

# ICO Socrates

"... this is not ICO-rather, it is a  
closed-financing of blockchain projects  
..."

@menaskop

<b>The initial data for the analysis of the project</b>	<b>3</b>
<b>2. Project concept</b>	<b>3</b>
White Paper project	3
Openness	4
Stop-words	4
Description of the market	4
Business plan of the project	4
Competitive analysis	5
Technology description	5
Conclusions about the concept of the project	6
<b>3. The project team</b>	<b>6</b>
Impressions from team data and advisors	6
Evaluation of accounts and interests of some project participants	7
Social networks of the project and its presentation in the media	8
Conclusions about the team, advisors, social networks and media presentations of the project	8
<b>4. Project Coin</b>	<b>9</b>
Roles of the token	9
Legal-status token	9
Distribution of funds	10
The conclusion on the project Coin	10
<b>5. Project code Project</b>	<b>10</b>
<b>6. General conclusions about the project</b>	<b>10</b>
<b>7. Disclaimer</b>	<b>11</b>
<b>8. Donate</b>	<b>11</b>

# 1. The initial data for the analysis of the project

Socratus is a digital ecosystem and a platform with instant payment for insurance products (car insurance in the first place) from regular insurance companies and “ a fully digital consumer insurance company. ”

The principle of the platform is as follows: a consumer who has paid the cost of an insurance product gets an opportunity to manage it through his personal account on the platform website. Payment by the client of a fee for any insurance product on the platform means the start of the relevant smart contract on it. In the event of an insured event (for example, an incident), the client in the personal account initiates the refund process. Upon verification of the relevant databases and confirmation of the insured event declared by the client, the insurance indemnity is transferred to the client from the platform, after which the smart contract is terminated.

To ensure the product of mass consumption, it is proposed to combine a large number of participants (insurance companies and their agents, as well as financial institutions and data providers) on a decentralized Socratus platform.

Category: Platform, Business services, Cryptocurrency

Country: Switzerland (unofficial source)

Token: Socratus Token (SCR)

SCR-2,000,000,000 (unofficial source)

Soft cap - \$ 5,000,000 (unofficial source)

Hard cap - \$ 125,000 000 (unofficial source)

ICO start date (no data)

End date (no data)

Website: <http://socratus.io>

Source of interest in the project - Praise: future insurance, the author of which is also the author of “4K Technique”, with gratitude used in this analysis.

## 2. Project concept

### White Paper project

Checking text for uniqueness

From 76.9% to 83.63% of the section WP "Socratus Rating Distributions"

From 39.11% to 62.2% of the section WP "Socratus token" (due to published reviews on [cryptocoinpravda](#) and on [STEEMIT](#))

## Openness

100% - The project and its WP are freely available.

## Stop-words

Investment - more than 5 times (some of the repetitions - in the titles of advisors and participants)

dividends - in the section "Why Cyprus for DSL-Company?"

participation - more than 7 times in different sections of

utility - 1 time

discounts - 1

exchange - 5 times

## Description of the market

Available: the head of the Global insurance market outlook, there are links to sources and third-party studies, including, research study of the applicability of blockchain technologies in the insurance services and products market.

## Business plan of the project

There is a Financial model (10 million policies in Europe and 7 million policies in Asia by 2022, an increase in income of at least 50-65% annually, and in general 1% market penetration), Expense ratio, Loss ratio, Acquisition ratio, Insurance result ratio, Current ratio, Quick ratio, SCR ratio, as well as the Pilot stage risks.

It is doubtful what it can be considered as a business plan:

"Cash flow model. Two calculations are performed: high-growth stage and stable-growth stage. In high-growth, estimates over the next five years of levered free cash flow to equity are used, which is sourced from market analyst consensus estimates. If no estimates are available, then the last estimate or reported value is extrapolated using historical average annual growth rate, capped within a reasonable range of 20% in the first year declining by 1% per year. In stable-growth, a terminal value is calculated using the Gordon Growth formula, with an assumption that the company will continue to grow its earnings at the 10-year government bond rate, forever. The sum of the cash flow arising from the forecasts are then discounted to today's value using a discount rate, then divided by shares on issue, giving a value per share."

and

"Socrates Protocol outline. The calculation above is very dependent on two assumptions. The first is the discount rate and the other is the cash flows. In this calculation we used 9% and this is based on a Levered Beta of 0,865, and used the 'Bottom up Beta' method based on the comparable businesses, we also impose a limit between 0,8 and 2 which is a reasonable range for a stable business. We expect the present value in 2018-2019 relative to the intrinsic value to demonstrate real potential."

## Competitive analysis

Mentioned as someone already conducted, the analysis as a whole for the insurance market. Aegon, Allianz, Munich Re, Swiss Re, and Zurich are mentioned as the initiators of Blockchain Insurance Industry Initiative.

## Technology description

The main point of the proposed technology is to unite the participants of the insurance market on a single decentralized platform, in which insurers and their clients, as well as systems that provide data for analyzing and confirming clients' applications, will be locked in a single ecosystem that will get rid of intermediaries and reduce the transaction costs of the parties.

The description of the ecosystem and platform, participants, their roles, ways of ranking them (Community member rating, Data provider rating, Service provider rating, Rating power, Rating decay), rules for paying fees and premiums (description of insurance premium and insurance indemnity), description Individual insurance (Car insurance, Weather insurance, Personal property insurance, Cyber risks), and also - Socratus insurance product operating Example, reflects a rather detailed study of the technology by the project team, but perhaps not fully reflected in WP .

The latter, however, can hardly be called a project flaw — rather, the authors' desire not to burden the main project document with redundant details and unnecessarily.

The disadvantages of the technology, or rather, the difficulties that may arise from the project team, include the necessity of implementing Socratus Protocol to all ecosystem participants (insurance companies) who would be interested in working with the project, as well as the need to integrate the platform with various sources of transportation data \ flights \ accident, etc. data providers, with the help of which it will be necessary to identify or confirm the claimant's claim when applying for insurance payment.

However, apparently, the team, whose authors, judging by the above information about education and work experience, are not new to the insurance business, has practical experience in solving such difficulties.

Whether the implementation of such solutions is possible for systems that do not use blockchain technology is a question that was not considered in this analysis, but it is well known that bicycle, writing, accounting and global insurance corporations are not new inventions, therefore it is clear why market analysis, business The plan and its competitive analysis in a WP project are declarative in nature.

## Conclusions about the concept of the project

The idea of the project - digital insurance products with immediate payment of claims and the integration of the system of instant payments in the insurance market for its transition to fully digital insurance is extremely promising and in demand. The implementation of this idea is a question that is verified only with time.

The quality of the material proposed by the team, as the basis for the development of the project, leaves an ambiguous impression of the project's paving scope, which is caused, rather, by the feeling of incompleteness - as if there is not enough breathing when diving.

The main remarks to the concept of the project lie precisely in this - not in the content of the concept itself, but in the completeness of its display: there is no business plan, competitive analysis is not convincing, there are no distinct figures of expectations, including expectations from the placement of tokens (financing), not presented MVP and a roadmap is poorly detailed.

## 3. The project team

The team of the project and the team of advisors are presented on the project website and in WP. Their composition, as well as the number and roles assigned to them in these sources somewhat differ. In addition, for some reason, there are more advisors than team members.

### Impressions from team data and advisors

Insufficient number of blockchain developers — it's generally unclear who in the team is programming or coding:

- "Dmitry Potapov, Blockchain, information security, safe tokenization and elements deployment ", who is not presented on the site
- or " Timur Sultanov, Co-founder, Decentralized Protocol Development ",
- or someone else "Self.team, IT Development, 10+ years in computer technologies; Professionals in IT, banking technologies, marketing communications, usability and finance analysis, web & mobile highload solutions. 2014: Expert RAEX & Top 5 effective banks for consumers 2016: Best defended internet bank ", which is not in WP?

There are no specialists (not advisors, but "working hands") on the ICO. Probably the project is presented with the help of a contractor, although the team has a Marketing manager, Brand Ideologist, and Marketing and PR Advisor.

In addition, the emphasis in the team (and advisors) on the "humanities" composition looks somewhat strange:

three Legal Support (and, judging by the site, not WP, one of them is ICO Legal Advisor),  
not three, not four Advisor,  
two Financial Advisor,  
one Tokenadvisors,  
one crypto Advisor,  
one Investments Advisor,  
one simply - Token and  
one - Insurance Legal Adviser (on <http://socratus.io/team>).

Eight members of a team of 24 (or still out of 26?) do not have contact information. This is one-third (!) including VIP - Ilya Kosolapov (Founder), Ilya Egoshin (Co-founder) and Timur Sultanov (Co-founder).

## Evaluation of accounts and interests of some project participants

- Judging by the sources provided (website, WP and social media accounts), nobody of them has any practical experience in developing and implementing blockchain products or conducting ICOs, except for: Vladimir Popov (ICO Legal Advisor Blockchain legal specialist, ICO and methodology for the development of the methodology for project analysis), whose method (with gratitude) was used for this analysis to be compiled;
- Alexey Yurov (Token Advisor) is just a businessman (he was deeply involved in the field of blockchain after studying at MIT in 2016) who joined the project no earlier than the end of 2017, judging by his activity in his LinkedIn account. Prior to that, nothing was known about his blockchain achievements;
- randomly selected advisors Georgy Urushadze, Bernardo de Souza Madeira, Boris Ryabov, Nana Kulikova, Dr. Robin Kiera does not spread any words in his accounts about the involvement in the project, although the reasons for publishing news are appeared regularly, and - on the very different items;
- A member of the team Nikita Dolgiy only once mentioned the project (in June 2018), in its fairly frequently updated account on LinkedIn, whereas in the FB he did not do it at all;
- other members of the team, Dmitry Chirkin, Kirill Ivanov, are a little more indifferent to their membership in the project on the pages of their account: Ekaterina Naimushina, who has a position of community manager in the project, and also calls herself in her account Project Manager at Socratus , absolutely does not indulge researchers with materials about the project.

Requests in social networks were directed to all mentioned persons on 11/16/18. The answers were rather disappointed than promising.

For example - Dr. Robin Kiera 11/11/18,

26 НОЯБ.



Dr. Robin Kiera • 2:33

Hi, yes. R.



So no real answers were received from any of the team members or advisors.

## Social networks of the project and its presentation in the media

<https://www.facebook.com/socratus.io/> - signed 277

[https://twitter.com/socratus\\_io](https://twitter.com/socratus_io) - signed 103

<https://www.instagram.com/socratus.insurance/> - 62 were signed

<https://www.linkedin.com/company/socratus/> - 40 were signed

<https://medium.com/@socratus> - presence

[https://bitcointalk.org/index.php?topic=4134975.msg38169661#\\_msg38169661](https://bitcointalk.org/index.php?topic=4134975.msg38169661#_msg38169661) - presence

[https://t.me/socratus\\_io](https://t.me/socratus_io) - 652 participants

Last post at the end of September 2018

Chat [https://t.me/socratus\\_official](https://t.me/socratus_official) - 1516 participants - since the beginning of November 2018 has lost relevance and project content.

Publications about the project in third-party media are limited to one unfinished mention in [Neironix](#), rare interviews ([here's](#) one of them) and two private video reviews of dubious quality, which should not be referenced.

Conclusions about the team, advisors, social networks and media presentations of the project

Obviously, the project team is still in the stage of development and joint problem solving, probably with all the growth diseases inherent in startups and with the absence of uniform and consistent collaboration.

Advisors, with the exception of Vladimir Popov, are also not “involved” in the work on creating a product, and even more so - on its development, most likely - for the same reason: the links and relations of the participants are still being formed.

The absence of references in the third-party media about the project, together with all the above, suggests that the project does not need to carry out its promotion and presentation, apparently also because of the incompleteness of internal organizational measures.

One can only guess about the reasons for the decline in project activity in their accounts in social networks - the authors of the analysis do not have sufficient information about this, and the comments of one of the team members (Nikita Dolgiy) look overly promising to be trusted without any reasons:



“... we can say that the owners have met a lot more promising demand from corporations, and are moving in this way to make the product stronger, and to get cash flow, including in order to become more attractive for retail investors”.

## 4. Project Coin

### Roles of the token

- Payment mean for a license to use the tool product (platform)
- Tool for the compensation of platform utilization
- Unit for the payment of insurance premiums and insurance compensation.
- The tool management and promotion of customer loyalty

### Legal-status token

The creators of the project say that:

“SCR tokens as utility tokens will not provide the following rights or functionality:

- grant participation in the Company or its assets,
- represent a loan to the Company,
- be securities in any jurisdiction,
- be any other financial or investment instrument,
- be currencies in any jurisdiction.”

That is, it seems the SEC will not have sooo eligibility requirements for the project, and to comply with the regulations in particular the GDPR (General Data Protection Regulation) authors of the project intend to introduce KYC and gradually introduce the necessary elements while expanding the expansion: “ Further we plan to develop our procedures considering expected expansion on Asian and other markets – thus, we will need to bring them in line with local requirements applicable to the case”

Of course, there is in WP and the disclaimer:

“Please, note that in particular cases SCR tokens may not be refundable. Unless otherwise is provided by applicable law or directly set out in the legally binding terms on sale of SCR tokens, the Company is not obliged to provide SCR token holders with a refund related to SCR tokens for any reason, and SCR token holders will not receive money or other compensation in lieu of the refund.”

At least it's honest.

## Distribution of funds

The distribution of the collected funds on the project website and in WP is not presented; this information is not found in the presentation materials and project blogs either. One paper project is missing.

## The conclusion on the project Coin

Conducted by the author of the analysis *Howey's test*, according to [A Securities Law Framework for Blockchain Tokens](#), gives grounds to believe that the project will not have to justify itself to the SEC (if the project is extended to the US area of interest), but the project creators are advised to recall the authentic proverb of their nationality, despite the impressive composition of the Legal Support Project .

It appears that the token is organically embedded into the platform, the creators of which intend to resolve the issues and problems that may arise in a consistent manner. We hope that the problems that may arise in a real business with the acquisition of SCR tokens will also be solved consistently and without fail.

To date, in fairness, the project is not yet ready to solve all sorts of problems with the business: see gl. "Social networks of the project".

## 5. Project code Project

Code on the site and \ or in WP is not presented, as well as on Github. And this information is also not found in the presentation materials or project blogs.

## 6. General conclusions about the project

The main benefits of the project, which the authors intend to implement, are postulated as shifting the emphasis on the sale of insurance products from a long period to the lowest possible, embodying a widespread use of a convenient type of insurance product: insurance not for a year, a month or a week, but for an event which can take place or not, or for a limited time - insurance "for two hours," conditionally speaking.

At the same time, the speed of concluding such a transaction, the price of insurance, and immediate subsequent calculations on it are the key factors that are designed to ensure the interest of clients, agents, insurance companies, and financial organizations.

The authors of the project rightly believe that the introduction of such a product will have a beneficial effect on the entire insurance industry, will lead to an increase in business activity of its participants and will benefit neighboring industries, such as the big data generation and processing industry, organizations for the production and use of IoT devices. , passenger

and cargo transportation, logistics, tourism (helicopter tours, for example, or a visit to a crocodile farm), medical insurance for participants in mass runs, etc., etc.

Financial providers will not stand aside, guaranteeing coverage, providing various forms of working capital to participants or providing processing and billing, which will also have a beneficial effect on reducing the risk of non-payment in the insurance industry, increasing the speed and volumes of mutual settlements, and organization token conversion project or another cryptocurrency in fiat currency and vice versa ...

All this is possible ... provided perseverance and determination of the project team, which, judging by the serious respect to the created technology, fully able to lead Socratus to success.

Of course, the current stage of the project development is still far from its completion, the lack of accurate dates for the project tokensale and some critical remarks, given in the analysis of this evidence, but the road will be mastered in progress. And the authors of the analysis, for their part, wish this project to be successful and win.

## 7. Disclaimer

*This rapid analysis was performed using the 4K Synergis method (4K - first letters in Cyrillic terms Team - Team, Concept - Concept, Coin - Coin (Token), Code - Code, which are fundamental to the analysis).*

*The analysis is exploratory in nature. The conclusions express the author's conclusions and require a critical approach and an independent reader's own verification. The mentioned data is given at the time of the study.*

*Analytical materials are based on information from sources that are publicly available. They are provided on an "as is" basis, and therefore the author does not guarantee the accuracy, completeness and relevance of information, analytical material and opinions presented in Internet resources. Links are provided.*

*The research belongs to the author and can be changed by him at any time in connection with the appearance of additional information. When translating from the main language (Russian) to others, the translator is responsible for inaccuracies or inconsistencies.*

It can be seen through the ICO project.

This information is not a suggestion or advice on investing in ICO funding. Please thoroughly investigate your participation information and decide on ICO participation.

## 8. Donate

We invite creative individuals to DAO XYZMONEY who are ready to work on the project without claiming a reward, and from those whom our ideas are close or just like, we will accept with the deepest gratitude the donations with which we can somehow thank our volunteers:

[Qiwi wallet](#)

[Yandex wallet](#)

WebMoney wallet

ETH

BTC

Z849435560942 or R376674124910

0xf7e90a975Cbd48B941bE05B572E2AB5897F316fA

1Co5CNmUMXTXXu1azrPAUCxY7cxH43TwyE