

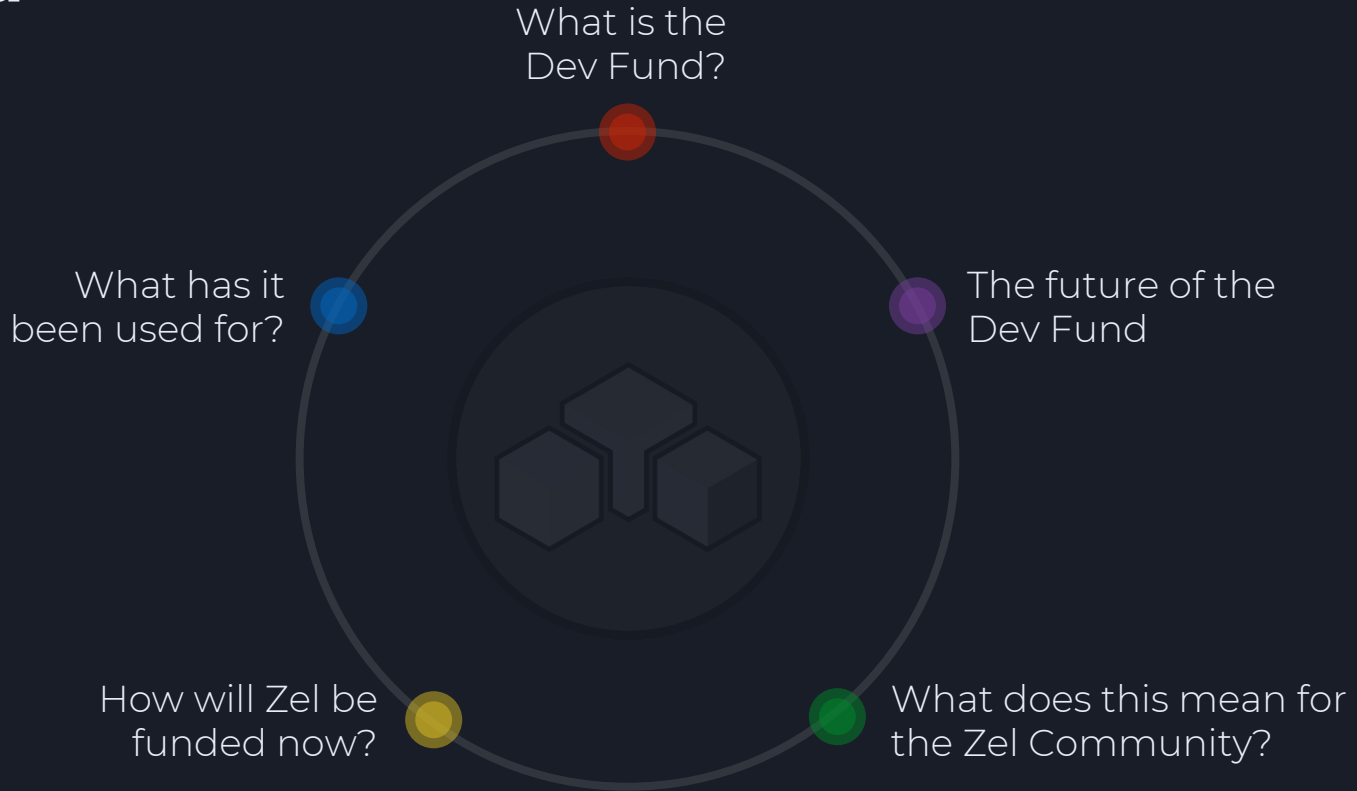


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Development Fund
and New Funding
Models

August 29, 2018

Agenda



What is the Development Fund (Dev)?

- A Development fund is created to ensure a project can be self-supported and resources are available for the project. These resources greatly aid the project by allowing continuing growth and allow developers, advisors, founder and team members to be allocated effectively, however; a Dev Fund should not be the sole funding model for any project to ensure longevity.

What is the Dev Fund?

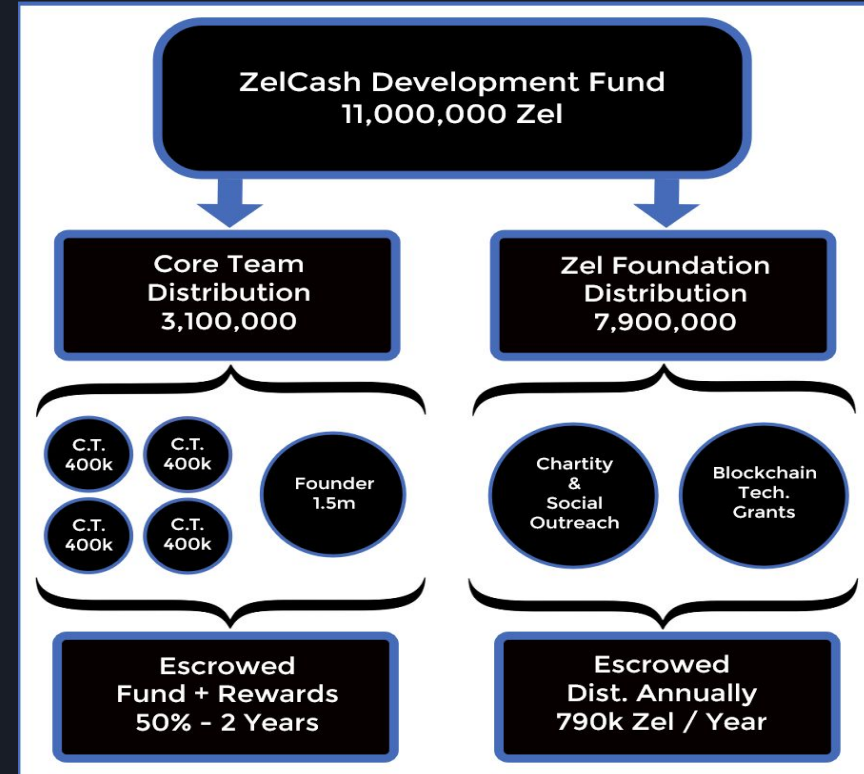
- The current ZelCash development fund is approximately **11 million ZelCash**
- To this point, there has been little movement on the Dev fund other than small OTC sales for infrastructure to host ZeltreZ and small payments for translation and travel
- All Developers, Advisors and Founder have been essentially “working for free”; only small bounties have been paid out to date (but not liquidated)
- Alternative funding models have been reviewed, researched, and considered. This includes Venture Capital, Institutional Capital, and Angel Investment
- The main focus of the the team is project development and the Zel ecosystem, while protecting the community and their investment in ZelCash

The future of the Zel Development Fund

- The team has focused on the need to develop “recurring” funding models to ensure the project can be realized, while protecting the Dev Fund and community investment
- With the success of the ZelCash and ZelTreZ projects, Zel Technologies has been able to formulate and develop an operating model that is self-sustainable, as well as adding Venture Capital(VC) investment into the project
- Ensuring that investors, miners and community members are protected in the future, a distribution and lockup of the current Dev Fund will be implemented
- This effectively removes **11,000,000 Zel** from circulation for the foreseeable future, while allowing the project to grow with conventional funding and investment
- A large majority of the Dev Fund will be donated to the newly-formed Zel Foundation for ongoing community, charity, and Zel ecosystem development

The future of the Zel Development Fund

- The current Dev fund will be allocated as follows:
 - **7,900,000** ZelCash will be donated to the Zel Foundation for ongoing project development. These funds will be held in escrow and distributed over the next ten years. Each year 790,000 will be donated to the Foundation on January 1
 - Each Core Team Member (not Founder) will receive **400,000** ZelCash and required to sign a two-year retention contract. Each member may run zelnodes $\leq 200k$ total Zel to help with network infrastructure and will be required to lock up the payout for the period of **50% per year for a minimum 2 years**
 - The Project Founder will receive **1,500,000** in ZelCash, with no more than two ZelNodes ran and a requirement of two-year lockup of funds **year one 50% will be available, year two the remaining 50%**
 - All distributed coin is kept in transparent addresses on the rich list



How Zel will be funded moving forward

- Zel Technologies LLC. is developing partnerships that will be announced later this year with a conventional business funding model. This model is similar to a venture capital standard funding structure and will be within the legal framework for institutional investment in the US and other countries
- Ongoing listing fees, transaction fees, partnerships, development of blockchain based technology, mobile application development and integration to the Zel platform will be recurring revenue streams as well
- **ZelCash will be the onboarding currency for all Zel family of products:** ZelTreZ, ZelDex, ZelPay ect. Currently ZelTreZ accepts BTC and tokens, this will change as the platform advances
- A working budget model will support development and resource expansion, such as dev, marketing, and legal personnel

What this all means for the Zel Community

- 11,000,000 ZelCash will **be locked in escrow over the period of the next two years**
- The Foundation will receive ten annual donations of 790,000 ZelCash for project development (total 7.9m)
- The “Core Team” will remain active and locked in exclusively to the project for the next several years and provide infrastructure for development (ZelNodes)
- All Core Team have signed NDA’s (Non-Disclosure Agreements) and work solely on ZelCash with no involvement in other projects
- Community Funded projects will now have a funding source and governance council
- A Council advisory team will oversee the Foundation matters and will be elected by the community consensus model (pending)



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Zel Community Q&A

Q&A on Discord Voice Chat



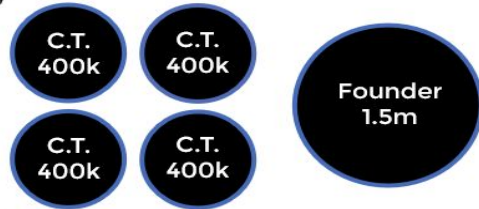
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Conclusion

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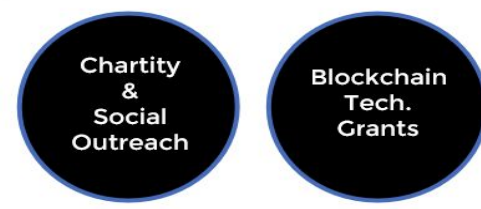
ZelCash Development Fund
11,000,000 Zel

**Core Team
Distribution**
3,100,000



**Escrowed
Fund + Rewards**
50% - 2 Years

**Zel Foundation
Distribution**
7,900,000



**Escrowed
Dist. Annually**
790k Zel / Year