

EXPRESS REVIEW OF ICO PROJECT

Atonomi 

atonomi.io

ICO: May 2018

HIGH
Quality Rate

AVERAGE SCORE

4.8 / 7.0

19.04.2018

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The DigRate team expresses its respect to all enthusiasts of the cryptocurrency world.

PROJECT CONCEPT TEAM PROJECT SUPPORT COMMUNICATION	+
BUSINESS MODEL THE TECH JURISPRUDENCE TOKEMS	-



Whitepaper
 KYC / Whitelist
Terms and Conditions
 Token Sale Agreement
Privacy Policy



ICO dates	May 2018
Token	ATMI
Price	No data
Bonus	No data
Soft cap / Hard Cap	No data
Platform	Ethereum
Accepted	ETH

CONCLUSION: In general, the Atonomi project deserves attention as it solves the urgent problem of the modern IoT market - to ensure the security of devices working on the Internet. But the project is at early stage of ICO preparation and it is alarming that there are no roadmap, token economy, legal risks of ICO, and the questions of network scalability are not disclosed. However, the final product release is planned before the ICO start, that is, investors will be given the opportunity to evaluate the product's capabilities before purchasing ATMI tokens. There is a high probability that the project will be completed and successfully operated taking into account the experience of the project founders and the possibilities of the CENTRI company.

Atonomi provides a security protocol and infrastructure to enable billions of IoT devices to have trusted interoperability for both data and commerce.

The key innovation of the Atonomi low-level protocol is to root the identity and reputation of devices on a blockchain-based immutable ledger. Atonomi accomplishes this by building and deploying an ecosystem of participants designed to maintain decentralized consensus for device transactions on the Atonomi Network.

Combining on-chain and off-chain resources, and built on Ethereum technology, Atonomi's architecture is extendible by developers across IoT verticals to secure the vast realm of IoT devices ranging from healthcare and home automation systems, to smart-city infrastructure, to industrial sensors and controllers.

Thus, Atonomi uses the experience of IoT devices developers from all areas of life to create the most secure IoT infrastructure that cannot be hacked through any device.

Criterion	Score
PROJECT CONCEPT	
Does the problem the project plans to solve really exist?	
Is the company's product unique and monetized in the market?	5.3 / 7.0
Has the team identified its competitors and its advantages over them?	
Is the project's solution significantly different from existing solutions?	
BUSINESS MODEL	
Has the project laid out its operating business model?	
Is there a clear roadmap?	3.3 / 7.0
Has the team presented a detailed financial plan for revenues and expenses?	
THE TECH	
Is blockchain technology a solution to the market problem?	
Is there already a working product?	3.8 / 7.0
Has a safety audit of the source code been provided?	
Has the source code been published on GitHub?	

Criterion	Score
TEAM	
Have the project founders already implemented a similar successful business?	
Are the project founders well-known, with established reputations in their professional fields and/or in the blockchain field?	6.5 / 7.0
Does the project team have enough experience to implement the project?	
TOKENS	
Is the issuance of tokens limited?	
Is there mechanism that would protect current holders from token devaluation?	4.7 / 7.0
Do the project participants have clear motivation for owning the tokens?	
PROJECT SUPPORT	
Do the competencies and experience of the advisory board members meet the project goals?	
Are the project's partners large and well-known?	5.3 / 7.0
Is the project attracting large VC investors?	

Criterion**Score****COMMUNICATION**

Is the project popular on social networks and in thematic communities?

Is the project widely discussed on blockchain news resources?

6.0 / 7.0**JURISPRUDENCE**

Is there a clear legal structure? Is it transparent?

Have tests been passed that determine the token is not a security?

Is there an AML policy? Does the company have KYC procedures for token purchases?

Does the project provide tools (for example, the use of escrow) that would guarantee the return of investments if the stated usage of funds is not followed?

4.6 / 7.0

Is there a SAFT, a detailed contract/offer, and/or agreement for the token sale?

Is there a detailed Privacy Policy and policy on the processing and storage of users' personal data?

Has the team taken into account the legal risks of an ICO?

How do we rate the quality of the project?



ADVANTAGES

- The team described in detail the business model of the project.
- The project is popular on social networks and in thematic communities, it is widely discussed on blockchain news resources.
- The founders and leaders of the project are recognized professionals in their fields and/or in the blockchain industry.
- The project has a strong advisory board.
- The project's partners are large and well-known.
- The project founders have experience of implementing a successful business in the project field.

HIGH
Quality Rate



DISADVANTAGES

- The competitive landscape and the project's competitive advantages are not sufficiently defined.
- There are no clear roadmap and financial plan.
- The team does not have a working product.
- The source code of the project is not published on GitHub.

By 2020, Gartner predicts an increase in the number of IoT connected devices to 20.4 billion

THE PROJECT CONCEPT AND THE PRODUCT: [Atonomi](#) is a project that develops a security protocol and related components to protect IoT (Internet of Things) platforms and integrated devices. The project developers strive to organize the most convenient and safe internal management structure of IoT devices for performing financial transactions and data exchange. Atonomi developers plan to implement a security protocol into the healthcare industry, the smart homes development and urban infrastructure projects.

The main Atonomi architecture will include several key elements that ensure interoperability and secure data exchange: the new user identification service, protocol and reputation management system, fast and easy integration with third-party services and ATMI tokens (the main and only accounting unit within the network).

MARKET AND COMPETITION: About 8.4 billion IoT-devices were connected worldwide in 2017, that is 31% more than in 2016, [according to Gartner](#). By 2020, Gartner predicts an increase in the number of IoT devices to 20.4 billion, with about 5 million new IoT connected devices daily. Gartner's analysts note the need to improve security technologies as more and more IoT devices are able to participate in financial transactions, that puts safety first in the list of the coming year priorities.

The advantage and innovative component of the project consists in establishing a system for identifying and assigning a reputation for devices in the unchanged blockchain-based register

The project team does not provide a detailed description of the competitive landscape, but they emphasize the advantage and innovative component of the project consisting in establishing a system for identifying and assigning a reputation for devices in the unchanged blockchain-based register. IoT security solutions have already been implemented by [Microsoft Azure](#) and [CSS](#), however, they operate centrally. [IOTA](#) and [Hdac](#) can be distinguished among decentralized competitors. Although IOTA is not a direct competitor to Atonomi, it strives to create a network of IoT-devices through an open distributed ledger, whereas Atonomi plans to operate on top of IoT-networks providing protocol security. In addition, the IOTA architecture is not capable of forming and tracking the reputation of devices, that makes their approach to enhanced protection of IoT underdeveloped. Hdac also declares security as the main priority in building its platform architecture, but does not offer a solution related to assessing the reputation of each user. The joint cooperation of these companies or the takeover of Atonomi by a larger competitor looks possible in the long term.

BUSINESS MODEL: The business model of the project discloses the following sources of revenue: fees for initial device registration in the Atonomi ecosystem, validation of other devices, reputation management and commercial transactions (the exact amount of commissions has not yet been determined). The project does not have roadmap and financial plan, although further steps of platform development can be found in different chapters of whitepaper in one form or another.

Atonomi is developed by CENTRI founded in 2010 and known for its developments in the field of IoT security technologies. CENTRI has 10 patented technologies that will be used in Atonomi

TEAM AND PROJECT SUPPORT: Atonomi is developed by [CENTRI](#) founded in 2010 and known for its developments in the field of IoT security technologies. CENTRI has 10 patented technologies that will be used in Atonomi. Three of the 5 founders of the project occupy management positions in CENTRI, the other two managers are experienced experts in the blockchain field. Information about other team members is not disclosed publicly, but it is claimed that they are also CENTRI employees. The project has succeeded in attracting experienced advisors, however, no public confirmation of cooperation by the advisers was found.

THE TECH: There is information on the final stage of development of the alpha version of MVP with full functionality, but there is no public access to this prototype. The CEO of the project announced on April 7 that the finished product will be available in May 2018. The smart contract code for the ICO and the source code of the platform are not published on GitHub.

TOKENS: The economics of the ATMI token and other aspects of the ICO are worked out superficially. The team states that ATMI is the only a means of payment within the platform and describes the token features. The measures taken to reduce the risks of investors are not described. There is no basic information about the ICO, including the base price of the token, the volume of the released tokens, and whether this release is the only one, the hard cap and the soft cap, etc. The team also did not provide the results of the Howey Test passage.

Release of the finished product with full functionality is planned before the ICO start, that is, investors will be given the opportunity to assess the uniqueness and capabilities of the product before purchasing ATMI tokens

JURISPRUDENCE: Developers have worked out superficially the legal side of an ICO. There are only [Privacy Policy](#) and [Terms & Conditions](#) among the required documents. Negligence of the legal side may entail negative legal consequences in the future on the part of market regulators and ATMI purchasers.

CONCLUSIONS: In general, the Atonomi project deserves attention as it solves the urgent problem of the modern IoT market - to ensure the security of devices working on the Internet. But the project is at an early stage of ICO preparation and it is alarming that there are no roadmap, token economy, legal risks ICO, and the question of network scalability are not disclosed. However, the project team maintains constant communication with the community and informs about all the project progress. Release of the finished product with full functionality is planned before the ICO start, that is, investors will be given the opportunity to assess the uniqueness and capabilities of the product before purchasing ATMI tokens. There is a high probability that the project will be completed and successfully operated taking into account the experience of the project founders, the CENTRI opportunities and the availability of patented tech solutions. DigRate will closely monitor the implementation of the Atonomi project.

**What is important
to improve?**

High-priority tasks:

- describe the competitive landscape and the project's competitive advantages in detail
- develop a clear roadmap
- develop a detailed financial plan
- submit a product prototype
- publish the source project code on GitHub
- carry out an independent safety audit of the smart contract and publish the results

What information should be added?

More information is required:

- about the regulation of fund dispersal and usage of tools (for example, the use of an escrow) that would guarantee the return of investments if the stated usage of funds is not followed
- about limiting the token issuance
- about the legal structure of the company
- about the mechanism for protecting tokens against devaluation
- about compliance with the legislation requirements of the securities market and on the taking preventive measures
- about the conditions of the token sale
- about compliance with AML legislative requirements and on the identification of token purchasers (KYC)
- about legal support for the project and the work carried out in the legal field

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