

THE PLAYBOOK B52





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B52 PLAYBOOK CONTENT

Introduction

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Customer Value Proposition and Service Offering

IT, Operating Model and Roadmap

Go-to-market Strategy

Financials and Risks

Long Term Plan

People

Executive Summary

Vision and Mission

New Bank Category

Ecosystem

Digitization

Transformation

Opportunity Modelling

Work plan

WHO WE ARE

WHAT WE DO

HOW WE ARE
DIFFERENT



WHAT IS B52

A NEW BANK
UNITING DIGITAL AND CRYPTO
BANKING FOR EVERYONE

“THE ANY ASSET BANK”



EXECUTIVE SUMMARY

- I. European bank license and operation (currently in negotiation phase/due diligence)
- II. Offering banking services based on fiat currencies and cryptocurrencies (any asset)
- III. Unified value ecosystem builder
- IV. New banking product leader
- V. Utilizing latest technology, such as blockchain & distributed ledger technology

- Transforming an existing bank into a European leader: defining a new bank category
- For the first time it becomes possible to use any asset for transactions and payment of banking services
- An ecosystem which creates collaboration, services, smart data and network effects
- Digital, crypto, hybrid... – any asset banking
- Outperforms any existing bank IT and their operations with dynamics and flexibility



VISION AND MISSION

OUR VISION

The Bank for Everyone.

CREATING THE CRYPTO and DIGITAL BANK for EVERYONE.

The Crypto Community is disconnected from regulated banking and basic banking services. On the other hand, traditional banking users are interested in cryptocurrencies as never before.

That's why we established the world's first bank, which allows **regulated access to blockchain-based BANKING WITH ANY ASSETS / CURRENCIES.**

OUR MISSION

Digitization will change banking.

The Blockchain will revolutionize the banking industry.

Cryptocurrencies will eventually replace banks and existing financial systems by eliminating intermediaries.

We believe that **everyone should be empowered to manage their assets, crypto and fiat likewise**, spend and transact how they want, and help spread wealth to the rest of the world.



DEFINING A NEW BANK CATEGORY AGAINST LIMITATION AND THREAT

BANKING WILL DRAMATICALLY CHANGE

Over the past 20 years, technology has advanced so quickly that governments and financial institutions around the world have fallen behind on innovation.

Currently, traditional banks, payment providers and especially the regulators feel threatened by cryptocurrencies and are reluctant to offer/support cryptocurrency services and transactions.

On the other hand, traditional banking users are interested in cryptocurrencies like never before: 60% of Americans have heard of - and 5% own - Bitcoin. Recently churches have started accepting donations in cryptocurrencies!

A NEW CATEGORY IS A HUGE OPPORTUNITY

B52 sees a tremendous opportunity by empowering customers to fulfil their digital banking needs in the traditional fiat currency banking world

AND

Offering customers to buy stocks, provide P2P loans and lending, purchase real estate, buy insurance or initiate payments instantly with cryptocurrencies at the same time.

PRODUCT SUITE

CRYPTO Banking – Cryptocurrency backed banking services

DIGITAL Banking – Traditional banking made DIGITAL

HYBRID Banking – Services with any ASSETS

TOKENIZED Banking – Asset backed financing services



WE BELIEVE IN A UNIFIED VALUE ECOSYSTEM

THE B52 FINANCIAL ECOSYSTEM

The B52 Financial Ecosystem allows multiple participants, content providers, producers, publishers and consumers to connect to it, interact with each other, **create value and exchange value**.

B52 turns itself into a distributor and **marketplace of banking services** by sourcing them from inside and through partners, hence providing customers with access to a broader range of banking services/Fintech and ancillary services to banking services.

BECOMING AMAZON FOR THE FINANCIAL SERVICE INDUSTRY

The API Marketplace creates tremendous business collaboration for B52 and partners, massive economies of scale by serving millions of customers with its ecosystem, and there is huge potential to generate network effects that could lead to increasing returns to scale.

B52 can increase customer engagement by interacting regularly with customers, helping them to better understand their financial situation, and support their options to close their gaps and make decisions for their needs.



BANKING WILL BE DECIMATED BY DIGITAL

Entirely new business models have been created, displacing incumbents who only tried to digitize their existing offering.



UBER

NETFLIX

Adoption of new technologies occurs even faster; when the tipping point for FS occurs, the transition will be rapid.

36 YEARS	10 YEARS	3 YEARS	1 YEAR
Radio 1958	Google 1998	Facebook 2004	iPad 2010

Fintech monoliners have taken advantage of digital and social media



and so have banks and challenger banks.

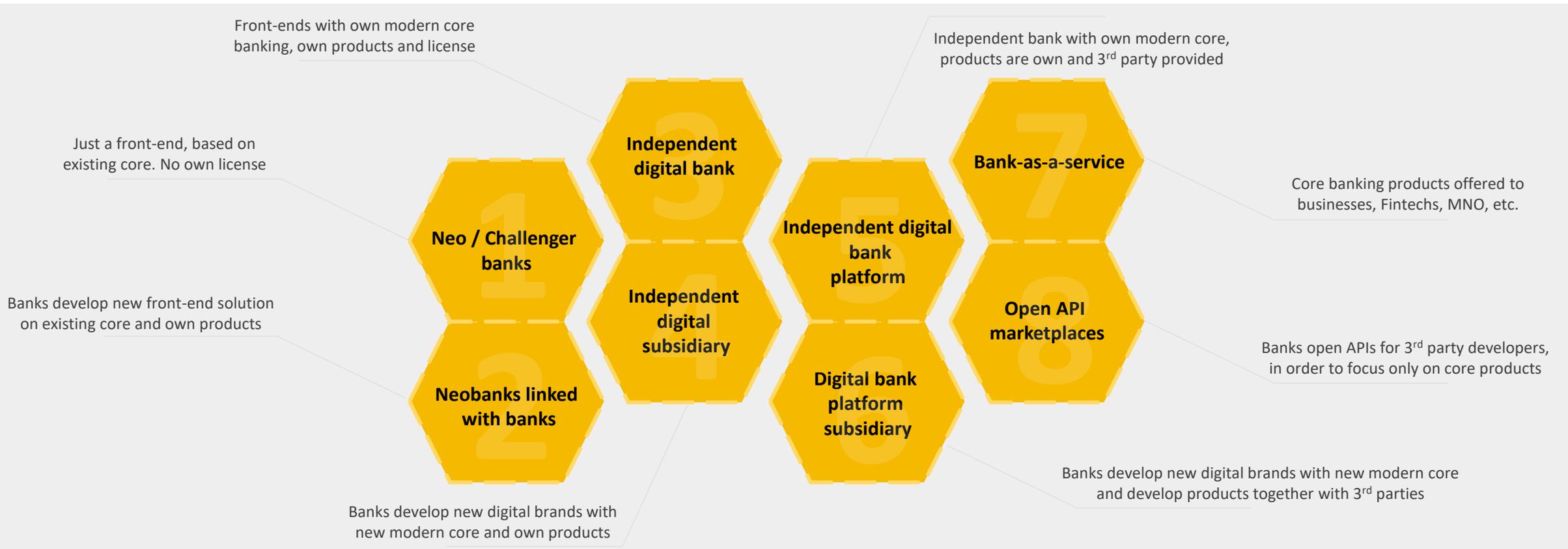


- Digitization coupled with the advent of social media has changed how consumers behave
- As a result, digitization has disrupted several industries, including the financial services industry
- Even though the barriers of entry to the financial services industry are generally high, they are beginning to tumble – as evidenced by new fintech players who compete against traditional banks
- Some traditional banks have responded to innovation and differentiation by adapting their business & operating model



BANKING MODELS – 8 STRATEGIES A BANK CAN UNDERTAKE

Becoming “DIGITAL” is more than Rebranding!





MANY OPPORTUNITIES FOR INNOVATION AND DISRUPTION

However banks have started to realize the need to write the digital agenda.

Crypto ?
Ecosystem ?
Blockchain ?
Other Assets ?

Europe is a home to 500+ million people with some of the highest educated population coupled with almost 100% smartphone and online penetration.

Politicians, regulators, legacy banks, venture capitalist and entrepreneurs are all moving towards a digital area.



Picture: Random selection



TECHFIN IS THE NEW FINTECH

A digital bank is not the same as a digital banking platform - it is about solving broader business challenges in a different way, as well as leveraging new technology.

CUSTOMERS

- How do we engage differently
- How do we gain insights?
- How do we increase value to the customer and drive their demand?

PROCESS & SUPPLIER MANAGEMENT

- How do we build iteratively and efficiently?
- How do we best leverage partners?

Leadership team

How do we direct our business effectively to this shift and opportunity ?

INVESTORS

- How do we leverage new ways of delivering value, and quicker?
- How do we create solutions that are scalable and re-saleable?

EMPLOYEES

- How do we attract & retain the best digital/crypto/blockchain talent?
- How do we build a culture and ways of working around digital?



CREATING A NEW BANK CATEGORY – „THE ANY ASSET BANK”

ASPECT	DIGITAL OFFERING	ANY ASSET BANK OFFERING
Customer Experience	<ul style="list-style-type: none"> Existing bank exposed outwards via slicker interface Designed "within" the bank 	<ul style="list-style-type: none"> Experience re-thought from the ground-up Designed in partnership with target customers in crypto and digital
Processes & Operations	<ul style="list-style-type: none"> Existing processes adopted and "hidden" from the customer Limited to what is achievable with underlying systems and processes 	<ul style="list-style-type: none"> Processes defined from scratch to optimise efficiency, cost and experience Not reliant solely on existing operations and capabilities
Approach to Change	<ul style="list-style-type: none"> Delivered as a traditional programme; big-bang launch, difficult to optimise objectives in-flight Has a high cost profile before seeing delivery/success 	<ul style="list-style-type: none"> Iterative delivery, easy to amend the launch in-flight Delivers to live early, to allow testing & learning with customers and of the proposition
Staffing & Partnering	<ul style="list-style-type: none"> Uses the same models as the existing organisation Generally relies on the same partners, and the same breakdown of accountabilities / vendor payment structures as before 	<ul style="list-style-type: none"> Adopts wholly new approaches to staffing, optimised to the bank Leverages different partnering models and different types of partner companies
Organisation & Structure	<ul style="list-style-type: none"> Fits in with the existing organisational structure Reports in through an existing business line, risking the objectives and KPIs blurring 	<ul style="list-style-type: none"> Creates an organisational structure optimised for the goals to be achieved Generally reports at a higher level, avoiding being subverted/impeded by localised challenges/focuses within the existing organisation
Technology	<ul style="list-style-type: none"> Generally delivers a new digital channel platform on top of wholly traditional & existing IT platforms and infrastructure 	<ul style="list-style-type: none"> Leverages opportunities to benefit from and trial new technologies
Risk	<ul style="list-style-type: none"> Adopts existing risk and control frameworks as-is Is constrained by the restrictions these creates 	<ul style="list-style-type: none"> Extends and adapts risk and control frameworks Creates a more optimised business, without inherently increasing risk



CREATING A NEW BANK CATEGORY "ANY ASSET" – SOLUTIONS

DIMENSION	CHALLENGE	SOLUTION
Customer	<ul style="list-style-type: none">• How do we engage differently?• How do we gain insights?• How do we increase value to the customer and drive their demand?	<ul style="list-style-type: none">• Customers will be engaged before the proposition is launched, and throughout proposition development• Test-and-learn gains early feedback from customers that drives development• The solution is constantly tailored to customer need, and the visible "engagement" drives involvement and demand
Investor	<ul style="list-style-type: none">• How do we leverage new ways of delivering value quicker?• How do we create solutions that are scalable and re-saleable?	<ul style="list-style-type: none">• Dynamic methodologies and iterative delivery ensure value is realised quicker• Building in a modular fashion allows partners to be leveraged for re-use, and existing assets to deliver scale
Process & Supplier Management	<ul style="list-style-type: none">• How do we build iteratively and efficiently?• How do we best leverage partners?	<ul style="list-style-type: none">• Abstraction via middleware and using dynamic methodologies ensures iterative, efficient delivery against requirements that can be validated rapidly• The Any Asset Bank model ensures partners are selected for their value-add and capabilities outside of the core of B52
Employees	<ul style="list-style-type: none">• How do we attract & retain the best digital talent?• How do we build a culture and ways of working around digital?	<ul style="list-style-type: none">• Creating a culture, ways of working, and adopting leading methodologies naturally attracts and retains talent• Creating this separately from day-to-day B52 operations ensures the new culture and the ways of working are preserved



B52 QUARTERLY WORKPLAN

Phase 1

Q4 17

MARKET SCAN
NEW DEFINITIONS
BUSINESS PLAN
PREDICTIONS

- Market Research
- Objectives
- Modelling
- Potential
- What we are
- What we solve
- For whom at what prices

Phase 2

Q4 17 – FEB 18

ICO ANALYSIS
BANK TARGETS
PLAYBOOK
PARTNER

- ICO Scouting
- MoU from Bank Targets
- Playbook “how to”
- IT Partner Selection
- 2nd liner strategy
- Building Society

Phase 3

Q2 18 – Q1 19

MVP
ARCHITECTURE
OPERATING MODEL
ORGANIZATION
INTEGRATION

- Customer proposition
- Minimum functionality
- How to operate as Bank52
- How to organize Bank52
- Partner and bank Integration
- Target picture
- Roadmap
- Milestones

Phase 4

Q4 18 – Q4 19

GO-TO-MARKET
PRODUCT DEVELOPMENT
ECOSYSTEM
EXPANSION

- GTM strategy
- Digital Banking
- Crypto Banking
- Hybrid Banking
- Tokenization
- Ecosystem builder
- Continuous implementation
- Expansion



B52 MAIN OBJECTIVES HYPERSCALING RETAIL AND SME



PRODUCT

Test, Learn & Improve

The banking platform must be used as a continuous test and learning process of products, services, technology, and customer appetite so that each module can be deployed into other markets quickly.



DELIVERY

Path of “No Resistance”

Ensuring that we can deliver efficiently is key. Therefore, we must look to markets that have the path of almost no resistance in terms of regulation, relationships, infrastructure and scale of opportunity.



PROFIT

Making Money

Whatever we launch, must have a plan to profitability. This is not a short term initiative, but a long term development of the business operating model of B52.



DISCLAIMER

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