

Synthetic IP Value Notes[®]

SIPs[®] | Perpetual Synthetic Derivatives (Structured Notes)

European Standard of IP Valuation

What Are SIPs?

Synthetic IP Value Notes (SIPs) are perpetual derivative instruments that enable direct market trading of the IP-driven component embedded in public equity prices.

- No corporate issuance or consent
- No IP transfer or collateralization
- No maturity, coupon, or principal
- Pure market price discovery

Core idea: make IP-driven value tradable as a standalone market exposure.

Why SIPs Matter

Global markets have crossed a structural threshold:

- 70–90% of market capitalization in leading companies is now intangible
- Equity prices embed IP value, but it is not directly tradable
- Markets lack instruments to isolate IP-driven valuation

SIPs solve this gap by surfacing the IP component already priced by markets.

Instrument Structure

Instrument Type: Perpetual derivative / structured instrument

Key Properties:

- Cash-settled
- Price-based exposure only
- Tokenized or non-tokenized
- Exchange-native

Economic Meaning:

SIP price reflects the market consensus valuation of IP-driven value embedded in a company's stock price.

No index, formula, or predefined ratio required.

European Standard of IP Valuation

The **European Standard of IP Valuation** defines:

- eligibility of IP-dominant reference companies ($\approx 50\text{--}90\%$ IP value),
- boundaries of IP-driven value for trading purposes,
- consistency and comparability across markets.

The Standard:

- does not define ownership or claims,
- does not impose formulas,
- relies on market pricing via SIP trading.

Exchange Fit & Market Opportunity

For exchanges, SIPs are:

- Perpetual contracts on IP-dominant equity references
- Compatible with existing margining and risk models
- Straightforward for market makers

Opportunity:

- First dedicated market for IP-driven equity value
- High-narrative, structurally relevant product
- Foundation for futures, options, and structured strategies

Information & Contacts

Victor Michelle
Co-Author & Co-Creator
Co-Inventor & Co-Designer

victor.michelle.post@gmail.com

Telegram @ip_bonds | X @ip_bonds
Telegram @stock_staking | X @stock_staking