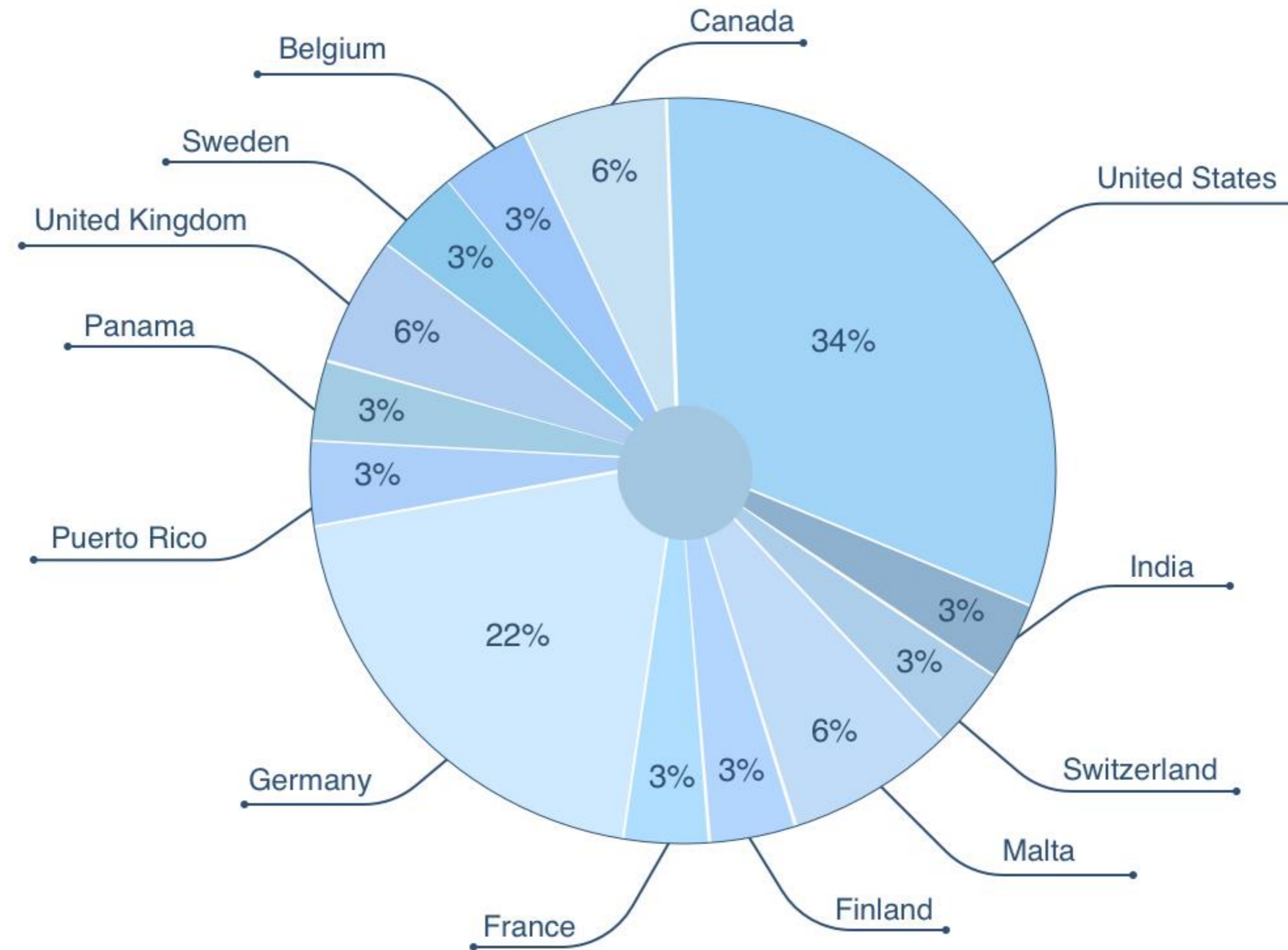


ICO/STO Emissions



Source: Agency Icole

STO like emissions





Expensive Public offering

More than 150 000\$ required for authorized auditing



Accredited investors

The offering can be made to an unlimited number of "accredited investors"



No advertisement

The issuer CANNOT use general solicitation or advertising to market the securities.



STO in American Way

The public offering in the U.S. is expensive thus they do STO as private offering under Regulation D Rule 506(b)

 [See more](#)

FIRST STO IN EU - 2018

Beginings of STO in EU



ByeLex (NL)

First STO in the EU was conducted by Dutch company ByeLex in March 2018. It has focused also on the post-emission process offering complete shareholders portal.



TokenMarket (UK)

First STO in the United Kingdom has started on 15 February 2019. British STO platform decided to fund itself through their own STO.

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STO in Europe is very fresh phenomena.

EU Directives

In the EU Security Token Offerings are regulated not only by the national legislations but also by certain EU directives:

Prospectus

Need to formulate White Paper in the correct manner



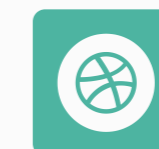
Transparency

Publishing of companies reports



MiFID II

The most important directive



Market Abuse

Market Abuse and Short-Selling Regulation





For who is STO?

Startups

Mostly technological startups but not only!



Small and Medium Enterprises

SME's will be driving force behind the STO revolution. It is not a longer requirement that they need to implement their products and services as Blockchain. Now they will simply tokenize their shares!



PSA - Simple Joint-Stock Company

British style Limited companies are going to be finally introduced in 2020. This will be an important factor in STO explosion, as it will be easier for them to tokenize their shares...



Warsaw Stock Exchange

WARSAW STOCK EXCHANGE

GPW Private Market
Platform



“

The role of stockmarket is to
organize a trade of finanacial
instruments...



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