



## Whitepaper

Version 1.4 — October 2018

# Now anyone can be a philanthropist with Little Phil.

## Philanthropist

fi'lanθrəpɪst/

noun

A person who seeks to promote the welfare of others, especially by the generous donation of money to good causes.

# Disclaimer & important notes

Please ensure that you are reading the latest version of the white paper (“Whitepaper”) available on the Little Phil website before you make a decision to participate in the token sale. The latest version of the Whitepaper amends and replaces any prior version of the Whitepaper that you may have reviewed.

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No distribution of LPC will be made to any person who is not lawfully allowed to receive LPC.

This Whitepaper describes the current vision for the platform on which LPC may be used (“Platform”). While we intend to realise this vision, recognise that it is dependent on various factors and subject to various risks. It is entirely possible that the Platform will never be implemented or adopted, or that only a portion of our vision will be realised. We do not guarantee, represent or warrant any of the statements in this Whitepaper, as they are based on our current beliefs, expectations and assumptions about which there can be no assurance due to various anticipated and unanticipated events that may occur. These events may include further regulations or legal advice that require the Company to obtain relevant licenses and approvals. Certain actions proposed in the Whitepaper may be subject to regulatory approval. The Company will attempt to obtain all relevant licenses and approvals if and when required, and will only proceed once such licenses or approvals have been obtained. However, the Company does not represent, warrant or guarantee that such licenses or approvals will be obtained and that any actions described in this paper will be implemented.

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All forward-looking statements made by or attributable to the Company or persons acting on behalf of the Company are expressly qualified in their entirety by such factors. Given that risks and uncertainties that may cause the actual future results, performance or achievements of the Company to be materially different from that expected, expressed or implied by the forward-looking statements in this Whitepaper, undue reliance must not be placed on these statements.

#### **Market and Industry Information and No Consent of Other Persons**

This Whitepaper includes market and industry information and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

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#### **Taxation**

As the tax treatment applicable to particular LPC holders may vary any prospective holder must seek their own advice from a suitably qualified accountant or adviser as to the tax implications of holding and using LPC. The Company makes no representation in this Whitepaper as to how LPC will be treated for tax purposes.

#### **Key Risks**

The purchase of LPC may carry significant risk which may not be limited to those set out in this Whitepaper. Before deciding to purchase LPC prospective holders must carefully review this Whitepaper and in particular the risk disclosure set out in Section 6 - Risks and Uncertainties.

The Little Phil Team consider that the following specific risks apply to LPC and the Platform though this is not exhaustive and should not be considered a full summary of all of the risks that apply to LPC or the Platform. A full description of these risks, including how the Company intends to minimise these risks, is set out in Section 6.

- Regulatory risk attaching to token sales.
- Risk of software weakness and hacking attacks.
- Regulatory risk affecting charitable organisations.
- Risks associated with uncertain regulations and enforcement actions.
- Risks associated with markets for LPC.
- Risks arising from the market in which the Platform operates.
- Risks associated with the development and maintenance of the Platform.
- Risk of an unfavourable fluctuation of Ethereum and other currency value.

# Abstract

In 2016, an estimated USD 500 billion was donated to charities worldwide. To better compete for a portion of these funds, charities often rely on third-party marketing firms for their fundraising activities. Traditional marketing methods used by these firms such as telemarketing and street canvassing are failing to find traction with Millennials. Furthermore, many of these firms have engaged in tactics that erode the trust of the public and tarnish the reputation of the charity industry.

In an age where we can track the delivery of a pizza or see how far away our Uber is, why can't we track our money from the moment we donate all the way to the cause? Millennials expect more transparency and control over their giving, including the ability to connect emotionally with receivers by seeing the direct impact their contribution has made. As the majority of charitable donations come from an ageing population, fundraising approaches need to better engage Millennials or there will be a significant reduction in donations from the general public in the next 10 to 20 years.

This whitepaper highlights the main issues inhibiting people from giving and demonstrates how Little Phil uses blockchain technology to radically transform the giving experience. With Little Phil people can better connect emotionally with causes that resonate with them, see exactly where their money is going and ultimately experience then share the rewarding pleasure of giving. The Little Phil team believe that this donor-centered approach will likely increase overall donations flowing to those in need by giving charities access to a new marketplace of donors and the tools to ensure funds are used more efficiently.

# Our philosophy

## We believe:

- Philanthropy is a mindset. Anyone can think this way.
- All givers deserve transparency and control over where their money is going but most feel they can't have that with small donations.
- If there were more visibility and accountability in the industry, more people would give and a higher percentage of funds would flow to receivers.
- The special feeling of giving makes you happier, more connected and even healthier, but this feeling is largely lost in traditional fundraising.
- Blockchain technology can help solve industry-wide issues and bring these special moments of meaningful connection back to givers across the globe.



Blockchain  
technology can help  
solve industry-wide  
issues.

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# 1.0 State of fundraising trends

## Size of the charitable giving market

Charities rely on donations from corporations and the general public. While there are no total worldwide figures available showing exactly how much is given each year, we estimate that in 2016, approximately USD 500 billion was donated to charities by individuals and corporations.\* A breakdown of some of the major countries looks like this:

Country	Local donations	USD value
Australia	\$30bn <sup>1</sup>	\$23bn
China	¥139bn <sup>2</sup>	\$22bn
United Kingdom	£9.7bn <sup>3</sup>	\$13.6bn
United States	\$390bn <sup>4</sup>	\$390bn
Total:		\$448.6bn

<sup>1</sup>Includes personal and corporate giving

\*As the four countries mentioned in this section account for 448.6bn, this estimate conservatively assumes remaining countries would round total donations up to at least 500bn.

## Fundraising is expensive

Globally, the number of charities is increasing (with over 1 million public charities in the United States alone<sup>5</sup>), creating more competition for donations each year. At the same time, budget cuts from governments cause a reduction in grants to non-profit organisations.

Each charity not only requires funds to help their associated causes, but also to meet ongoing administration and operational costs. To keep these costs low, charities rely on volunteers who are passionate about the cause but can lack relevant sales skills when it comes to fundraising. Charities tend to outsource marketing and fundraising to intermediaries who typically rely on unsophisticated interruption methods such as cold calling, billboards and street canvassing. Many of these intermediaries don't leverage best practices of social sharing, content and mobile device driven marketing. Outsourcing has had moderate success over the last decade, with total personal donations in Australia rising from \$7.7 billion to \$12.5 billion between 2005 to 2016<sup>6</sup> – with the bulk of these funds coming from monthly direct debit subscriptions.<sup>7</sup>

Due to this perceived success, marketing firms are able to charge charities exorbitant upfront fee of between 800% to 1700% of the value of each monthly subscription obtained.<sup>7</sup> To illustrate, if subscriptions are \$30 a month, the charity will be charged up to \$510 per person. If the marketing firm signs up 1000 people, they will be owed a commission of \$510,000 payable upfront. Reports estimate that up to 83% of donations can be lost to fundraising costs.<sup>8</sup>



Exorbitant upfront fee of  
between 800% to 1700%

**This raises two major concerns:**

- Lack of impact: It can take up to 17 months for the charity to break even, so donors wanting to contribute for shorter periods actually cost the charity money rather than having an impact on the cause.
- Restrictive access: This high upfront cost makes this marketing option prohibitive for smaller charities, as they often do not have the necessary capital available.

Traditional fundraising methods have been somewhat profitable for charities in the short term; however studies have revealed that while the total amount given has gone up, it is coming from fewer people.<sup>6</sup> Over the last decade, there's been a sharp decline in the percentage of people donating in response to appeals via telemarketing, street, mail, television and door knocking.<sup>6</sup> Research suggests that the biggest drop has occurred in street fundraising.<sup>6</sup>

In 2016, only 19.3% of people who were approached on the street actually followed through with a donation, compared to 65.7% in 2005.<sup>6</sup>

This raises the question - 'What will happen to the long-term sustainability of charities as response rates to traditional charitable fundraising methods continue to decline?'



In 2016, only 19.3% of people who were approached on the street actually followed through with a donation, compared to 65.7% in 2005.<sup>6</sup>

# 1.1 Why are people responding less but giving more?

## Generational differences

“Millennials expect transparency, sophisticated storytelling and technical savvy from their charitable organizations. And many donors will not only give money, but will also volunteer and lend the force of their own social networks to a cause they believe in... they want to be able to see and measure how those gifts are making a unique impact.”

~ Nicholas Fandos — Congressional correspondent for The NY Times<sup>9</sup>

”

A report from the USA revealed that the Baby Boomer generation (born 1946 to 1964) accounted for 43% of the total amount donated, roughly four times that of Millennials<sup>10</sup> (born 1981 to 1995). There was almost 50% more engagement from Boomers (51 million donors) than Millennials (32.8 million donors),<sup>10</sup> suggesting the difference is not simply due to higher disposable income. This indicates that charities and marketing firms are not using methods that appeal to the demands and preferences of younger generations, who have a stronger aversion to intrusive telemarketing and face to face appeals.

Millennials prefer quick and easy donation methods that provide instant gratification and transparency.

Little Phil believes that Millennials prefer quick and easy donation methods that provide instant gratification and transparency. When we look at direct mail for example, both Millennials and Boomers both generally believe that receiving direct mail is acceptable (Millennials 66% and Boomers 61%), yet Boomers are four times more likely to take action and donate in response.<sup>10</sup> Almost two-thirds of Millennials and nearly half of Gen X would prefer to donate using their smartphone,<sup>10</sup> but little is being done to cater for this demand.

When we look at direct mail for example, both Gen Y and Boomers both believe that receiving direct mail is acceptable (Gen Y 66% and Boomers 61%), yet Boomers are four times more likely to take action and donate in response.<sup>9</sup>



Almost 2/3 of Gen Y and nearly 1/2 of Gen X would prefer to donate using their smartphone,<sup>9</sup> but little is being done to cater for this demand.

Approximately 20% of online donations come from smartphones and tablets – however, the current processes are overly complicated and time consuming, resulting in over 50% of people giving up after attempting it.<sup>11</sup> In addition to this, traditional channels (door to door, street canvassing and telemarketing) are now being described by the majority of people as unacceptable forms of charitable fundraising.<sup>10</sup>

## Uncomfortable marketing tactics

‘Aggressive charity fundraisers are causing brand damage... Like most people, when I spot charity tabards in the distance, I set my gaze in the middle distance... so it’s easier to avoid the proffered, and of course entirely insincere, handshake aimed at getting me to stop and be pitched to’

~ Tim Burrowes, Founder of Mumbrella<sup>15</sup>

”

By outsourcing their fundraising activities, some charities seem to benefit well in the short term. However, they’re prioritising this short-term gain over a long-term positive relationship with the general public by turning a blind eye to marketing tactics that can border on bullying. Over a third of people (35%) rate their experience with charity fundraisers as “bad”. The most common issues reported were that they felt harassed, pressured into giving more than they can afford and general disappointment in how the sector is being run.<sup>12</sup>

People are also tired of being interrupted by unsolicited phone calls while going about their day and being made to feel guilty for saying “no” to fundraisers. This experience actually creates an aversion to giving – with 66% of people indicating they are less likely to give to charities that do this.<sup>7</sup>

These tactics are unsustainable and prevent potential emotional connections between a donor and intended recipients, when in reality, it is possible to leverage technology to recreate the giving experience to be positive and fulfilling for all concerned.



66% of people indicate they are less likely to give to charities that interrupt them with unsolicited phone calls.

## Public trust issues

“In recent years reports of poor fundraising practice have eroded public trust, damaged the reputations of some charities, and unfairly cast a shadow over the charity sector as a whole. This has the potential to make a significant impact on donor giving – and thus the number of beneficiaries charities are able to help.”

~ Sir Martyn Lewis, CBE  
Former chair of the National Council for Voluntary Organisations<sup>11</sup>

”

Around 1/3 of people don't trust charities.<sup>13</sup>

This is because the non-profit fundraising industry has been plagued with uncomfortable marketing tactics, stories of unethical treatment of staff and reports of minuscule amounts from donations actually making it to the advertised recipients.

In fact, in 2016, the biggest Australian non-profits only forwarded an average of 3% of their income as grants to their recipients – with this average increasing as the size of the charity decreases.<sup>14</sup>

It's little wonder people are now demanding more transparency and accountability from charities. Nearly 60% of Millennials and 50% of Gen X say that seeing the direct impact of their donation will influence their decision to give<sup>10</sup> – and yet the industry is struggling to find solutions to meet this demand.



Nearly 60% of Millennials and 50% of Gen X say that seeing the direct impact of their donation will influence their decision to give.<sup>10</sup>

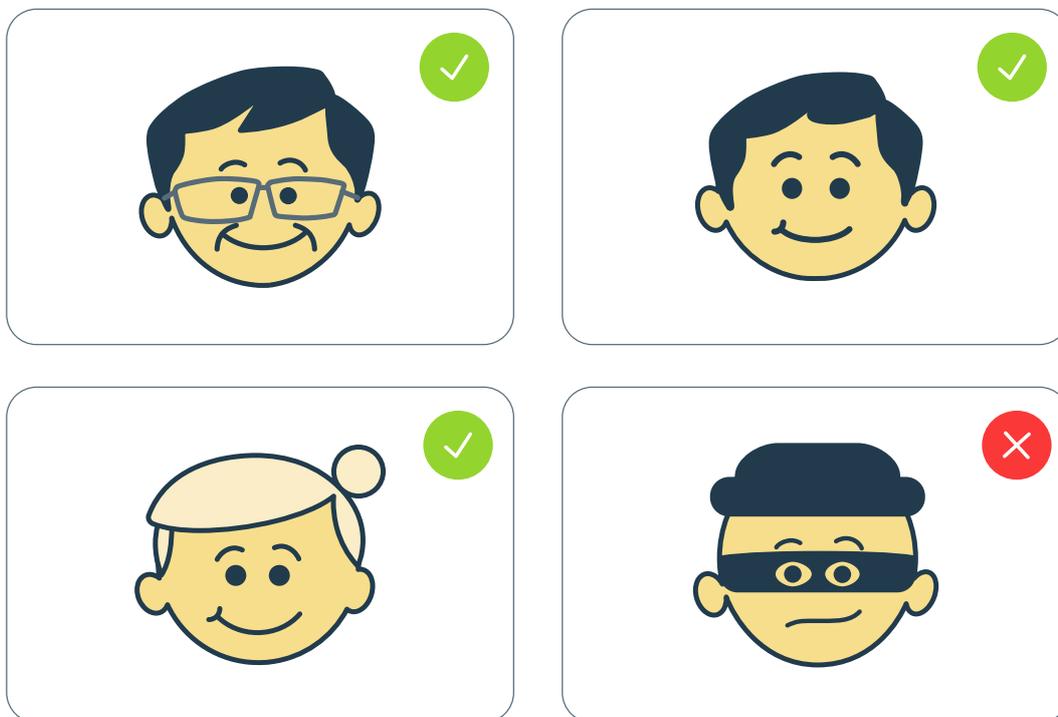
## 1.2 Exploiting the system

### Who are the funds going to?

Some recipients exploit the system by registering with multiple charities – at the expense of those who have genuine needs.

Most charities do not have a system of data sharing that lets each other know who they are helping and how. Unfortunately, this can lead to situations where some recipients exploit the system by registering with multiple charities – at the expense of those who have genuine needs. This problem provides some politicians and the media with a biased justification to discriminate against welfare recipients collectively, unfairly targeting the most vulnerable people in society and reducing the public's desire to give.

If charities had a system which validated that their recipient was not already receiving similar assistance elsewhere, their money would go further in addressing the charity's cause and helping those who actually need it.



Some recipients exploit the system by registering with multiple charities – at the expense of those who have genuine needs.

## 1.3 Problem summary



### **Expensive intermediary costs:**

Third-party fundraisers, international money transfers and internal charity staffing costs can take up the majority of funds raised by a charitable organisation, leaving only cents from each dollar to make an impact on the actual cause.



### **Outdated fundraising methods:**

Younger generations are opposed to cold calling, door knocking and other methods adopted by fundraising intermediaries. They would rather be proactive and give on their terms using familiar technology with simple processes and an ability to engage with and share content they're interested in.



### **Lack of transparency:**

We live in a time where people can track their lunch being delivered in real-time, but generally have no ability to see the impact of their giving. People expect transparency over how their donations are used, specifically around charity accountability; administrative costs; and the direct impact for the receiver.



### **Poor donor experience:**

People, especially donors from the younger demographic, do not respond favourably to being interrupted with negative emotional experiences. If charities do not adapt and start providing positive donor-centered experiences, there will be a significant drop in donations as the population ages.



### **Exploitation of generosity:**

Charities have no way of validating their beneficiaries' authenticity or their access to support from other charities, leading to inefficient use of funds.



### **Emotionally disconnected:**

Most current donation platforms do not allow donors to see the impact of their donation. This lack of emotional connection leads to disengagement and donor attrition.

## Where to from here?

The fundraising industry needs to rebuild trust and increase the desire to give by providing donors with:

- Decreased fundraising and operational costs so more money makes it to the cause;
- Transparency, accountability & control over how their funds are used;
- Evidence of the direct impact their donation had;
- A simple and positive donor experience using up to date technologies;
- The ability to make an impact and an emotional connection from small donations;
- and
- The ability to make an extended impact by sharing their giving experience.

History has shown that industries are disrupted when a new entrant is customer-centric and focuses on the user experience. Little Phil will make an impact on the charitable giving industry as Amazon and Uber did to the e-commerce and transportation sectors. These are prime examples of how a mix of technology and extraordinary user experience design can open new markets and pave the way for new industry leaders.



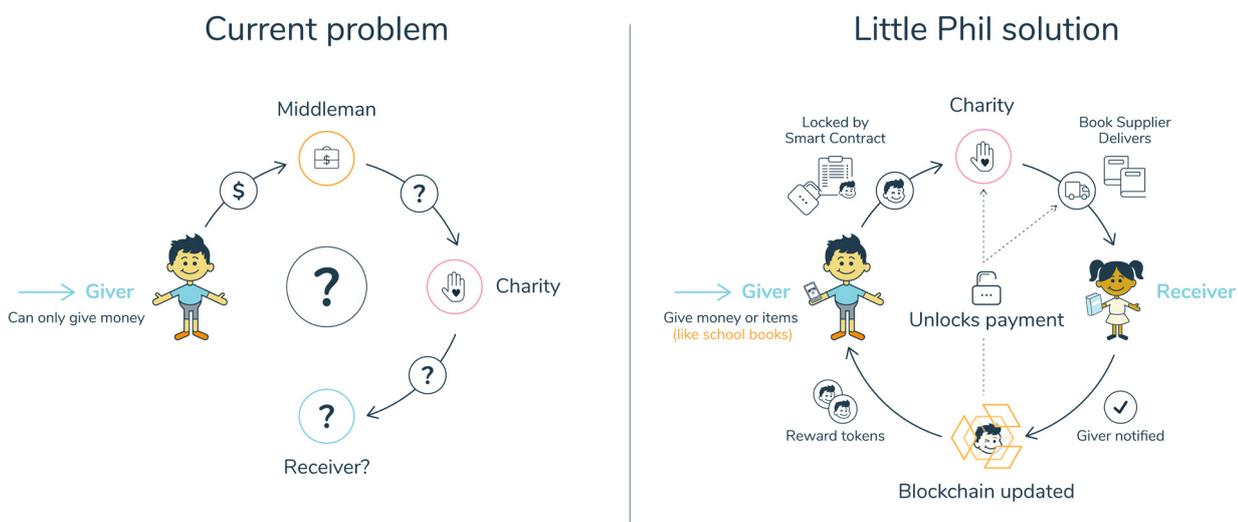
The fundraising industry  
needs to rebuild trust and  
increase the desire to give.

## 2.0 The solution - Little Phil

‘Charities will be stronger if a donor-centred approach becomes their norm. If donors are consistently listened to and given genuine choices and effective control of their relationships with the charities they support, so trust and confidence will increase too.’

~ The Commission on the Donor Experience Report <sup>16</sup>

”



All of the above issues facing the industry are addressed with the help of Little Phil, which uses blockchain technology and user experience (UX) designed around a positive psychology framework to allow people to have the oversight, control and emotional connection of a philanthropist, without giving large amounts. People are able to give on their terms through their smartphone and track their giving all the way to the moment it's received. This will create an engaging experience that makes them genuinely feel the positive impact they have had on their cause. In addition to this, charities will have solutions to their fundraising and exploitation concerns at a much lower cost than they currently incur.

Little Phil is the first consumer facing fundraising platform that interacts with the Little Phil blockchain.

## Changing the conversation

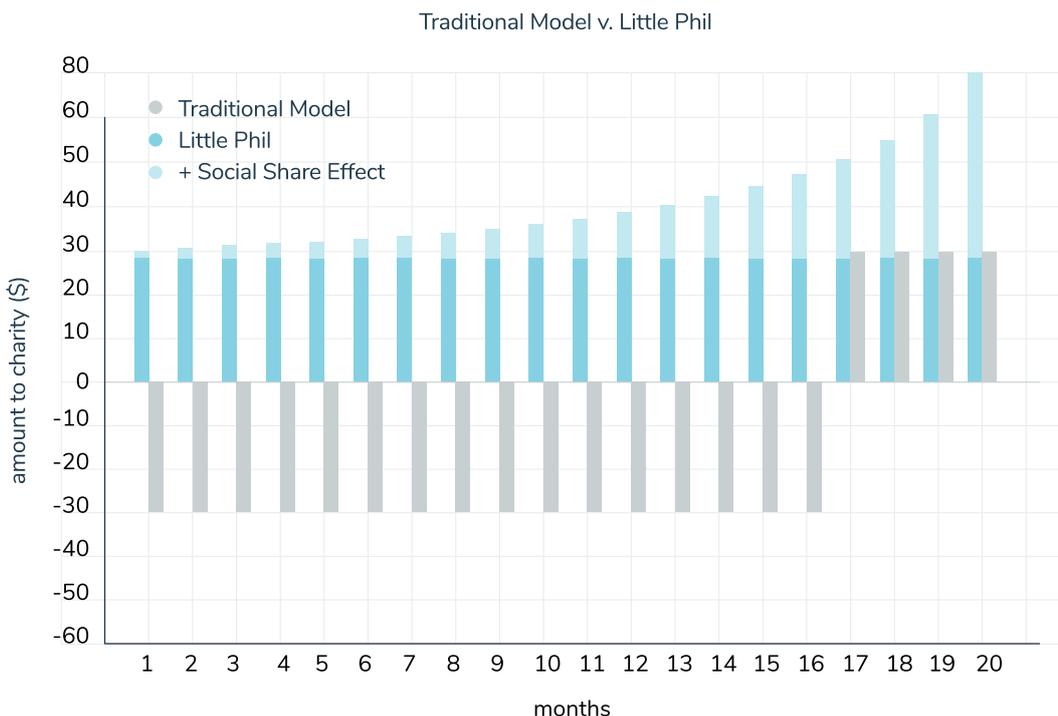
We believe that anyone can be a philanthropist.

We're also shifting the conversation to normalise charitable giving so it sits in the same mental space as everyday giving, such as surprising a friend with a kind gesture, like buying them a coffee. At the same time, we're celebrating the fun side of human generosity by providing transparency and empowerment, with the idea of micro-philanthropy. This is in stark contrast to the current association of guilt or shame if we're not willing or able to give. Thus, we prefer to say:

- “Being a philanthropist” instead of “Being charitable”;
- “Givers / giving” instead of “Donors / donating”; and
- “Receivers” and “Causes” instead of “Beneficiaries”.

While people traditionally see philanthropists as the wealthy giving back to society, we believe that anyone can be a philanthropist. People should have the same visibility and control over their money when giving small amounts as philanthropists have over large amounts. With Little Phil, you aren't merely a donor, you're a philanthropist.

Unlike traditional methods that can take up to 17 months to impact the cause,<sup>7</sup> givers have peace of mind knowing their funds can immediately benefit their receivers and will be able to boost their impact by sharing with their networks on social media. Below is an example of how this may look.\*



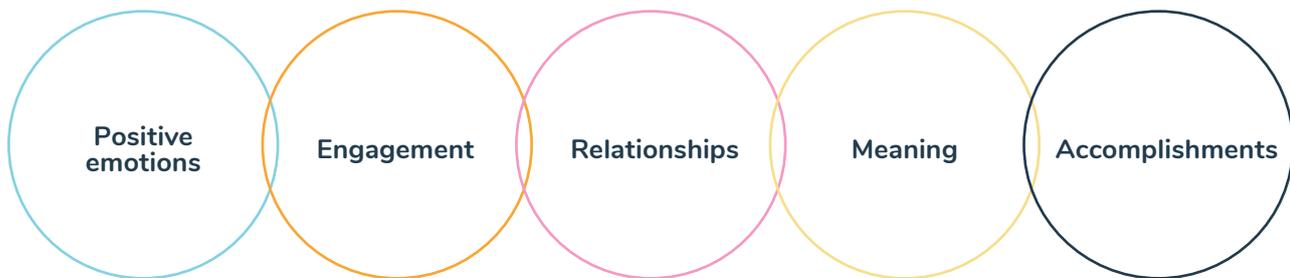
\*This example is illustrative only. In practice, this 'Social Share Effect' can vary and this example should not be seen as a true reflection of how donations on little Phil will function.

## Positive psychology framework

Studies have revealed that giving is associated with a range of physical and mental health benefits, including:

- Increased happiness;<sup>17</sup>
- Longer life expectancy;<sup>18</sup>
- Lower blood pressure;<sup>19</sup> and
- Strengthened immune system.<sup>20</sup>

These benefits however, are dependent on how the giver feels about the interaction during and after the process. Little Phil wants to maximise the health benefits for our givers, so our user experience is designed to provide givers with little feel-good moments of flourishing. Flourishing is a key theoretical concept in positive psychology characterised by 5 dimensions: Positive emotions, Engagement, Relationships, Meaning and Accomplishment.<sup>21</sup>



Our user experience attracts and retains givers by providing them with an emotional connection to receivers; the ability to share the meaningful experience with their social network; and the ability to see the overall impact their actions have achieved.

## Fixing trust and accountability

Two smart-contract powered solutions underpin the trust and accountability functions of the Little Phil platform. They are:

1. Proof of Impact - using smart contracts that hold payments in escrow for goods or services needed, until validation is provided by the receiver using their Unique Digital Identities (UDID).
2. Proof of Need - using UDID based on multiple biometric data points allows charities to authenticate that a receiver and their needs are genuine.

Proof of Need is established by the UDID function of the Little Phil platform. It allows cross-collaboration from charities without the need to share databases. UDID's are an electronic identity solution for undocumented people and receivers, using biometric integrations to ensure only legitimate receivers can register and remain on the platform.

## 2.1 Proof of Impact

Proof of Impact provides givers with positive reinforcement, transparency and accountability over the usage of their funds.

### Little Phil makes this possible with:

- An immutable public ledger that allows tracing the usage of funds;
- UDID assurances that funds aren't going to waste;
- Validation of receipt ensuring transfers only occur once the outcome is achieved;
- Receiver feedback mechanisms which facilitate an act of appreciation directly from the receiver to the giver; and
- Costless impact boost which allows givers to see the further impact their sharing has on a cause.

When a giver decides to help a receiver, the funds are held in escrow using smart contracts on the Little Phil Platform. The funds can only be released using a combination of validation methods including the receiver's UDID, biometric analysis, image recognition or charity affiliate confirmation. The giver can then exponentially increase their impact.

### Proof of Impact - child welfare example:



1 Lisa decides to purchase school books for a child in Peru through the Little Phil platform in her local fiat currency which is held in a smart contract.



2 The local supplier is notified of the order and delivery details. They know the funds are guaranteed (pending delivery).



3 Multiple bio-signatures confirm delivery to the receiver, instantly unlocking the smart contract funds to purchase the equivalent value in LPC from exchanges.



4 The LPC is distributed to the supplier's wallet, with some reward tokens returned to Lisa.



5 Lisa is notified of the delivery with a warm, personalised thank you from the child, making her day. She shares the moment with her social network, which inspires some of her friends to check it out and donate as well.



6 Lisa can see her network donated an additional \$200 and is amazed that her mere \$10 donation resulted in such a big impact; she can't wait to share again.



## 2.2 Proof of Need

Proof of Need is established by the UDID function of the Little Phil platform. It allows cross-collaboration from charities without the need to share databases. UDID's are an electronic identity solution for undocumented people and receivers, using biometric integrations to ensure only legitimate receivers can register and remain on the platform.

U.D.I.D — 0x12025689548m4585lkjh254654ge245697451258			
Donation	Charity	Time	Type
\$500	0x6524852lkjh6525488d8548fghyj52545258k900	32 secs ago	MEDICAL
\$1,800	0x653459kkh8564w26487351lu00085etryf236522	3 days ago	WELFARE
\$2,000	0x126548l6g2ak254856lk2511478p9765243256lk	3 days ago	WELFARE
\$5,000	0x254856lk25126584758ahgylydylk126548l6g2vv	4 days ago	WELFARE
\$500	0x6524852lkjh6525488d8548fghyj52545258k900	7 days ago	MEDICAL

### UDID's assist with:

- Fraud prevention (no duplicate receivers);
- Identifying and personifying undocumented people; and
- Better resource allocation for charities;
- Tracking and traceability of donations.

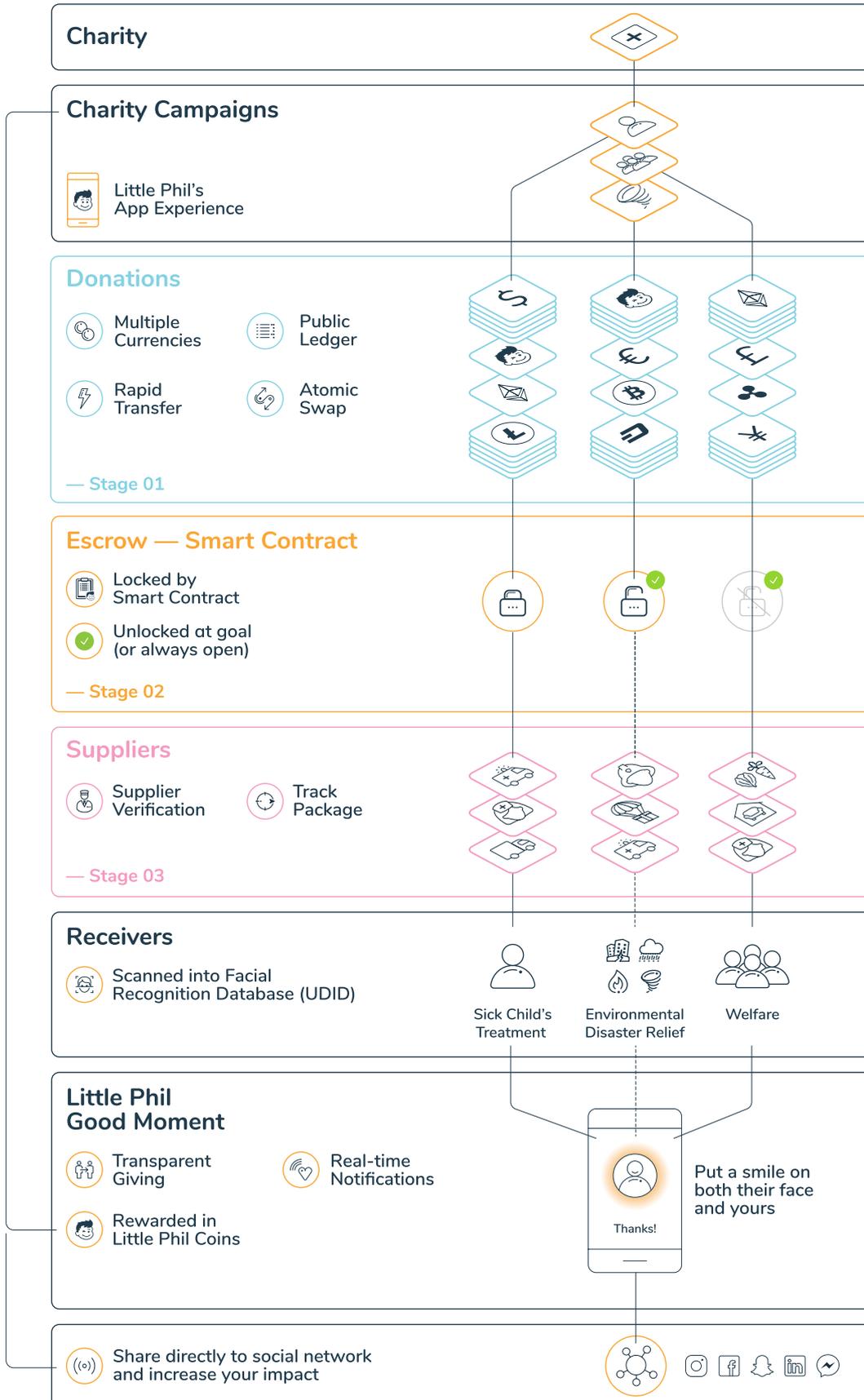
When a charity sets up a profile for a client, our identity chain is searched for a matching UDID before establishing a new one. Any donations to that receiver will be associated with their UDID and recorded on the public ledger. This provides charities and donors the ability to make informed decisions without needing to share client information. The quality of the decision making improves as more charities adopt the platform.

### Proof of Need - welfare example:

Example: Using Little Phil reduces fraud and helps organisations use funds more effectively:

1. John approaches a welfare charity for assistance with paying an overdue phone bill
2. The charity worker begins registering them by creating a UDID
3. The system alerts the charity worker that a duplicate UDID already exists
4. The charity sees that another organisation paid the phone bill 2 days ago
5. John advises he still needs money for food
6. The charity worker decides to assist him with donated perishable food instead, providing for John's immediate needs while holding onto the funds for the next person

# The Little Phil platform



## 2.3 Little Phil Coin (LPC) token utility

LPC is an ERC-20 standard token that can be stored and transferred to or from any ERC-20 compatible wallet.

Users give online using fiat or cryptocurrency. The Little Phil platform escrow locks the value of these fund using smart contracts, waiting for Proof of Impact validation from the receiver. Once validated, the smart contract is unlocked and the Little Phil platform purchases the giver's equivalent donation value of LPC from exchanges. LPC is then transferred to the recipient's wallet, who will be able to convert it to the required fiat currency using local brokerage services and/or integrated online exchanges, though it should be noted that these services will not be offered by Little Phil or accessible via the Little Phil platform.

### LPC tokens are used for:



Rapid, low-cost transfer directly to the wallet of the receiver, charity or supplier wallet;



Traceability of transactions and costs;



Conversion to a preferred digital currency with an atomic swap and transferred to the supplier or charity;



UDID creation to protect against receiver duplication;



Rewards and Incentives;



Emergency relief fund;



Staking and voting rights;



Escrow services through smart contracts; and



Platform fees.

These core functions underpin the token utility, and the custom suite of API integrations will assist in both the broader adoption of the Little Phil platform and increase the use of LPC by existing fundraisers (see whitelabel offering 2.4).



## Reward tokens

Each time someone gives on the Little Phil platform, a portion of the amount is returned in LPC to the giver's account and can be used for:

1. Future giving using Little Phil;
2. Promotional activities enabling access to unique gifts or experiences from the Little Phil platform featuring corporate and celebrity partners; and
3. Future use for an emergency relief fund.



## Emergency relief fund

Time is the most precious commodity when a large catastrophic emergency occurs. We often do not hear the news about such events for many hours after due to varying time zones. When lives are at stake, funds need to be mobilised quickly. There is no time to wait for fundraising campaigns.

Staking nodes democratically vote to allow access of up to a third of all reward tokens on the platform. This will be used as an advance payment to first responders until additional donations are obtained.

**Givers will be notified of the situation and have the choice to claim back their reward tokens or leave them as a gift for the non-profit organisation. The condition of the advance payment is that the non-profit organisation will pay the cost of any token return requests. Users will have the option to opt out of this service.**

This means that you can contribute to a critical situation even while you sleep, waking up to the news knowing you have already responded and may have saved lives.



## Staking and voting rights

Staking nodes are eligible for entries into randomised LPC airdrops as well as voting rights to decide on key initiatives of the Little Phil platform, such as releasing emergency relief funds or the LPC projects pool (see section 4.0 - Token sale distribution). Eligible nodes receive one entry per 10,000 LPC staked with no cap on how many entries they can have. Eligible nodes also receive one vote per 10,000 LPC, however there will be a cap of 3 votes each to ensure nodes holding large amounts of LPC do not hold undue influence over emergency relief decisions.

Amount staked (LPC)	Airdrop Entries	Votes
10,000	1	1
20,000	2	2
30,000	3	3
40,000	4	3
50,000	5	3

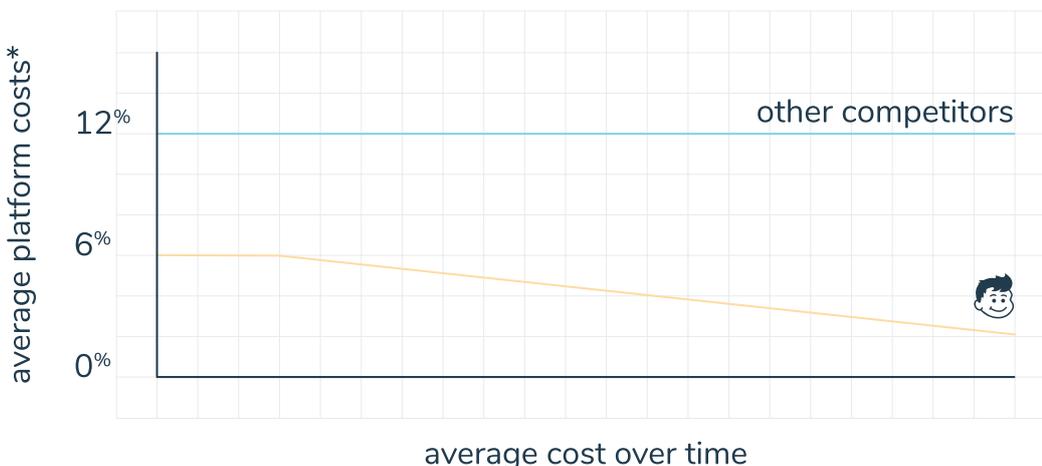
To qualify as an eligible node, LPC must be stored on the Little Phil platform where users can nominate how many tokens they wish to stake.

As the platform is built on the Ethereum blockchain, we will internally verify staking accounts until the Casper protocol\* is released.

\* The Casper protocol is expected to shift Ethereum from a proof of work consensus mechanism to a hybrid that also incorporates proof of stake.

## Platform fees

All platform fees will be payable in LPC. The fee is capped at 6% for each transaction and plans to implement a declining fee rate as the volume of donations through the platform increases. The fee reflects maintenance of this platform and continual work with charities to drive better awareness of causes and distribution of funds. This contrasts with other fundraising intermediaries which retain up to 83% of money they raise.<sup>8</sup>



\*Little Phil has conducted research into the current fee structure relating to charitable platform costs and has used an average of these costs as taken from publicly available sources.

## 2.3.1 Token economics

### Token demand

Demand for LPC should increase in proportion to the growing number of people using the platform and charities using the whitelabel solution. This is because:

- All giver transactions will be converted to LPC by the platform;
- All charity platform integrations will use LPC;
- All transaction fees are payable in LPC;
- All incentives for sharing and content will be paid in LPC;
- All LPC for platform usage is purchased from external exchanges.

### Tokens for content quality control

User generated content (such as receiver profiles and feedback confirmations) is essential and will need to meet quality standards on the platform to promote the giving experience that will be unique to Little Phil. To encourage these standards, an internal token based economic system will be created that rewards content creators based on the reactions obtained from donors.

For example, when a receiver sends an expression of gratitude to the giver, a photo with the donated goods provides a better connection than a text message saying “Thank you” on its own, so it would receive a greater amount of reward tokens. Donors will also be able to upvote content whether they donate to that receiver or not, upvotes reward the content creator with an amount of LPC after reaching certain milestones.

This tokenised incentive system also opens up the possibility of P2P giving by rewarding receivers for completing various tasks that assist in building up their trust profile. Initially the validation of some of these tasks will need to be centralised for privacy reasons (e.g. submission of government ID), however there will be processes that can be democratised to gain the consensus of the broader community. The completion of each of these tasks will add to their trust scores which will be a key factor in whether someone decides to give directly to them or not.

Content and rich media will enhance the donor experience and tokens will help to keep quality standards high



## The incentive ecosystem will lead to:

- Reduced administrative burden for charities
- Improved confidence in P2P giving
- Reduced centralisation of tasks
- Reduced influence of bad actors

**Example:** Damian and Mary both register to request assistance.

Damian	Mary
<ul style="list-style-type: none"> <li>• Provides only a government issued ID (+2 LPC).</li> <li>• Instead of explaining his situation, just fills his profile with a list of what he needs (+0 LPC based on downvotes).</li> </ul>	<ul style="list-style-type: none"> <li>• Provides a government issued ID (+2 LPC).</li> <li>• Provides a photo of herself holding a card with a handwritten system generated code (+3 LPC).</li> <li>• Creates a UDID and submits her requests to the Proof of Need chain (+10 LPC).</li> <li>• Writes a profile explaining a little bit about her backstory so givers understand her situation (+5 LPC based on upvotes).</li> </ul>
Trust rating: *	Trust rating: ****

In the above comparison, Mary's profile would be listed on the platform with a higher trust rating than Damian, along with some reward tokens for putting the extra effort in. This process provides donors with more information when deciding on who they want to give directly to.

## Incentive based ecosystem

The Little Phil platform will use LPC as rewards and incentives for all stakeholders (donors, volunteers, and charities). As part of the gamification aspect of Little Phil, users will be awarded badges that can be unlocked by completing certain achievements. Each badge will come with an associated amount of LPC. This will help build an engaging experience and keep the cost of donor acquisition low.

Below is an illustration of how the incentive system might look for different stakeholders - values and tasks are indicative only.

Task	LPC	Trust	Badge/Achievement
<b>For receivers:</b>			
Submit ID	+2	+1	
Submit photo holding unique code	+3	+2	
Submit need requests to Proof of Need	+10	+5	
Gain 20 upvotes for profile content	+10	+2	
Submit written thank you message	+0	+1	
Submit photo thank you message	+5	+3	
Submit video thank you message	+10	+5	
Complete all identification checks, get upvoted and recommended from at least one donor	+50	+5	Badge: Heart Achievement: "Verified"
<b>For charities:</b>			
Gain 20 upvotes for receiver profile content	+10	+2	
Conduct client verification checks + submit Proof of Need	+10	+10	
Gain 2000 upvotes for organisation profile from givers on each continent	+100	+50	Badge: Shield Achievement: World famous
<b>For givers:</b>			
Donate to anyone	+1	N/A	
Share donation activity to social media	+1	N/A	
Refer a friend to the platform	+50	N/A	
Upvote or downvote content	+1	N/A	
Give feedback on receiver/charity (recommend or don't recommend)	+5	N/A	
Donate to a different cause on each continent within 80 days	+50	N/A	Badge: Hot air balloon Achievement: "Around the world in 80 days"

## How will LPC be used as an incentive?

**Donors:** will receive LPC every time they donate, share content or help introduce new donors to the Little Phil platform. This is a low cost way of generating awareness and adoption of the platform that also fosters a thriving community.

**Example:** Anna likes to donate once a fortnight. She shares updates on the receivers/causes she has helped on her social media which prompts 2 of her friends to download the app and have a turn at helping someone. Anna receives reward tokens for each action and soon finds she has enough to double her next donation.

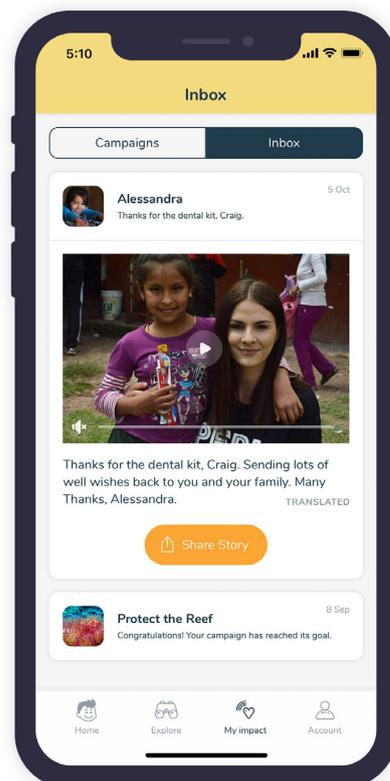
**Volunteers:** Local communities need to be able to organise ad hoc events specific to their area. Individual givers on the Little Phil platform will be able to pool their LPC together to incentivise others to give some of their time to their cause. This pooled LPC can be traded for task achievements or it can be donated through to a specific cause.

**Example:** A park in the local neighbourhood of Southport is covered in rubbish and litter and William decides to set up a campaign to get something done about it. He proposes a project on Little Phil and sets a goal of 500 LPC to give as an incentive to clean up the park. William shares it with his friends in the area who all chip in a small amount of LPC and the goal is achieved. James is unemployed and looking to earn some extra cash, he receives a notification that there is a community project looking to pay 500 LPC for assistance. He promptly accepts the volunteer project, cleans the park up and submits a picture to confirm. William and the contributors confirm that the park is looking great and release the LPC to James.

**Charity Administrators/ Beneficiaries:** Charities on the Little Phil platform will be able to earn LPC when they provide confirmations, updates and content back to the donors and campaigns. The level of reward is attributed to the quality and type of engagement the charities provide back to the Little Phil platform.

**Example:** Sally has just used the Little Phil platform to purchase school books for Jose. Jose has been notified that the school books are on the way by the charity that assists him and he is extremely grateful and excited. The charity sends a confirmation that Jose has been notified and 0.5 LPC is earned. The supplier of the school books has delivered the school books to Jose, and the charity decides to upload a small video of Jose and his parents saying thank-you to the Little Phil platform, this is considered the highest value content and they are rewarded with 5 LPC.

Share to increase your impact & earn LPC



## Corporate Social Responsibility & Social Impact

‘Organisations that are genuinely committed to corporate social responsibility substantially outperform those that are not. They also have a higher level of employee engagement and they provide better customer service’

Stuart Gentle - Publisher for OnRec

”

Corporate Social Responsibility has quickly become a hot topic for large companies across many industries. It started out with the implication that corporations hold some responsibility for the environmental and social consequences of their business activities, however it quickly took off after the surprise realisation that there are tangible benefits for companies that implement a well managed CSR strategy. A report by Project ROI revealed a range of benefits, including:

- Staff turnover reduction by up to 50%
- Increased employee engagement up to 7.5%
- Enhanced brand and reputation rates by 11%
- Increased revenue by up to 20%

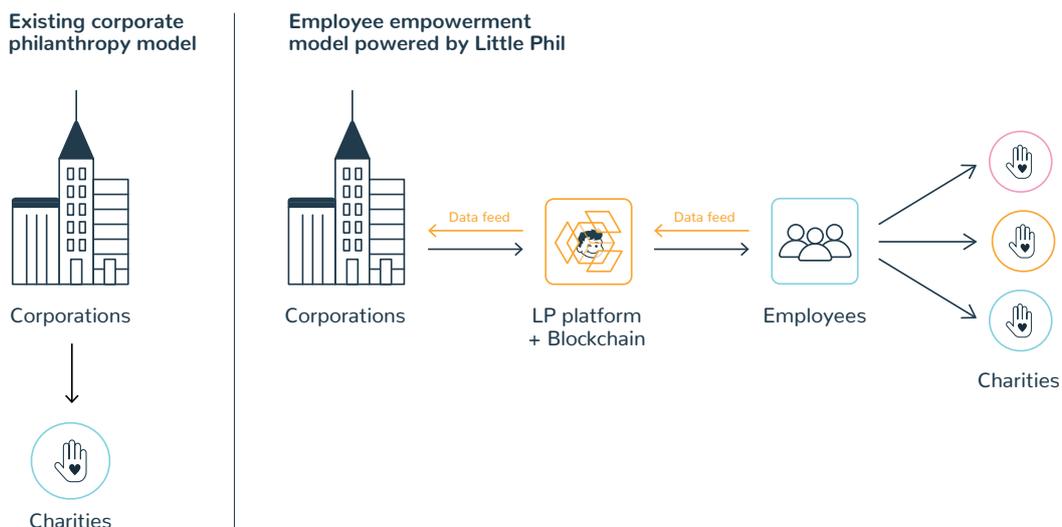
This data fits right in with further research on Millennial attitudes to CSR(REF), which found:

- 64% say they would not work for an employer without a CSR program;
- 83% would be more loyal to an organisation that helps them to make a positive impact on social and environmental issues; and
- 75% say they would take less pay in order to work for a company with a decent CSR program.

Simply put, people are wanting more to life than just a paycheck, they want a higher purpose and will reward those that help them achieve this with their loyalty and efforts.

The Little Phil platform will include customised accounts for corporate use along with a number of different initiatives that can lower the barrier of entry for companies to create a Corporate Social Responsibility (CSR).

# CSR strategy 1: Employee Empowerment Program



The Employee Empowerment Program (EEP) is a novel but simple concept. Current CSR strategies typically involve a handful of high level executives picking out a worthy charity and simply handing over some money for needed resources.

More insightful companies recognise that even more value can be gained if they can allow for individual employees to experience a level of agency in where these funds go, however many companies find the associated administrative load this creates to be burdensome.

With the EEP, organisations large or small can distribute their CSR funding amongst their employees via managed wallets on the Little Phil platform, allowing their staff to find a cause they care about and give directly to them, having all the transparency and reassurances brought about by our Proof of Impact and Proof of Need mechanisms.

This isn't merely democratising the process of corporate giving, this is putting power in the hands of staff to make a direct decision as an individual on what causes their organisation supports. By giving your staff a level of autonomy over your CSR program, you are tying your branding into their personal passionate interests, increasing organisational citizenship behaviours, and by empowering them to give to others you also help them to reduce stress and increase positive emotions, which is great for staff culture.



## Limited connectivity payments

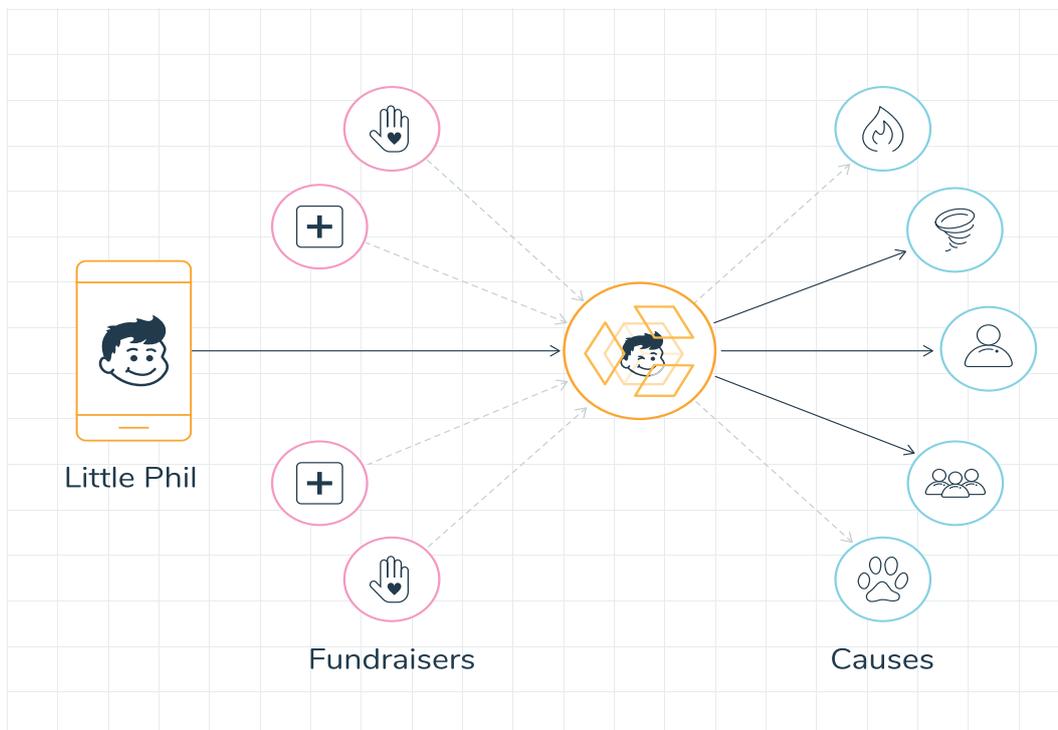
Little Phil's smart contract payment system will be designed to function where there may be limited or no internet connectivity because some of the receivers and projects using the platform will be located in remote areas.

Take for example a situation in which a school in a remote village needs roof repairs. The contractor is meant to be paid once the local charity representative confirms the work is complete, but there is no internet access to allow an interaction with the Little Phil blockchain.

Having this functionality allows charities to maintain positive relationships with local businesses by providing confirmation of payment even where there is limited connectivity.

## 2.4 Technology open to fundraisers

Little Phil will be the first consumer facing fundraising platform that interacts with the Little Phil blockchain, but future developments will make our blockchain technology available to any charity or not-for-profit fundraising organisation. Fundraisers will be able to use our custom APIs to avoid having to dedicate large amounts of time and resources in developing their own solutions. Usage fees are payable in LPC and will decline in percentage as the volume of transactions increase.



This will level the playing field for smaller charities by creating a powerful low-cost alternative in the fundraising space. Creating more competition pushes existing marketing intermediaries to lower the cost of using their services, leading to an overall decrease in the cost of marketing for the charity industry, meaning more can be spent directly on the cause.

## 2.5 AI and analytics

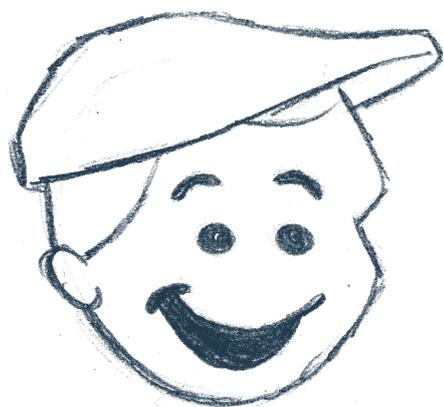
The Little Phil platform will use machine learning to provide givers with a unique experience and maximise user engagement.

### Machine Learning (AI)

Key user and behavioural metrics will be used to tailor the receivers and causes displayed to the user as well as guide communications and campaigns, ensuring they are relevant to the user's interests. The algorithms will learn and develop as the user base increases.

### Campaign analytics

Machine learning algorithms will also be used to analyse the images, descriptions and content updates of each profile against the number of views, shares and donations they receive. The resulting data will be used to advise charity administrators on best practice to improve the response rates for their beneficiaries. Little Phil's ranking algorithm means any profiles that have been optimised to meet our recommendations will have a higher priority of exposure to givers, enhancing the user experience and leading to increased, long-term engagement with the platform.



The Little Phil platform will use machine learning to provide givers with a unique experience and maximise user engagement.



## 3.0 Product roadmap

Q2 2017	<ul style="list-style-type: none"> <li>• Little Phil ideation</li> <li>• Founder team formed</li> <li>• Market research and analysis</li> </ul>	
Q3 2017	<ul style="list-style-type: none"> <li>• Financial and market modelling</li> <li>• Start seed round fundraising</li> </ul>	
Q4 2017	<ul style="list-style-type: none"> <li>• Secured seed funding</li> <li>• Formed core team</li> <li>• Formed advisory board</li> <li>• Branding &amp; UI/UX design</li> </ul>	
Q1 2018	<ul style="list-style-type: none"> <li>• Draft whitepaper</li> <li>• Onboarding initial charities</li> <li>• Employ blockchain development team</li> </ul>	
Q2 2018	<ul style="list-style-type: none"> <li>• Develop smart contract</li> <li>• Launch ICO website</li> <li>• Integrate KYC/AML process, external government accreditation verification integration</li> <li>• Build online presence and brand awareness</li> <li>• Bounties open</li> <li>• Working with beta charity pilot program in Peru</li> <li>• On-boarding additional beta charity partners (Hong Kong, Malaysia &amp; Thailand)</li> </ul>	
August 2018	<ul style="list-style-type: none"> <li>• Private sale live</li> <li>• Asia investor presentations</li> </ul>	
30/09/18	<ul style="list-style-type: none"> <li>• Whitepaper V1.4 update complete. Key edits:             <ul style="list-style-type: none"> <li>• CSR</li> <li>• Rewards and Incentives - (encourage sharing, donating, content uploading etc)</li> <li>• Alpha testers pre-registered</li> </ul> </li> </ul>	
October 2018	<ul style="list-style-type: none"> <li>• Launch Fiat MVP Alpha iOS App</li> <li>• Open Exclusive Pre-sale ICO</li> <li>• Alpha user acceptance testing (UAT), user feedback and revisions for beta</li> <li>• 10 Beta Charity Partners MOU</li> </ul>	
November 2018	<ul style="list-style-type: none"> <li>• Launch Fiat beta platform</li> <li>• Expand team - Bus. Dev, Marketing &amp; Dev team</li> <li>• Additional charity onboarding</li> </ul>	

<b>December 2018</b>	<ul style="list-style-type: none"> <li>• Beta user acceptance testing (UAT), user feedback and revisions for beta</li> <li>• Charity whitelabel launch</li> <li>• Product roadshow</li> </ul>
<b>Q1 2019</b>	<ul style="list-style-type: none"> <li>• Public product launch</li> <li>• Public ICO</li> <li>• Charity portal, iOS app, web app</li> <li>• First exchange listing/s</li> </ul>
<b>Q2 2019</b>	<ul style="list-style-type: none"> <li>• Proof of Need (UDID) beta testing</li> <li>• Android app</li> <li>• Crypto payment integration</li> <li>• Little Phil philanthropy project 1 begins</li> </ul>
<b>Q3 2019</b>	<ul style="list-style-type: none"> <li>• Rewards &amp; incentives marketplace</li> <li>• Supply chain integration</li> <li>• Supplier marketplace</li> </ul>
<b>Q4 2019</b>	<ul style="list-style-type: none"> <li>• Proof of Impact beta testing</li> <li>• International expansion</li> <li>• Emergency relief fund live</li> </ul>
<b>Q1 2020</b>	<ul style="list-style-type: none"> <li>• Staking feature launched</li> <li>• Atomic Swaps</li> </ul>



## 4.0 Token sale distribution

As the platform requires LPC to be listed on exchanges to operate, we will be holding an Initial Coin Offering (ICO). LPC will be offered with a variable bonus rate throughout the ICO process. A maximum supply of one billion (1,000,000,000) LPC will be created and allocated as follows:



- **40% to pre-sale and token sale contributors:**  
Issued immediately via smart contract with trading paused until completion of ICO.
- **15% to the team:**  
To ensure continued focus on delivering the platform, 50% of these tokens will be locked by the smart contract for 6 months and the remaining 50% locked for 12 months.
- **15% to Business Development:**  
Held for future expenses, partnerships, business development, marketing and strategic acquisitions.
- **15% to the LPC Projects Pool:**  
To increase LPC adoption and further develop the logistical ecosystem by means of sustainable development programs and local infrastructure for end-receivers of LPC donations.
- **10% to early backers & advisors:**  
For helping us to launch the project.
- **3% to create bounty programs:**  
Any unused tokens will be reallocated to the LPC Projects Pool.
- **2% for Airdrops:**  
For promotional activities and incentives.

## Reward structure:

Private Sale	Soft Cap	Hard Cap
50ETH+ Buyers (contact us)	50m	250m

Public ICO		
Pre-sale (includes 40% bonus LPC)	SOLD	100m
Tier 1 (includes 30% bonus LPC)	3m	15m
Tier 2 (includes 20% bonus LPC)	2m	15m
Tier 3 (includes 10% bonus LPC)	1m	10m
Tier 4 (No bonus)	.5	10m

Total LPC (Pre-ICO + ICO)		
	80m	400m

## Bounty programs

The allocation of tokens to bounty programs will be split in half to create a bug bounty and an engagement bounty. Any unused LPC will be allocated to the LPC Projects Pool.

**Bug bounty:** While we make every effort to deploy code that has been well tested and reviewed, occasionally vulnerabilities may escape our attention. To help ensure a stable platform, up to 15,000,000 LPC will be rewarded for bug reports in accordance with our bug bounty program.

**Engagement bounty:** Up to 15,000,000 LPC will be on offer to reward influencers in our community for sharing content on social media or writing shareable articles about the Little Phil platform. Influencers can contact us for further information and are welcomed to consult with us for feedback before posting articles. Any that are of high quality may be featured on Little Phil social media channels.

After the token sale has ended, bounty activity will be confirmed and eligible recipients will receive their LPC shortly after. Further details on the engagement bounty, including terms and conditions, will be available on the bounty page of our website.

## Airdrop

To help drive traffic to our website and generate more interest in the Little Phil platform and token sale, up to 20,000,000 LPC will be distributed to eligible Ethereum wallet addresses which they can use to test out our platform. The date for the airdrop will be determined after the release of our MVP.



## 5.0 Use of funds

It is intended that the funds received in the ICO will be allocated as follows (subject to change based on business needs and at the discretion of the Little Phil Team):

### 40% for Product Development:

Development of the Little Phil coin platform according to the product roadmap; hiring additional blockchain and machine learning (AI) developers.

### 30% for Business Development and Strategic Partnerships:

1. Onboard charities, foundations and fundraising organisations on the Little Phil platform, with an initial focus in Australia (Top 6 most charitable nations World Giving Index) where the Little Phil platform has been developed and relationships with charities have been established. It is intended that this will be followed by the US market (largest % GDP donors worldwide) where Little Phil has existing corporate and charity connections. Employ new business development division and expand effort internationally.
2. Educate charities and other stakeholders on the use of the platform and provide ongoing support.
3. Secure partnerships with other players in the blockchain ecosystem to increase the token usability.
4. Collaborate with companies to develop HR strategies and CSR programs using the Little Phil platform.

### 20% for Marketing and Communication:

1. Invest in community development and marketing campaigns to increase awareness of the project and LPC's adoption among donors.
2. Build strong local communities and provide support to charitable activities.
3. Engage international marketing firms to expand our efforts globally.

### 10% for Reserve Funds:

Provide liquidity for future monetary policies and platform functionalities.

## 6.0 Risks and uncertainties

Prospective purchasers (“Purchasers”) of LPC and holders of LPC should carefully consider and evaluate all risks and uncertainties associated with purchasing and holding LPC and all information in this Whitepaper prior to purchasing any LPC. If any of these risks develop into actual events then the utility of LPC could be materially and adversely affected.

LPC tokens are generated as a functional good and all proceeds may be used by the Company without restriction though the Company will use its best endeavours to use any proceeds from the purchase of LPC as set out in this Whitepaper.

The below risks are not exhaustive and are provided in summary form only and any prospective purchaser of LPC should seek their own professional advice in relation to the risks of purchasing, holding and using LPC.

### Regulatory risk

Blockchain technology allows new forms of interaction and it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology based applications, which may be contrary to the current setup of any smart contract and which may, inter alia, result in substantial modifications to the Platform, including its termination and the loss of LPC for the Purchaser.

Additionally, regulation of the proposed activities of the Platform, including without limitation the Platform itself, is currently uncertain. It is not known what regulatory framework the Platform and associated activities will be subject to, the obligations that will be imposed on Company in order to comply with any such regulatory framework or when/if regulation of the Company will commence. Nor is it known, if regulation does commence, when/if the Company will successfully obtain the necessary licenses so that it may lawfully carry out its proposed business activities.

### Risk of software weaknesses:

Because LPC and the operation of Platform are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on LPC or the Platform. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the LPC (including the utility of LPC for obtaining services) and the Platform, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.

The underlying software application and software platform (i.e. the Ethereum blockchain) is still in an early development stage and is unproven. There is no warranty or assurance that the process for creating LPC will be uninterrupted or error-free and there is an inherent risk that the software could contain defects, weaknesses, vulnerabilities, viruses or bugs causing, inter alia, the complete loss of payments and/or LPC.

## **Risks associated with uncertain regulations and enforcement actions:**

The regulatory status of LPC and distributed ledger technology is unclear or unsettled in many jurisdictions. It is difficult to predict if/how regulatory authorities may apply existing regulation with respect to such technology and its applications, including specifically (but without limitation to) the Platform and LPC.

It is likewise difficult to predict if/how any legislative or regulatory authorities may implement changes to law and regulation affecting distributed ledger technology and its applications, including specifically (but without limitation to) the Platform and LPC. Regulatory actions could negatively impact the Platform and LPC in various ways, including, for purposes of illustration only, through a determination that LPC are a regulated financial instrument that requires registration or licensing.

The Company may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

## **Risk of abandonment / lack of success:**

The creation and issue of LPC and the development of the Platform may be abandoned for a number of reasons, including lack of interest from the public, lack of funding, lack of commercial success or prospects (e.g. caused by competing projects). There is no assurance that, even if the Platform is partially or fully developed and launched, you will receive any benefits through LPC that you hold.

## **Risk associated with other applications:**

The Platform may give rise to other, alternative projects, promoted by unaffiliated third parties, under which LPC may have no intrinsic value. This means that competitors may produce platforms that compete with the Platform and may not accept LPC as payment for services within such platforms; further, such platforms may become more popular and have greater success than the Platform.

## **Risks associated with markets for LPC**

The Company may not succeed in enabling or otherwise facilitating any secondary trading or any such external valuation of LPC. This may restrict the contemplated avenues for using LPC to the token functionality and could therefore create illiquidity risk with respect to any LPC you own. Even if secondary trading of LPC is facilitated by third-party exchanges, such exchanges may be relatively new and subject to little or no regulatory oversight, making them more susceptible to fraud or manipulation.

Furthermore, to the extent that third parties do ascribe an external exchange value to LPC (e.g. as denominated in a crypto or fiat currency), such value may be extremely volatile and diminish to zero. You should not purchase LPC as a form of investment on a speculative basis or otherwise, or for a financial purpose, with the expectation or desire that their inherent, intrinsic or cash-equivalent value may increase with time.

You assume all risks associated with such speculation or actions, and any errors associated therewith, and accept that the LPC are not offered by the Company or its affiliates on an investment basis. You further acknowledge that any funds you consider to be invested in LPC will not be protected, guaranteed or reimbursed by any governmental, regulatory or other entity.

## **No Refund of Resale Rights**

There is no obligation on the Company to refund or re-purchase any LPC tokens. There is no guarantee that there will be any resale market for LPC. The Little Phil Team will seek to minimise this risk by using its best endeavours to pursue available avenues for trading of LPC however the purchase of LPC comes with no warranty as to tradability.

## **Risk of losing access to tokens due to loss of private key(s), custodial error or your error:**

LPC can only be accessed by using an Ethereum wallet with a combination of the Purchaser's account information (address), private key and password. You acknowledge, understand and accept that if your private key or password gets lost or stolen, the obtained LPC associated with your Ethereum wallet address may be unrecoverable and permanently lost. Additionally, any third party that gains access to your private key, including by gaining access to the login credentials relating to your Ethereum wallet, may be able to misappropriate your LPC. Any errors or malfunctions caused by or otherwise related to the digital wallet or vault you choose to receive and store LPC, including your own failure to properly maintain or use such digital wallet or vault, may also result in the loss of your LPC.

## **Risk of theft**

The underlying software application and software platform (i.e. the Ethereum blockchain) may be exposed to attacks by hackers or other individuals including, but not limited to, malware attacks, denial of service attacks, consensus based attacks, Sybil attacks, smurfing and spoofing. Any such successful attacks could result in theft or loss of contributions or LPC, adversely impacting the ability to develop the Platform and derive any usage or functionality from LPC. Furthermore, because the Platform is based on open-source software, there is a risk that a third party or a member of the Company team may intentionally or unintentionally introduce weaknesses or defects into the core infrastructure of the Platform, which could negatively affect the Platform and LPC.

## **Risk of Ethereum mining attacks**

As with other cryptocurrencies, the blockchain used by the Company is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, selfish-mining attacks, and rare condition attacks. Any successful attacks could lead to LPC losing functionality.

## **Risk of incompatible wallet service**

The wallet or wallet service provider used to receive LPC must conform to the ERC20 token standard in order to be technically compatible with LPC. The failure to ensure such conformity may have the result that Purchaser will not gain access to his LPC.

## **Risk of hard-fork**

The Platform will need to go through substantial development works as part of which it may become the subject of significant conceptual, technical and commercial changes before release. As part of the development, an upgrade to LPC may be required (hardfork of LPC) and, if you decide not to participate in such upgrade, you may no longer be able to use your LPC and any non-upgraded LPC may lose its functionality in full.

## **Risk of uninsured losses**

Unlike bank accounts or accounts at some other financial institutions, LPC are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by us, to offer recourse to you.

## **Risks arising from taxation**

The tax characterization of LPC is uncertain. You must seek your own tax advice in connection with acquisition, storage, transfer and use of LPC, which may result in adverse tax consequences to you, including, without limitation, withholding taxes, transfer taxes, value added taxes, income taxes and similar taxes, levies, duties or other charges and tax reporting requirements.

## **Risk of an unfavourable fluctuation of Ethereum and other currency value**

The Company intends to use the contributions received to promote the development of LPC, the Platform and various other operating expenses. The contributions received may be converted into other cryptographic and fiat currencies. If the value of other currencies fluctuates unfavourably during or after the LPC ICO, the Company may not be able to fund the development of, or may not be able to maintain, the Platform in the manner that it intended.

## **Risk of dissolution of the Company or network**

It is possible that, due to any number of reasons, including, but not limited to, an unfavourable fluctuation in the value of other cryptographic and fiat currencies, decrease in LPC due to negative adoption of the Platform, the failure of commercial relationships, or intellectual property ownership challenges, the Platform may no longer be viable to operate and the Company may dissolve.

## **Risks arising from lack of governance rights**

Because LPC confer no governance rights of any kind with respect to the Platform or Company all decisions involving the Company (including to sell or liquidate Company) will be made by Company acting in its sole and absolute discretion, and all decisions involving the Platform including, but not limited to, decisions to discontinue the Platform, or to create and issue more LPC, will be made by the Company. These decisions could adversely affect the Platform and/or any LPC you hold.

## **Risks arising from the market in which the Platform operates**

The laws and regulations affecting the Platform, and the interpretation or application of these laws and regulations, could change. In addition, new laws or regulations affecting the Platform could be enacted, which could impact the use of LPC in the Platform.

Additionally, Platform users may be subject to or may be adversely affected by industry specific laws and regulations or licensing requirements. If any of these parties fails to comply with any of these licensing requirements or other applicable laws or regulations, or if such laws and regulations or licensing requirements become more stringent or are otherwise expanded, it could adversely impact the Platform and the LPC, including the Platform's functionality to obtain or provide services within the Platform.

## **Risks associated with the development and maintenance of the Platform**

The Platform is still under development and may undergo significant changes over time. Although we intend for LPC and Platform to function as described in this Whitepaper, and intend to take commercially reasonable steps toward those ends, we may have to make changes to the specifications of the LPC or the Platform for any number of legitimate reasons.

Moreover, we have no control over how other participants will use the Platform or how third party products and services will utilise LPC (if at all). This could create the risk that LPC or the Platform, as further developed and maintained, may not meet your expectations at the time of purchase. Furthermore, despite our good faith efforts to develop and participate in the Platform, it is still possible that the Platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the Platform, LPC and the potential utility of LPC.

## **Risk of Competing Platforms**

It is possible that alternative platforms could be established that utilise the same open source code and protocol underlying the Platform and attempt to facilitate services that are materially similar to the services offered by or within the Platform.

The Platform may compete with these alternatives, which could negatively impact the Platform and LPC, including the use of the LPC for obtaining services or goods offered by or within the Platform.

## **Unanticipated Risks**

Cryptographic tokens such as LPC are a new and untested technology. In addition to the risks set out herein, there are other risks associated with the acquisition, storage, transfer and use of LPC, including those that the Company may not be able to anticipate. Such risks may further materialise as unanticipated variations or combinations of the risks set out herein.

## 7.0 Team and Advisors

Little Phil is an Australian based company consisting of like-minded people who are passionate about philanthropy and innovation. We have the diverse range of expertise and backgrounds required to take the Little Phil platform from our MVP to the most powerful giving platform to date.

### Founding Team



**Josh Murchie**

Chief Executive Officer

Australian Student Volunteer of the Year, with a double degree in International Business & Commerce and a Masters in IT; Josh has a unique blend of business and technology skills with a passion for social-change.



**Nathan Archer**

Chief Operating Officer

Holds a master's degree in commerce and is an adjunct finance lecturer with Griffith University. Nominated responsible manager on an Australian Financial Services License.



**John Robertson**

Chief Technology Officer

15 years experience as a software engineer in the management team for the cyber security lab at IBM. John has extensive experience in networks and cryptography and was an early backer of bitcoin.



**Greg Ellis**

Strategy, Marketing & Product

Considered a pioneer in the Australian microfinance industry, co-founding one of Australia's most successful Fintech companies, Nimble Money.



**Craig Gillam**

Creative Director, Brand & User Experience

A senior designer with over 10 years experience in brand strategy, brand identity and user experience. Craig has worked with some of Australia's most exciting startups and established brands.



**Benjamin Harvey**

Community Manager

10 years of client relations experience in the banking and higher education sectors. Specialises in applying psychological theory to enhance positive consumer experience.

Founding team continues next page



**Cameron Slabosz**  
Product Manager

Cameron is an innovation expert who led a team of data scientists who pioneered advanced real time, automated credit risk assessment for Australia's leading microfinance provider, Nimble.



**Mathew Sayed**  
Blockchain Engineer

DevOps Engineer specialising in back-end development, with extensive knowledge and passion for blockchain and distributed ledger technology, data science and cryptography.



**Nate Sanchez-Goodwin**  
Software Engineer

Full-stack developer of apps and websites. Nate has been developing native apps as part of the core iOS team for Anonymome Labs - an international privacy company.



**Matthew Shipman**  
Software Engineer

Software Engineer specialising in mobile and web full-stack development along with secure software development.



**Ashleigh Lawrence**  
Partnerships Manager

Ashleigh is a social media influencer and marketer with a monthly reach of over 100k+. With a Bachelor of Commerce, she is combining her business knowledge with her knowledge of social media marketing.



**Laura Luck**  
Copywriter

Laura Luck has spent almost a decade in marketing and communications. Armed with her Journalism and PR qualifications, she's held in-house positions as lead writer for financial services and fintech companies.



Like-minded people  
who are passionate  
about philanthropy  
and innovation.

# Advisors



**Daniel Santos**  
Investment Banking for Citibank,  
Barclays Capital in London and  
Renaissance Capital in Moscow



**C.J Fong**  
Former VP at Morgan Stanley and  
Senior Director at Nomura



**Professor Ned Pankhurst**  
Senior Deputy Vice Chancellor  
at Griffith University



**Josh Hunt**  
Legal Advisor,  
Hopgood Ganim Lawyers



**Dr Craig Cameron**  
Senior Lecturer in Corporations Law  
at Griffith University



**Professor Neal Ryan**  
Adjunct Professor at Griffith and Curtin  
University, Corporate Governance  
and Compliance



**Dr Jolon Faichney**  
Director of Griffith University  
App Factory



**Dr Tracey West**  
Lecturer at Griffith University -  
Behavioural Finance expert



**Dr Katherine Hunt**  
Lecturer at Griffith University,  
Microfinance Specialist



**Dr Kelvin Ross**  
Founder of KJR - Software and Quality  
Assurance Expert



**Dr Jane Thomason**  
CEO of Blockchain Quantum Impact,  
British Blockchain Council and  
Philanthropic industry expert



**Antonio Raunelli**  
Country Operations Manager at the  
FutureSense Foundation



**Brett Lush**  
Charity Insights and UX Guidance



**Brendan Brewster**  
Charity Insights and Software  
Development

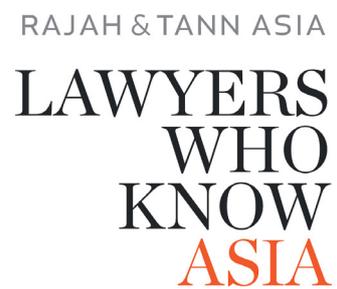


**Ashish Gaurav**  
Investment Banking for  
Standard Chartered Bank



**Sean Braybook**  
Public Relations Professional

## International corporate partners



## International charity partners

# GREENPEACE



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