KOLIONOVO Ecosystem Project

Crowdfunding offer
for development of farmer cooperation,
local ecotourism and agribusiness

Abstract

KOLIONOVO ecosystem project [1] offers all interested parties to crowdfund and participate in the formation of a decentralized, financially sustainable, socio-economic and industrial development of the farmer cooperation on a crowdfunding basis. Non-fiat funds attracted by crowdfunding will be spent for the development of local ecotourism and agribusiness set up by a farmer Mikhail Shlyapnikov; they are a key "financial leverage" and a driver of KOLIONOVO dynamic development.

Mikhail Shlyapnikov is the main ideologist and initiator of this project.

Production of organic products of natural (rural) economy and provision of services of environmentally pristine vacation in the territory of KOLIONOVO are the two key areas of activity included in the loyalty program.

The crowdfunding campaign will be carried out through purchasing discount tokens KOLIONs (KLN). Emission of tokens will be carried out on the WAVES blockchain platform [2].

The unique nature of the loyalty program, which applies to all participants of the KOLIONOVO ecosystem crowdfunding campaign, lies in obtaining regular privileges and product tokens, as well as setting special prices for the products and services of enterprises in the ecosystem.

Definitions

KOLIONOVO is a village located in the rural settlement Yurtsovskoe of the Egoryevsky district, Moscow region (Russia) [1]. Map reference: 55°18'06.4"N 39°27'09.3"E [3].

Initial Coin Offerings (abbr. ICO) is a way to secure non-fiat capital through the project crowdfunding (including by using discount tokens). The abbreviation ICO will be used herein.

KOLION, discount token (KLN), is a token representing a digital cryptoasset and certifying the right to participate in the KOLIONOVO ecosystem project. The token is emitted on the WAVES blockchain platform [2].

Product token is a token certifying the right to get a discount on goods and services of enterprises in the KOLIONOVO ecosystem. The token is emitted on the WAVES blockchain platform [2]. Note: these tokens are accounted segregated in the WAVES wallet.

Loyalty program means special conditions to purchase goods and services of the enterprises that enter the KOLIONOVO ecosystem that cover all participants (investors). The Loyalty program is described in Annex 1.

Participant of the KOLIONOVO ecosystem, or a holder (of discount tokens), or a participant, is any individual who holds basic tokens KOLIONs (KLN) as of the current date (date of acquisition of goods and services, date of accrual of remuneration, etc.) in his or her WAVES wallet.

KOLIONOVO ecosystem is a set of crypto-commodity relations established between the participants and enterprises, as well as between various enterprises whose representative offices are located in the territory of the KOLIONOVO village (Egoryevsky district of the Moscow region, Russia) and interacting on the principles of crypto-commodity relations.

Introduction

The project is focused on securing non-fiat funds (cryptocurrency) for the development of a range of physical products and the provision of services in the territory of the village KOLIONOVO in the Moscow region [1] in the segment of ecotourism and agribusiness.

Investment in the project should not be considered as a high-yielding tool for speculative transactions, but rather as a tool of crowdfunding and attracting additional non-fiat funds in the development of the KOLIONOVO ecosystem.

A farmer Mikhail Shlyapnikov is the chief initiator, inspirer and founder of the project [4]. He has prepared a Manifesto as part of the ICO.

The KOLIONOVO ecosystem should be understood in this project as a system of local production and local consumption [7]. It is an ecosystem of a new breed with decentralized but direct participation of any person. A new type of crypto-commodity relations is being established around and inside it. These relations are characterized by freedom, trust, mutual aid, self-organization and self-sufficiency. The form of the organization structure of the enterprises in the ecosystem is private and cooperative; it is based on the principles of openness and transparency.
Each of the ecosystem participants is endowed with privileges in acquisition of products and getting services from the enterprises in the KOLIONOVO ecosystem.

Terms of the ICO

Anyone can become an investor in the development of the KOLIONOVO ecosystem during the ICO.

During the ICO, the maximum emission amount will be equal to 1 (one) million of discount tokens KOLIONs (KLN).

Price of 1 (one) KOLION will be equivalent to 1 (one) US dollar (USD).

The ICO will launch on April 1, 2017. The time frame of the ICO is 30 (thirty) days.

The first goal of funds secured during the ICO is an amount equivalent to 500,000 (five hundred thousand) KLN. This amount is the best and was defined on the basis of an organic increase in production (in the future period) triggered by investment and natural growth in the number of new participants in the ecosystem.

KOLIONs will be sold for various cryptocurrencies (BTC, LTC, ETH, ETC, WAVES, EMC, etc.).

As soon as the total amount of funds secured from investors is fixed, basic tokens KLNs will be generated and emitted on the WAVES blockchain platform.

Each investor (token holder) automatically becomes a participant of the KOLIONOVO ecosystem's Loyalty Program (Annex 1).
The discount token KLN will be used as a means of identification and determination of the participant's status (depending on the size of investment/wallet balance).

Remuneration will be awarded monthly, based on the balance of the account of the token KLN in the WAVES wallet.
The date of accrual is the 2nd day of each month. The remuneration is awarded provided the ownership of the discount token on the 1st day of the month.
The form of remuneration is commodity, i.e. payment will be made in product tokens.
Each product token can be used as a "discount" when buying goods and services of the enterprises in the KOLIONOVO ecosystem.
The discount size can reach up to 100% of the price of goods and services (see Annex 1).

The aggregate amount of the annual remuneration (in the form of product tokens) for all holders of discount tokens KLNs over the fiscal year will amount to not less than 10% (ten percent) of the account balance in the wallet.

The fiscal year will be a period from April 2 of the current year to April 1 next year.

The amount of provided product tokens, definition of the participant's status and a size of

discount on products and services are defined in the Rules of the loyalty program for the KOLIONOVO ecosystem participants (see Annex 1).

Discount tokens KOLIONs and product tokens will also be placed on cryptocurrency exchanges for free floating. Thus, there will be an option of additional acquisition, sale and exchange of these tokens on the secondary market.

Intended use

The funds secured by crowdfunding are expected to spend on:
1) increasing the volumes of production and range of goods and services (50%);
2) repair and recovery works related to real estate (20%);
3) the popularization of ecotourism services and arrangement of public events (20%);
4) the supervision of the project, including insurance (10%).

In more details, the enterprises of the ecosystem are engaged in economic activities in the fields of crop farming (plant nurseries, cereals and fodder crops, rolled lawn grass, etc.); production of meat and dairy products and their processing (poultry meat and eggs, fish, vegetables, fruit, berries and mushroom products); processing, storage, sale; boiler equipment manufacturing, metal processing, servicing, etc.

Assets of enterprises in the KOLIONOVO ecosystem include:
- agricultural land of more than 100 ha, as well as pond fish establishments.
- buildings, structures, auxiliary premises, hangars, warehouses, facilities for living creatures, with the total area of over 5,000 sq.m.;
- more than 20 pieces of agricultural and automotive equipment;
- materials, equipment, production lines, machine tools, etc.

As of today, the total amount of liquid assets of the KOLIONOVO ecosystem is 30 mln rubles, including stocks (plants in the nursery), equipment, machinery, building materials and finished products.
As such, the implementation of this project is fully secured with existing proprietary resources.

Basic risks of this project include natural disasters and regulatory risks associated with regulation of the crowdfunding market in Russia. However, existing knowledge and experience of the project developers allow to correctly outline the possible, most correct and permissible steps to implement the project, i.e. to conduct all operations in accordance with the current legislation.

The main advantage of the project is experience of real operation of enterprises in the KOLIONOVO ecosystem, which have a positive, more than a decade-long record of stable agricultural and economic activities and dynamic performance of proprietary agribusiness.

Annex 1.

Rules of the loyalty program for a KOLIONOVO ecosystem participant

These rules provide definition of a participant's status and establish the number of provided product tokens and the size of discount on products (goods and services).

Availability of discount tokens KOLIONs (KLN) on the wallet account on the date of application for a product and service is a condition for participation in the loyalty program.

Depending on the state of the wallet account, the participant has the right to get discount on all goods and services of the KOLIONOVO ecosystem on presentation of the wallet (discount token) balance in the mobile app in accordance with Table 1.

Table 1

Size of discount for participants of the KOLIONOVO ecosystem

Tokens in the wallet (state of the wallet account)	100-500 KLN	500-1,000 KLN	1,000> KLN
Size of discount	2%	5%	10%

Each participant is awarded product tokens regularly (monthly).

Size of these awards for the full fiscal year is approximately not less than 10% (ten percent) per annum on the wallet balance of the discount token.

Note: product tokens are awarded on the 2nd day of each month on the state of the wallet account on the 1st day of that month.

Product token allows to purchase goods or services at a special price defined in the price list as on the purchase date, with a discount up to 100% from the market price by categories of goods and services listed in Table 2.

Table 2
List of types of product tokens

#	Name of a product or service
1	Food (farm) basket or a package of certain products according to the price list as on the purchase date
2	Service of arranging personal events
3	Accommodation in the territory of KOLIONOVO
4	"Village sauna" service

5	Service of arranging a fishing trip with fish soup cooked on the fire
6	"Ecotour at weekend" service
7	Service of arranging two-day workshops
8	Service of arranging the corporate event

These rules come into force on March 1, 2017.

Sources:

[1] KOLIONOVO:
https://ru.wikipedia.org/wiki/%D0%9A%D0%BE%D0%BB%D0%B8%D0%BE%D0%BD%D0%BE%D0%B2%D0%BE

[2] WAVES PLATFORM: https://wavesplatform.com/

[3] Location:
https://www.google.com/maps/place/55%C2%B018'06.4%22N+39%C2%B027'09.3%22E/@55.3017833,39.4525806,11120m/data=!3m1!1e3!4m5!3m4!1s0x0:0x0!8m2!3d55.3017833!4d39.4525806?hl=ru

[4] Mikhail Shlyapnikov's Live Journal: michael-077.livejournal.com

[5] http://michael-077.livejournal.com/589482.html

[6] http://forklog.com/v-kolionovo-zapuskayut-novyj-kriptoproekt-dlya-investirovaniya-i-pokupki-tovarov-i-uslug/

[7] Saito, K., at el. Local Production, Local Consumption Peer-to-Peer Architecture for a Dependable and Sustainable Social Infrastructure. 2007.
http://library.uniteddiversity.coop/Money_and_Economics/Local_Production_Local_Consumption.pdf

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