



## Articles

## ShareHolder Activists may arise from ICO-Hub implementation



By David Drake

Russia will become the first country to put together an ICO-Hub, a system to guarantee ICO investments. It is being developed by 4 stakeholders, namely [Globex Bank](#), the subsidiary bank of the state corporation [VEB](#), the Russian Association of Cryptocurrency and Blockchain (RACIB) and [CrowdHub](#). [News reports](#) show that the ICO-HUB will have its test launch this March 2018.

Once complete, the system will enable ICO investors to monitor costs and implementation of projects, as well as vote for the release of funding stage-by-stage. If they find that the project is going according to plan, investors will vote in support of transfer of part of the money raised. Where 51% of investors or more vote against it, the remaining funds will be redistributed among investors and after that, the project will be wound up.

### Governance layer

Investors who use the system will have a say in how ICO projects are implemented. This aspect is likely to capture the attention of investors.

Jay Singh, CEO of [ClearCoin](#), says, "The proposed regulation from Russia could create a governance layer attractive to buyers. Governance layers should help and may even give rise to 'shareholder activists'".

### Investor protection

The ICO-Hub system will allow companies to accept both crypto and fiat currencies. An escrow account will be opened at Globex to accept fiat payments and a CrowdHub wallet to accept virtual currencies. The guarantees for both parties will be covered by escrow accounts, and it will minimize risk related to deals going wrong or scams.

Jose Merino, Chairman of [SID Limited](#), notes, "It is true that this could protect Wild West young entrepreneurs with no experience in running a business but this can be mitigated by regulation, forcing the requirement of having an experienced management team, rather than taking full financial control away from management, company board and shareholders. In the end, entrepreneurship is about risk taking, yet finding a better way to protect investors without taking full control of a company's cash flow."

### Coin integrity

Another important issue the system facilitates is coin integrity. Steve Dryall, Founding Director of [Niko Coin](#) states that, "As soon as restrictions on coin usage come into play the integrity of the coin can easily come into play. The integrity of the project

## Featured Posts

Estoy ocupado escribiendo mis entradas de blog. Presta atención a este espacio.

## Recent Posts



Connect and Learn In-depth Industry Insights from Blockchain Experts in this California Event  
March 31, 2018



Blockchain Expert David Drake Joins The 4th Pillar Advisory Board to Transform the Human Resources Industry  
March 30, 2018



Countries Respond to Japan's Crackdown After Crypto Exchange Hack  
March 30, 2018



Will Regulators Manage to Formulate and Implement a Proper Regulatory Framework for Crypto Exchanges?  
March 30, 2018



What did DAVID DRAKE say about us?  
March 29, 2018



Will we See More Cryptocurrency Crackdowns After Recent Moves by Japanese and US Regulators?  
March 29, 2018



Why the Crypto Industry Should Expect Crackdowns on Crypto Exchanges  
March 29, 2018



Will the Crackdown in the Cryptocurrency Industry Continue?  
March 29, 2018



How can Blockchain disrupts Art investments?

and the depth of the economy supporting the coin should carry its market value. Although 51% consensus may work for algorithms, it is proven to be manipulatable under social conditions and will fail in an ICO scenario."

Disclaimer: David Drake is on the advisory board for most of the firms mentioned or quoted in this article.

Tags: Bitcoins BLOCKCHAIN CRYPTO TRUST NETWORK Cryptocurrency

Share on Facebook 1

Share on Twitter



0 comentarios

Ordenar por **Lo más reciente**



Añade un comentario...

Plugin de comentarios de Facebook

March 29, 2018



Need In-depth Knowledge on Crypto and Blockchain? Attend this Zurich Summit March 29, 2018

Archive

- March 2018 (60)
- February 2018 (57)
- January 2018 (41)
- December 2017 (43)
- November 2017 (18)
- October 2017 (19)
- September 2017 (17)
- August 2017 (6)
- July 2017 (11)
- June 2017 (7)
- May 2017 (4)
- April 2017 (4)
- March 2017 (6)
- February 2017 (5)
- January 2017 (4)
- December 2016 (1)

Search By Tags

- 2018 ABU DHABI
- ACCOUNTING AIRBNB
- ALTERNATIVE ASSET
- ALTFINTECH AMAZON
- AMSTERDAM ARGENTINA
- ARIZONA ARIZONAOPAL
- ARToken ASSET TOKEN
- ATARI GAMING Advisors
- BAANX
- BATTLE OF THE QUANTS
- BECON GLOBAL BITCOIN
- BITCOIN CASH
- BITCOIN PR BUZZ
- BITCOIN PRICE
- BITCOINBLOCKCHAIN
- BITCOINS BLOCK POWER
- BLOCKCHAIN BLOCKCHAINIST
- BLOCKv BITCOIN BUSINESS
- Barcelona Bitcoin Bitcoin,
- Bitcoins Blockchain
- Blockchain, BnkToTheFuture
- Boston Brexit Business
- Business Idea Businesspeople
- CALIFORNIA CEDEX CHINA
- CLEARCOIN COIN MARKET
- COINBASE COINCHECK
- COINDESK CONFERENCE
- CONTENT CREDIUM
- CROWD GENIE
- CROWDFUNDING CRYPTCO
- CRYPTOCURRENCY CRYPTO
- CRYPTO TRUST NETWORK
- CRYPTOCOIN CRYPTOCON
- CRYPTOCURRENCY
- CRYPTOCURRENCY
- CRYPTOCURRENCY