



**impak Finance**

## White Paper for the ICO of: **impak Coin (MPK)** a Cryptocurrency for a Better World.



### ABSTRACT

The **impact economy** is a worldwide movement in the fight against society's toughest challenges such as persistent poverty and environmental destruction. In this fast growing sector, organizations and individual's intention is to generate a measurable, beneficial social or environmental impact alongside a financial return.

**impak Finance** is launching **impak Coin**, the first cryptocurrency designed to support the growth of the impact economy. By design, impak Coin will build loyalty, reward collaboration and encourage its holders to buy from accredited impact merchants who are part of the **impak.eco network**. The mission of the impak project is to use the power of capital to make the world a better place.

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## **THIS IS NOT A PROSPECTUS OF ANY SORT**

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This document **does not constitute a prospectus of any sort**; it is not a solicitation for investment and does not pertain in any way to an offering of securities in any jurisdiction worldwide. This White Paper constitutes a description of the functionality of impak Coin.

# 1. Introduction

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The launch of a new cryptocurrency called impak Coin (MPK) is done in the context of the creation of impak.eco, an online social network 100% dedicated to the Impact Economy – a fast growing segment of the general economy where organizations and individuals share the belief that economic activity should consider more than just its financial aspects, but also take into account the effect it has on people and the planet.

impak Finance Inc. is the entity designing and developing impak.eco. Its plans also include the creation of a new digital Canadian Bank 100% dedicated to the Impact Economy that would be placed at the centre of the ecosystem and act as an agent of economic growth within this space.

At its core, this project proposes to radically change the way people experience their relationship with money by proposing a unique place where investors, companies and individuals exchange with each other with the understanding that each dollar has the purpose to do good. impak.eco shares features found on social networks and in disruptive fintech applications and aims to become that place one comes back to on a daily basis. With the focus being on the growth of the Impact Economy, every money transaction, whether it is banking, investing, selling or buying value-aligned responsible products & services, is done with the transparency one would expect in a changing world where the power of capital resides not only in the hands of the few, but also in the hands of the many. And where the power of capital serves values that make the world a better place.

This new cryptocurrency, impak Coin, is unique because it is one of the only digital currencies with a social purpose. Traditionally, complementary currencies have been created to promote and sustain local economies, sometimes in the service of social and environmental values. impak Coin is their modern version, amped up because of its capacity to support locally-rooted initiatives and to marshal the forces of a global community of people that are willing to combine the power of capital and technology to change the world. impak Coin will harness that power and use it to sustain and grow the impak.eco social network, and consequently, the Impact Economy.

## 2. Executive Summary

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### 2.1 impak Finance

impak Finance Inc. is a start-up on course to create a new, completely digital Canadian Schedule 1 Bank dedicated solely to the Impact Economy. At the centre of its value proposition is a plan to radically change the way people and companies do their banking by putting the Bank at the centre of a social network (**impak.eco**) that will connect Investors, Companies and Retail Customers.

The choice of a Bank as the principal instrument of growth for the impact space is motivated by several factors:

- The unique power to grow the money supply a bank possesses by virtue of fractional-reserve banking.
- The opportunity to create a financial institution that is truly centred on the real economy and its role as an agent of economic development, rather than focused on speculation on financial markets as a means to enhance its return to investors.
- The disruption potential that fintech firms provide in the building of a banking experience that is in line with expectations and values of millennials and other like-minded strata of society.

### 2.2 impak.eco

The impak.eco social network will be launched at the end of 2017, prior to the Bank. impak.eco aims to bring structure to a very fragmented space: the Impact Economy – where even experienced investors have very poor visibility over companies that would represent sound investment opportunities because of: (i) a lack of intermediaries specialized in seeking out impact companies and qualifying them and (ii) the absence of a coherent and recognized way to measure the level of impact of these companies so that investors can make an informed decision.

Likewise, entrepreneurs in the impact space looking for capital have very few options when it comes to finding value-aligned investors and have no platform dedicated to their space onto which they could put forth the qualities that make them interesting investment opportunities.

One of the main objectives of the social network is to give a voice to every Citizen wishing to use her money as a force for good. Today, impact investment is mostly reserved to institutions and accredited investors. With impak.eco, Citizens will be able to identify impact merchants and have access to products and services aligned with their values. They will be able to actively participate in transforming the world every day by responsibly choosing which companies their money will support.

The reunion of like-minded Investors, Businesses and Citizens in the ecosystem is the basis for a true, transactional social network dedicated to the Impact Economy. The abundance in the marketplace of sophisticated applications, whether from fintechs or other providers allows for the creation of a service offering that will result in a truly habit-forming experience.

### 2.3 The impak Scorecard

The impak Scorecard is the criteria by which all companies on the social network will be judged on their level of impact. Every merchant on impak.eco will have been pre-accredited by going

through an online filter system (**impak Scorecard**). As such it is the central element in how choices will be made both by investors looking at investment opportunities and retail customers looking for value aligned businesses to provide them with the products and services they seek.

It is derived from the evaluation of a company's performance in four areas: Governance, Well-being of Employees and Community, Environment and Economic Sustainability.

## 2.4 impak Coin

impak Coin is the cryptocurrency impak Finance will issue. It is the first digital currency of its kind completely dedicated to the Impact Economy. impak Coin will possess features that make its use advantageous - alongside the national currency - within impak.eco, thus promoting the growth of this space.

The impak Coin launch is based on the combination of three movements that gained worldwide momentum in the last decade:

- Complementary currencies
- Impact Economy
- Cryptocurrencies (Blockchain)

### 2.4.1 The power of complementary (local) currencies:

- Complementary currencies (CCs) have been proposed as a means to stimulate local economies, reduce unemployment, and promote cooperative and sustainable community development. They aim to protect, stimulate or orientate the economy
- They may also be used to advance particular social, environmental, or political goals.
- There has been an explosion in the number of CCs in existence in the last decade. There are now well over 5,000 such currencies worldwide.
- The major factors identified as limiting the success of real CCs are the lack of major institutional buy-in and structural features about the currencies' designs that limit their volume of transactions.<sup>1</sup>

### 2.4.2 The Worldwide Growth of the Impact Economy

Doing good while doing well. That is the mission of impact businesses and investors, who combine the desire to address a social problem with wealth creation.

The Impact Economy is a new market force underpinned by companies, entrepreneurs and investors that have the intention to generate social and environmental impact alongside a financial return. Impact entrepreneurs are pursuing business opportunities that will both generate profit and address endemic social problems.

The growing impact investment market provides capital to address the world's most pressing challenges in sectors such as sustainable food and agriculture, renewable energy, conservation, microfinance, and affordable and accessible basic services including housing, healthcare, and

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1. <sup>1</sup>Robert Costanza et al., "Complementary Currencies as a Method to Improve Local Sustainable Economic Welfare", University of Vermont, Draft, Dec. 12th, 2003.

education. With a rapidly expanding market and an increasing number of participants, the idea of “impact” as an economic force has hit the mainstream.

According to Purpose Capital, a consultancy firm specialized in impact investment, Canadian investment in that space surpassed the \$60 billion mark in 2015 and will reach over \$500 billion in the next 10 years.

Increasing amounts of capital are flowing into the Impact Economy. In 2012, the Calvert Foundation formed an estimate through a representative survey of investment managers, applying prospective adoption rates to a global investment management industry of US\$ 26 trillion, and reached a market potential of US\$ 650 billion.

On April 17<sup>th</sup> 2017, the Ford Foundation committed to invest US\$1 billion in the Impact Economy. According to the Global Impact Investing Network (GIIN), an industry group that tracks market trends, impact investment has grown in size from US\$15 billion two years ago to more than US\$77 billion in 2016.

### 2.4.3 The Decentralized Collaborative Power of Cryptocurrencies

If you take away all the noise around cryptocurrency and reduce it to a simple definition, they are simply entries in a database that no one can change without fulfilling specific conditions. This may seem pedestrian, but, believe it or not: it is exactly how you can define currency.

Take the money in your bank account: aren't they just entries in a database that can only be changed under specific conditions? Take physical coins and notes. What are they, if not entries in a public physical database that can only be changed if you match the condition that you physically own the coins and notes? Money is all about a verified entry in some kind of database of accounts, balances, and transactions.

In other words, the technology supporting Bitcoin – the mother of all cryptocurrencies - is a decentralized network of peers keeping a consensus about accounts and balances. Some say it is more of a currency than the numbers you see in your bank account - numbers that are no more than entries in a private database that are managed by people you don't see and by rules you don't know.

Cryptocurrencies are entries about tokens (coins) in decentralized consensus-databases. They are called cryptocurrencies because the consensus-keeping process is secured by strong cryptography. Cryptocurrencies are built on cryptography. They are not secured by people or by trust, but by math/software. The probability of an asteroid falling on your house is higher than that of a bitcoin address being compromised.

The three main issues cryptocurrencies solve are:

1. National currency creation is based on debt creation. Most cryptocurrencies are rather created through value creation.
2. Banks are the creators of national currency supplies. Cryptocurrencies are owned and controlled by the communities that use them.
3. Most banks invest their liquidities based on no other value other than profit maximization. Cryptocurrencies are created to support specific projects. In our case, impak Coin (MPK) supports a project with a clear societal and environmental purpose.

## 2.5 Having the Courage to Change the World

Innovation is scary. But this doesn't change the fact that cryptocurrencies are here to stay – and here to change the world. This is already happening.



We see an increasing number of companies across a variety of industries making the first tentative steps in blockchain adoption. They are realising that there is a pressing need to get ahead of the curve and beat the competition. Primary interest in the sector is coming from tech giants (Microsoft, IBM, Amazon) and major Wall Street banks (JPMorgan, Citigroup), with companies such as Infosys, TCS and HCL reportedly working on blockchain-based products to support the financial industry. R3 was the first blockchain company in the financial sector; founded in 2014 it now leads a consortium of more than 70 of the world's biggest financial institutions and working on a variety of projects that it is rapidly patenting.

Meanwhile, the demand for blockchain technology in finance and financial services is growing on a worldwide scale, primarily in the developing world. A multitude of economies within Latin America, Southeast Asia and Africa have strict currency control laws and are seeing consumers flock towards alternatives to mainstream financial institutions. People who have no bank account, simply to use alternative financial services, are activating over 1 million smartphones a month.

In terms of entrepreneurial ventures, we have also seen a clear trend emerge in the last few years. Broadly speaking, 2015 was the year when financial institutions and fintech start-ups discovered blockchain technology. 2016 was then the year of pilots and first deployments. Following on this trend, we project that 2017 will be the year when blockchain enterprise solutions leave the pilot phase and proceed to commercialization and wide-scale adoption.

As we can observe, the large majority of blockchain initiatives are developed within the same economic mind frame of profit maximisation. We believe that the intrinsic characteristics and innovations of cryptocurrencies can be leveraged in order to have a positive social impact on our world. This is at the center of the impak Project.

***Cryptocurrencies are changing the world. They can also have a positive social impact. You can either stand beside and observe – or you can become part of history in the making.***

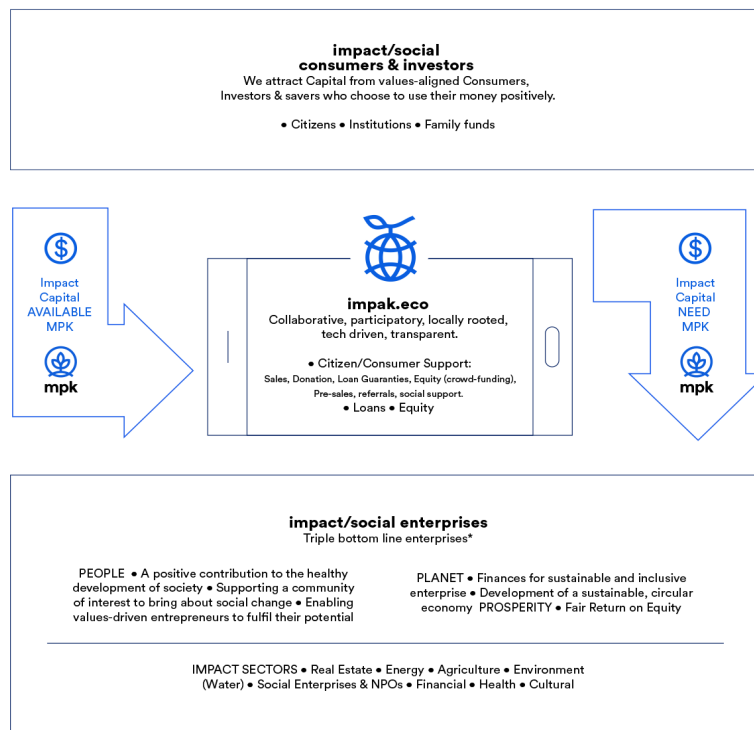
## 3. The impak Finance Project

### 3.1 Mission

impak Finance inc. is a Canadian-based corporation founded by entrepreneurs and finance professionals wanting to positively contribute and address some of the greatest social and environmental issues of our time. The Corporation's mission is to make money work for positive social, innovative and environmental impact through a collaborative financial ecosystem powered by disruptive financial technologies developed by the Corporation and third party vendors.

impak Finance connects investors and consumers who want to change the world for the better with entrepreneurs and sustainable companies who share the same objectives.

**We connect Citizen/Consumers, Savers & investors  
who want to change the world for the better with  
entrepreneurs & sustainable companies doing just that.**



\*such as Social Businesses and B Corporations: certified business that meets standards of social and environmental performance, accountability and transparency, as governed by B Lab.

## 3.2 Business Objectives

As discussed in this White Paper, the Corporation intends to offer integrated lending and investment opportunities that are 100% dedicated to the impact economy through an online collaborative social network deployed in Canada and in the world. The Corporation intends to support local, innovative and sustainable projects. Its mission is to become a leading player in collaborative finance dedicated to the growth of the Impact Economy.

## 3.3 impak.eco – a collaborative social network for a better world

impak Finance is designing and developing impak.eco, an online collaborative social network 100% dedicated to the growth of the Impact Economy. This online network and its mobile application will empower Citizens to support and engage in the Impact Economy. By using Citizens' knowledge, skills and purchasing power, impak.eco is giving them a voice and the power to better the world around them and allow them to contribute to its sustainability.

The social network also will bring structure to a very fragmented space: the Impact Economy – where even experienced investors have very poor visibility over companies that would represent sound investment opportunities because of: (i) a lack of intermediaries specialized in seeking out impact companies and qualifying them and (ii) the absence of a coherent and recognized way to measure the level of impact of these companies so that investors can make an informed decision.

Likewise, entrepreneurs and organizations in the impact space seeking capital and sales have very few options when it comes to finding value-aligned investors and customers. They have no platform dedicated to the social impact space onto which they could put forth the qualities that make them attractive impact investment opportunities and recognized impactful products and services for responsible consumers.

The reunion of like-minded Investors, Businesses and Citizens on impak.eco is the basis for a true, transactional social network dedicated to the Impact Economy. The abundance in the marketplace of sophisticated features, whether from fintechs or other providers allows for the creation of a unique user experience that will result in a truly positive habit-forming experience.

### 3.3.1 The current models of social networks

#### ***In Finance***

The concept of social network is often brought forth in the fintech and banking industries. It usually represents a combination of stakeholders and technology platforms helping financial institutions map their processes and identify influencers. However, in most cases, it offers little or no empowerment to its participants. Financial institutions use a top-down approach to improve their performance and other stakeholders have very little say in the social network's interactions or composition.

#### ***In Technology***

From a technology standpoint, the past years have seen the rise of several social networks built by major players. LinkedIn, Facebook, and Angel List are all great examples of technology-based social networks claiming to use technology to forward business and social interaction. At first glance, they seem to offer a valid value proposition and have all built great tools to empower their communities: newsfeeds, walls, messaging, notifications, geolocation, etc.

However, the plot thickens from a key driver's perspective. Most of these social networks have been designed to use these tools to sell advertising. The tools, user experience and algorithms are created to bolster very simplistic metrics: number of people coming to the site, time spent on the site and visit recurrence, and that for one single goal: to profit from advertising sales. The more eyes on the site, the longer they look at it, the more profitable the provider can be at selling advertisements. This therefore creates a strong bias against the macro objectives they put forth in bettering society and the economy.

### 3.3.2 The impak Finance Approach

impak Finance's approach is in fact different. The development of the impak.eco social network is done using a human-centered design methodology: a creative approach to interactive systems development that aims to make systems usable and useful by focusing on the users, designing around their needs and requirements at all stages, and by applying human factors/ergonomics, usability knowledge, and techniques. This approach enhances effectiveness and efficiency, improves human well-being, user satisfaction, accessibility and sustainability.

Throughout every phase of development, the target users help co-create and are strongly involved in steering the project. The design team has already done workshops with over 400 businesses and 500 individuals throughout Canada and keeps the co-creation momentum going with the involvement of its 1000 retail investors and stakeholders. The design team works with the stakeholders it plans to serve.

Moreover, in line with impak Finance's core values, this approach is used to empower its users and reach the goal of growing the Impact Economy. The systems and technology are designed from a bottom-up perspective and establish impak Finance's role as a facilitator and a catalyst towards economic growth.

Finally, impak Finance's technological development philosophy is to build products and services where an actual added value can be measured. This opens the possibility of unique collaborations with a variety of ventures and projects both in fintech and social realm.

### 3.3.3 Purpose is our Key Driver

The key driver behind impak Finance's social network is the growth of the Impact Economy. Its bias is to design tools, calibrate algorithms and refine the user experience to foster the sustainability of a real economy based on bettering society and the environment.

Nowadays, we often interrogate ourselves about the true purpose behind information or the tools provided to us on a social platform. Imagine if we built a new platform that truly led to the empowerment of oneself or their business. Trusting the key drivers behind a system is imperative to impak Finance.

Empowerment is at the heart of the impak Finance's project. We are building a financial institution that espouses that value and in this world, we believe that it is a competitive advantage.

### 3.3.4 The impak Finance social network

At a grassroots level, this social network involves real businesses, real people and other stakeholders of the real economy. Technology is a tool to meet their needs, but even in its absence, the ecosystem has to be sustainable.

Stakeholders are closely involved in the development of all impak products and services. The social network that is currently being built is a technological platform designed to favour the Impact Economy by facilitating interactions between 3 main stakeholder categories:

- (i) **Impact Organisations** (businesses, NGOs, Non-for-Profits, social enterprises) which main intention is to better the society and the environment through a sustainable business model;
- (ii) **Citizens/Retail Customers** seeking to have a positive impact by putting their money to work according to their values; and
- (iii) **Capital Partners** (VC, Angel Investors, Family Offices, Foundations, Pension Funds, other Institutional Investors) seeking returns with a purpose,

In simple terms, impak.eco social network is akin to a merger between Facebook, Angel List and LinkedIn into one single platform using the current state of their technology to better the Impact Economy instead of selling ads.

### 3.3.5 The Power of the Triad

The current platforms available on the market often only recognize the relationship between 2 stakeholders: retail customers and organisations, businesses and investors, etc. The impak social network is designed to leverage the power of 3.

First and foremost, the underlying design principle is that whether they are businesses, venture capital firms or another legal entity, the users on the platform are people first. A user can potentially be a business owner, an investor and a retail customer at the same time. This entails the creation of unique tool built to leverage all aspects of one's actions in support of the Impact Economy within the ecosystem.

Secondly, the enrolment mechanisms will ensure that all of one's contribution in the growth of the Impact Economy is taken into account from the outset. Hence, a large part of the initial Retail Customers/Citizens group will go through a series of processes, such as KYC (Know-Your-Customer). For all stakeholders, the design team has planned a friction-less enrolment mechanism that outlines how, other than financially, individuals can use their knowledge and skills to grow the Impact Economy.

Thirdly, a series of validation processes (such as BCorp evaluation, community based validation, impak Scorecard or due diligence verification) will guarantee that any business present in impak.eco will be a positive social impact organisation. Most see these processes as friction points in their systems and try to bypass them to rapidly reach critical mass. impak Finance, however, sees this as an opportunity to offer a wider range of tools that take advantage of the knowledge and skills base stakeholders bring by their presence in impak.eco.

For example, if a retail customer were a retired business owner in bioscience, his vote or "like" of a business in that particular sector would carry weight and credibility. This may also open the door to a mentoring relationship with the business owner. With these mechanisms in play, a potential investor would see that this business benefits from support, which could in turn positively affect his risk analysis.

The impak.eco design, by considering this triad in its development, is leveraging a larger set of data to grow the Impact Economy.

### 3.3.6 Stakeholders' Point of View

#### ***Citizens/Retail Customers***

By participating in *impak.eco*, Retail Customers/Citizens have a voice in supporting the Impact Economy and are searching for a way to play a role in improving our environment and society. They are much more than just a wallet or a potential transaction in a system and need to be recognized for all the attributes they bring.

The *impak* social network aims to help Retail Customers/Citizens reach two main goals: (i) easing the process to purchase or invest in the Impact Economy and (ii) empowering themselves as promoters of growth the Impact Economy, in ways other than their economic activity.

#### ***Impact Organisations/Merchants***

Positive Impact organisations' core mission embodies their intention to improve the environment and society through a sustainable business model. Those positive impact organizations will become Accredited Merchants and will be allowed on the ecosystem after being vetted through a process involving both the community and *impak* Finance accreditation filter (*impak* Scorecard). This ensures that the quality of the data in the system remains high, noise-free and impact-focussed.

*impak.eco* aims to do two things in support of the organisations/businesses: help them raise capital and generate sales.

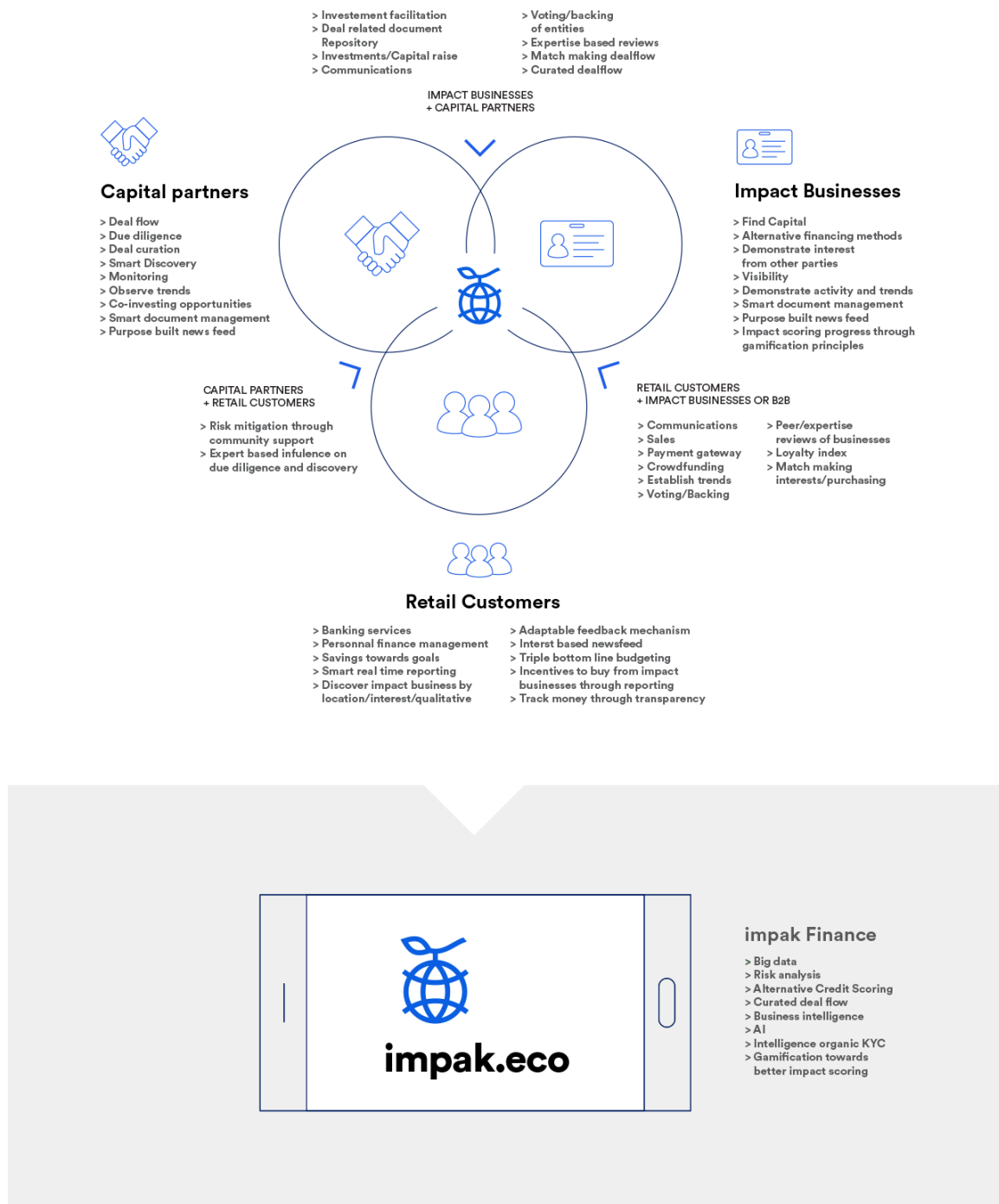
#### ***Capital Partners***

Capital partners are impact investors and want to invest in the Impact Economy. Impact investing is rapidly growing, worldwide. However, the current lack of unified impact standards and the lack of visibility on investment opportunities is a major obstacle to the flow of capital and the growth of the sector.

*impak.eco* aims to help Capital Partners reach two main goals: have easy access to a curated deal flow and facilitate the impact investment process.

## impak.eco interactions

The following graph shows the main value propositions/features for the 3 stakeholder categories as well as the added value for each of them in their interactions.



### 3.3.7 impak Coin and impak.eco

impak Coin and impak.eco have a symbiotic relationship. impak Coin is an important growth vector for the Impact Economy within the social network, bringing on one hand a sense of purpose and belonging through the execution of transactions in the impact space, and on the other hand relieving the friction one finds in usual transactional mechanisms (e.g. transactional fees).

impak.eco brings impak Coin legitimacy and integrity through its rigor and impact validation mechanisms (impak Score Card). But it also establishes protocols to provide a valuation system for impak Coin.

### 3.3.8 Scalability - from Canada to worldwide growth

Act local, think global, they say! The success of an ecosystem relies heavily on the path to critical mass, i.e. obtaining enough actors in the system to generate an optimal level of interactions toward the main drivers – in the case of impak.eco: toward the growth of the Impact Economy.

This is therefore the underlying principle governing the scalability of the system. The impak social network aims to scale on 2 main levels: Sectors and Geolocation. In order to scale properly, critical mass needs to be first achieved in one specific sector or geolocation to demonstrate its value before moving to a new one.

A good example for this principle is how Facebook has scaled and reached critical mass through university campuses before going live to all users across the world.

For impak.eco, this will be done by launching in the Canadian market where the Impact Economy is rapidly growing and where a strong network of businesses, community players and investors are supporting impak Finance. Let's not forget that at the heart of impak.eco lie real people and real organisations that have been rallied to the project to co-create as well as scale. In recent history, the success of digital social platforms has shown to be in direct relationship to the real interactions between entities. The understanding of interactions in the communities of the physical world remains a fundamental aspect of scaling impak.eco. That is why impak Finance is also working closely with groups and individuals in the impact space to achieve critical mass.

Also, a series of partnerships are currently being established with other financial institutions, such as members of the Global Alliance for Banking on Values or certification mechanisms like B-Corp, to allow the platform to scale globally while acting locally. It is of utmost importance for impak.eco to decentralize its growth and allow for diversity in its scaling process. It is through this process that we will be able to show the power of the decorrelation of the Impact Economy to a country's while correlating it to growth based on shared values and sustainability.

## 3.4 The impak Scorecard

The impak Scorecard is the criteria by which all companies on the impak.eco will be judged on their level of impact and will become accredited Merchants. As such, it is the central element in how choices will be made both by investors looking at investment opportunities and retail customers looking for value aligned businesses to provide them with the products and services they seek.

The impak Scorecard criteria are based on the 17 UN Sustainable Objectives. The criteria cover Governance, the well being of Employees and the Community, the Environment and the business model.



### 3.5 2016 Milestones

impak Finance Inc. (the Corporation) is in start-up phase and as such has yet not commenced commercial operations, but have been in activities since July 2016 and has successfully accomplished the following:

Milestone	Detail
<b>Product/Market Fit</b>	<ul style="list-style-type: none"><li>Demonstrated the Product/Market fit through a record equity crowdfunding in Canada (October to December 2016) that raised close to CAD 1.0m.</li></ul>
<b>Start-up Equity Raise</b>	<ul style="list-style-type: none"><li>Raised a total of CAD 1.5m – including equity crowdfunding.</li></ul>
<b>Social Media Presence &amp; Marketing Know-How</b>	<ul style="list-style-type: none"><li>Generated over 20 million impressions in visibility in Canada</li></ul>
<b>Community Backing</b>	<ul style="list-style-type: none"><li>Over 1,000 individual shareholders</li><li>Built a following of over 24,000 advocates</li></ul>
<b>Brand Awareness</b>	<ul style="list-style-type: none"><li>Positioned the “impak” brand in the Canadian market</li></ul>

### 3.6 The Plan for 2017 & 2018

During the next 18 months, impak Finance aims to achieve the following milestones:

Milestone	Detail
<b>Launch of impak Capital</b>	<ul style="list-style-type: none"><li>impak Capital will be the structuring entity at the centre of the ecosystem while the application for the Canadian Bank Charter will be processed by OSFI (Office of the Superintendent of Financial Institutions).</li><li>impak Capital will manage impact investment funds, conduct delegated portfolio management activities as well as investment banking activities – the latter having the potential of generating short-term revenues for impak Finance.</li></ul>
<b>impak Debt Fund 1</b>	<ul style="list-style-type: none"><li>Lending to impact SME as of Q3 2017</li><li>Delivery version 1.0 of “impak Scorecard” by Q3 2017</li><li>Coding of the financial risk Scorecard (proven Scorecard approach based on financial data)</li><li>Manually calculate the impact Scorecard (impak evaluation methodology developed)</li></ul>
<b>Pre-Sale of impak Coin (MPK) through a worldwide ICO (Crowdsale)</b>	min: CAD 500,000 - max: CAD 10,000,000

Milestone	Detail
<b>Launch of impak.eco App</b>	<ul style="list-style-type: none"> <li>• Launch impak.eco v 1.0 end of 2017, the collaborative social network dedicated to the Impact Economy</li> <li>• Prior to launch in Q4: populate with 500 enterprises &amp; 150 Capital partners</li> <li>• Sign in 5,000 user participants from which 1,500 will be investors in impak Fund</li> </ul>
<b>impak Coin (MPK)</b>	<ul style="list-style-type: none"> <li>• Deliver MPKs to owners that bought during pre-sale</li> <li>• Deliver the MPK eWallet to retail and impact enterprises</li> <li>• Launch impak Coin (MPK) market place</li> </ul>

### 3.7 The Team

impak Finance's executive team is composed of experienced entrepreneurs, marketers, banking and fund professionals dedicated to the success of our mission. The following table sets out the biography of the executive team members of the Corporation:

Name	Principal occupation and related experience
<b>Paul Allard</b> <b>Co-founder</b> <b>Chief Ecosystem Officer</b>	<p>With more than 20 years of experience in management, marketing and funding of innovative companies in growth environments specifically in the media and technology industry, Mr. Allard is currently founder and President of impak Finance Inc.</p> <p>Since 2015, he has been a senior advisor at Redwood Capital, an investment bank specialised in M&amp;A based in New York.</p> <p>From 2007 to 2014 he was founder and CEO of Engagement Labs (TSX-V: EL), a technology company specialized in real-time intelligent social media data, analytics and insights for organizations that are actively engaging on social and digital networks. Elabs has offices in London, New-York, Toronto and Montreal.</p> <p>From 2007 to 2012, he was a lecturer at the Université du Québec à Montréal for a series of seminars on entrepreneurship.</p> <p>In 2006 he co-founded and operated for 3 years <i>AlternativeChannel.tv</i>, the first Multilanguage WebTV channel devoted to sustainable development.</p> <p>Since 2005, he has been involved in different transactions with listed and private companies.</p> <p>In 1997, he founded ZAQ Inc., a web services and interactive TV technology company, which he was President &amp; CEO. He brought it public in 2000 (TSX-V:ZAQ) and in 2003 the company was sold to Intasys Corp. (NASDAQ: INTA) and ISAC Technologies LLC (TSX-V:ISF).</p> <p>Mr. Allard also was co-founder and Chairman of Association des Producteurs en Multimedia du Quebec now known as Alliance Numérique from 1997 to 1999. In 1999 Mr. Allard also acted as co-founder and Chairman of Interactive Multimedia Producers of Canada until 2001. These two organizations were responsible for discussing and negotiating government policies (federal and provincial) affecting this new industry.</p> <p>Prior to his business career, he worked in the entertainment industry, specifically in theatre and television for more than 10 years (Les Miz, Paul McCartney's musical ways, L'Opéra de quatrous, Gala, etc.).</p> <p>Mr. Allard holds a Bachelor of Arts in music and an MBA in International Marketing &amp; Finance from HEC Montreal.</p>

Name	Principal occupation and related experience
<b>Philippe Gablain</b> <b>Co-founder</b> <b>Chief Technology Officer</b>	<p>Bringing sense to technology for the user's benefit has always been Philippe's motivation.</p> <p>Since early 1998 Philippe has been a pioneer in new forms of digital communication, winning the prize of best corporate campaign in 2000 for B2L/BBDO (France). At Paris Première (French TV channel) he built bridges between traditional TV and the web by designing the brand's rich media content portal. Then he advised big companies on their content strategy at Hummingbird, the Canadian leader of enterprise content solutions. 5 years later Philippe joined the French start-up jechange.fr as CTO a comparator aimed to simplify the process of choosing between complex insurance, credit, banking or broadband contracts. But he felt he could do more. Three years later Philippe co-founded Mighty Watch, an innovative service empowering brands to boost interactions with their community on social media by combining monitoring, publishing and analytics in a single tool. In 2013, Mighty Watch was acquired by Engagement Labs, the social media analytics company. There, as the head of product, Philippe has unified, simplified and created a unique experience from the company's products, in order to adapt them to marketers' needs.</p> <p>At impak Finance, Philippe is imagining products that will concretize impak Finance's mission: create an inclusive experience that will empower citizens to be an active part of the social network as much as the technological vision that will be able to support it.</p>
<b>Tima Gros</b> <b>Co-founder</b> <b>Chief Happiness Officer</b>	<p>Tima holds an MBA in Management Consulting and a degree in psychosociology. She is passionate about coaching humans in both individual and organizational contexts. She regularly acts as host and facilitator of collective intelligence processes through creative activities, social innovation and citizen collaboration namely for J. Armand Bombardier Foundation, Institut du Nouveau Monde and Rendez-vous des entrepreneurs sociaux.</p> <p>Tima's concern for education, the environment, human rights and the fight against poverty drives her to question the status quo and to continually challenge established boundaries, steadfastly caring to "maintain the central focus on human beings." In fact, she co-founded and led, for 7 years, a non-profit advocacy and training organisation for sustainable development. She volunteered with AIDS Solidarity - Solidays for 8 years, and on behalf of the Mimosa Association, an orphanage in Haiti.</p>

Name	Principal occupation and related experience
<p><b>Pierre-Étienne Vachon</b></p> <p><b>Head of Product Development</b></p>	<p>Pierre-Etienne Vachon is an entrepreneur at heart. He knows how to recognize the potential of a project even before it starts. Skilled in crisis management, making decisions in a high-pressure environment and in orchestrating large scale projects, he has successfully demonstrated results for the past 20 years in marketing, technology and business development. He has proven his worth both as a director, manager and founder of many businesses.</p> <p>Hailing from an academic background in both kinesiology and neurobiology where he has perfected the skills of interaction design, memory retention and scientific user experience. Pierre-Etienne has evolved both in Canada and internationally applying these skills to a variety of fields such as in fintech, marketing, tourism and IoT.</p> <p>In his career he has founded, built and sold 4 main businesses: Proximus (an international project management firm specialising in technology) Mille Verba (a marketing agency), Gonzie (a search classified ads search engine), and la Fringale (a school catering ecommerce).</p> <p>Pierre-Etienne has also been on boards and been an advisor for many projects. He has acted as an Ambassador for Asian Pacific Business Interest for UN projects, Honorary President for the International User Experience Day, Ambassador for the Quebec Association of Social Integration, technology investment advisor for large entities in the middle east, Honorary President for the Periscope Theatre and Lead Development Advisor for iOTheatre.</p> <p>Both as a director and manager, Pierre-Etienne has also contributed to large scale projects for businesses he was involved with. Ranging from technology harmonization projects for the Asian Development Bank, to web acquisition and supply chain platforms deployment projects in the pharma industry as well as business development summits for the World Trade University (acting for the United Nations).</p> <p>Recently Pierre-Etienne has also been Vice President Sales/Marketing/Technology for the Village Vacances Valcartier and Calypso a CAD 250M business with over 1300 employees and deployed a 70M hotel and indoor waterpark project.</p> <p>Aside from his business involvement, Pierre-Etienne has also been a guest speaker in many events on topics such as Fintech, User Experience, Interaction Design, Business Development and Neuromarketing in a variety of arenas around the world.</p> <p>Pierre-Etienne brings to impak Finance a large skill set in technology, international business development, marketing, interaction design, negotiation and product development. Combined with over 15 years abroad, he brings an intricate understanding of macro and micro business needs and adaptability to ensure success of the projects he undertakes.</p>
<p><b>François Le Bel</b></p> <p><b>Head of Business Development</b></p> <p><b>impak Capital</b></p>	<p>François is a Business Development professional with more than 25 years of experience in various industries. He started working in the Financial Industry in 2011 for Optimus US real Estate, where he raised \$40m through distribution deals with EMDs. He has since participated in the structuring and raise of private investment funds and is now leading the creation of impak Capital and impak Debt Fund 1.</p> <p>After graduating in 1993 with a Masters in Civil Engineering with a specialty in Hydraulics from École Polytechnique de Montréal, François started working for SNC-Lavalin, where he became in charge of developing Postal Privatization projects worldwide. In doing so, he oversaw all strategic, technical, legal and financial aspects for these ventures.</p> <p>François also worked in technology, first for Mediagrip, a firm specializing in the development and operation of B2B marketplaces. He then took on the role of VP Sales in Canada for Gemalto, a leading manufacturer of smart cards and digital security products in the world, where he negotiated with Rogers and RBC to implement the first mobile NFC payment project in the Americas.</p>

Name	Principal occupation and related experience
<b>Jean Oulhen</b> <b>Co-founder</b> <b>Senior Risk Management Director</b>	<p>Jean, with a Master of Science in engineering and an Actuary degree, has spent most of his career in the banking industry. After 4 years in software R&amp;D, in 2006 he joined BPCE, second-ranking banking group in France, where he carried out various projects in financial risk and balance sheet management. He led, after the 2008 financial turmoil, the team in charge of liquidity management for the group, with the goal of conducting the implementation of new Basel III Liquidity regulation within BPCE's business lines (retail and corporate &amp; investment banking). In 2013, he took the opportunity to deal with the large &amp; mid-cap corporate clients' liquidity management products within Natixis (BPCE's CIB subsidiary) Global Transaction Banking division.</p> <p>In 2015, after observing that the new banking regulations had exacerbated funding difficulties for small businesses, Jean co-founded Intérêts Communs in France with Armen Ouzounian, bringing alternative finance solutions to SMEs, and connecting them to institutional investors.</p> <p>With the conviction that banking, one of the oldest industries, is going through a crucial moment in its history and must evolve to survive, Jean was enthusiastic to join the impak Finance endeavor, which fully embodies this necessary evolution towards a better finance.</p>
<b>Armen Ouzounian</b> <b>Co-founder</b> <b>Senior Regulatory Director</b>	<p>Curious and passionate about sciences, mathematics and their application in the real world, Armen has earned a MSc degree from one of the top engineering schools in France.</p> <p>Following a first experience in machine learning, Armen joined Sia Partners, a fast growing Consulting firm with an entrepreneurial spirit where he specialized in Risk Management and Financial Management topics. Armen has been involved on hot topics in Europe's biggest banks.</p> <p>In 2011, Armen joined Groupe BPCE, a cooperative banks network representing France's second largest bank. Among the Assets &amp; Liability Management department, he has been part of Jean's team and then in charge of the liquidity norms &amp; regulators relationship. Thus, he negotiated, alongside with other major banks, the Basel 3 framework with the authorities and BPCE specificities.</p> <p>Business-wise, Armen was part of the task-force that brought BPCE above 100% LCR compliance years before the regulatory requirement.</p> <p>In 2015, with Jean, Armen quitte BPCE to launch Intérêts Communs, a set of tools and services helping SMEs access alternative financing means. This service comprises a web-based bond-emitting tools used in private placement.</p> <p>Convinced that finance can positively impact our society and that there is space for a new player in North America, Armen has naturally joined the team. He will be in charge, with Jean, of designing the financial products offering and the financial and risk management framework.</p>
<b>Stéphane Dumont</b> <b>Co-founder</b> <b>Head of Marketing</b>	<p>MIT graduate in international business for IT companies and pioneer of the Canadian digital environment, Stéphane presents an impressive career in digital business. This serial entrepreneur co-founded five companies, still operating today. During various mandates, he developed effective e-Commerce strategies for brands such as the National Bank, TD Bank, and BDC. Having founded and led the digital agency Revolver 3, Stéphane continues its momentum in the world of cyber-experiences by Emotional Commerce TM, a strategic planning methodology in digital marketing and e-Commerce.</p> <p>In 2014, he founded and still presides over Liveshout, a technology company offering a social entertainment ecosystem. Stéphane is passionate about technology, innovation, and human behaviour. He has developed and deployed various awareness campaigns and responsible communication programs for organizations such as Équiterre, Oxfam and CHUM Foundation.</p>

### 3.8 Advisory Committee

The impak Finance is backed by an experienced advisory committee devoted to the impact economy. The following table sets out the biography of its members:

Name	Principal occupation and related experience
<b>Bill Young</b> <b>President, Social Capital Partners</b>	Prior to founding Social Capital Partners in 2001, Bill spent twenty years in the private sector leading high growth, entrepreneurial organizations. He was CEO of Hamilton Computers, a publicly traded company that grew from \$15 million to \$250 million under his leadership and was sold to GE Capital. Bill was also the CEO and subsequently the Chairman of Optel Communications Corp. (later Axxent). Bill began his career as a Chartered Accountant with Ernst & Young and holds an Honours BA from the University of Toronto and an MBA from the Harvard Business School. He currently sits on a variety of boards for social enterprises and community organizations, and is a member of the Canadian Task Force on Social Finance. In 2013, Bill was appointed as a member of the Order of Canada for his contributions to Canadian society and his innovative achievements as a social entrepreneur and philanthropist.
<b>Marguerite (Margie) Mendell</b>	PhD in Economics from McGill University (1983)  Ms. Mendell has been teaching at Concordia since 1986. Her current research and teaching are on the social economy, alternative investment strategies, comparative community economic development, economic democracy, and the work of Karl Polanyi whose influence continues to grow today. Member of the Centre de recherche sur les innovations sociales dans économie sociale, les entreprises et les syndicats (CRISES - UQAM); member of the Advisory Council of the B.C.-Alberta Research Alliance on the Social Economy (BALTA) and member of the Scientific Advisory Group on Social Economy and Social Innovation of the Trento Center for Local Development. Organisation for Economic Cooperation and Development (OECD-Paris), among others.
<b>Mr. Pierre Valentin</b> <b>Board member of financial institutions</b>	Pierre is presently the chairman of an investment fund, he occupied various board member positions (CFO, Deputy CEO) in important financial institutions, acting in the social and responsible banking and investment sector.  He has a scientific background and started as an engineer after graduating from École Polytechnique and earning a PhD in Physics.
<b>David Poirier</b> <b>Founder of the Poirier Group</b>	Based in Toronto, Canada, David is the founder of The Poirier Group - a global company that specialises in helping organisations to implement and integrate significant change successfully.  David has extensive experience in the retail, general merchandise, food distribution, health and life sciences and manufacturing industries. He thrives on creating and executing operational strategies, organizational transformations and process improvements that deliver on all business levels - particularly in complex and ever-changing business environments.  David holds a Bachelor of Applied Science (Industrial Engineering) from the University of Toronto, Professional Engineering Designation and Professional Logistician. He was recognized with the top award for meritorious service in the last 25 years by the University of Toronto, he was named one of the Top 10 Retailer CIOs in 2001 and appointed a Fellow of the World Academy of Productivity Science in 1995. He has published articles and reference materials and is a sought-after speaker on organisational change, values-based leadership and international business.  As well as being the CEO of TPG, David manages the partnership between The Lucas Group's advisory services and The Poirier Group focused on providing a full range of strategic and operational services to companies and their investors.

<p><b>Lou Odette</b> <b>Chairman, Odette Foundation</b></p>	<p>This MIT graduate and Ph.D. in Electrical Engineering is a quantitative analyst and model builder, well versed in constructing sophisticated financial and statistical models. Lou is particularly effective at grasping unfamiliar technologies and techniques, morphing technology into practice, and adapting technology to complex business needs. His track record highlights successful endeavours in creating, growing and managing technology and software businesses along with demonstrated achievements in thought leadership, revenue growth, and P&amp;L management for SMBs, start-ups, and business units in Fortune 100 companies. Lou's strengths include unique synthetic skills and in-depth knowledge of computer programming. He also holds a Masters degree in mathematical finance and another in electrical engineering from Oxford.</p>
<p><b>Assaf Weisz</b> <b>Co-founder and Managing Director of Purpose Capital,</b></p>	<p>Purpose Capital is a North American impact investment and advisory firm that supports leading financial institutions, foundations and families to integrate impact considerations across their portfolios. Assaf acts as the key contact and spokesperson for Purpose Capital and is responsible for leading the strategic direction of the company as well as oversight on firm-wide activities. Within Purpose Capital, Assaf also serves as the Executive Director for Nexus Canada, part of a global movement to bridge communities of wealth with social entrepreneurship.</p>

## 4. Building impak Coin (MPK)

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### 4.1 Summary

Blockchain technology has been evolving at an unmatched pace. Some of these innovative features have been integrated within the original Bitcoin blockchain while some others have been integrated to brand new chains of altcoins. There are hundreds of new altcoins created every year, many with the purpose of proving these new innovative features.

impak Coin is one of them. impak Coin is a cryptocurrency built on blockchain technology. It is centrally governed by a governing body established by impak Finance and shares its values of transparency, stability and purpose. impak Coin is meant to fuel the green, socially responsible and the local economies all around the globe. Anyone using the network will be validated during a mandatory onboarding process in order to truly have a community that shares our values.

One major innovative point with impak Coin is its stability. Unlike most cryptocurrencies, it will not be traded on exchanges (markets), but rather on a dedicated market managed by impak Finance, and at a pre-established price point. This way, impak Coin will be stable in value, contrary to the usual offer and demand models.

impak Coin is part of a new movement called “Blockchain 2.0”. which improves upon existing Blockchain infrastructure to support more efficient cryptocurrencies. In other words, this approach promotes the usage of meta-cryptocurrencies and meta-blockchain. In the impak Coin’s case, the underlying network is the WAVES Blockchain.

impak Coin aims to stimulate, to retain, to attract and to orientate capital towards the impact economy, hence promoting its growth. Therefore, impak Coin will encourage participating members to put their buying power at each other's disposal and keep it circulating within the Impact Economy, thereby providing impact enterprises with additional sales volume and loyalty.

### 4.2 What is Blockchain technology?

At its simplest, the blockchain is a digital record stored on a network of computers around the world. Instead of securing information by restricting access, the blockchain shares information amongst all users. Ownership of funds (for example) is cryptographically verified, and the full transparency and mutual ownership of the system means that a bad actor is immediately recognisable as such and any transactions submitted by such a node are ignored. The decentralised structure of the blockchain brings several key features in contrast to traditional centralised approaches:

- Transparency: it is possible for anyone to track the movement of funds from one account to another.
- Immutability: once confirmed, a transaction cannot be reversed. No one can interfere with a completed transfer.
- Low cost: transaction fees are minimal.
- Cross-border: funds can be sent as easily to someone on the other side of the world as they can to someone in the next room.
- Speed: due to the flat and transparent nature of Blockchain, transfers show up almost instantly and are typically confirmed in minutes, rather than hours or days.<sup>2</sup>

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<sup>2</sup> Source : WAVES white paper



## 4.3 Why Blockchain 2.0 and WAVES?

### 4.3.1 Why Blockchain 2.0

“Since its inception, blockchain technology has been fraught with controversy over its most natural application – value transfer using the network token. Decentralized money is a groundbreaking development, but blockchain technology cannot be reduced to this alone. Being essentially a distributed database, the blockchain allows for various types of distributed ledger entries, the nature of which depends on their interpretation by the blockchain users.”<sup>3</sup>

By entering metadata in the ledger, which are encoded and decoded depending on the needs, the transactions about a new type of token can be supported by a network that has nothing to do with the second layer cryptocurrency (or 2.0). Essentially, the second layer ledger is the gathering of precise fractions of the underlying ledger.

This way, it is possible to create and manage a cryptocurrency without having to support or develop a Blockchain infrastructure. The main advantages are security and development costs. In its nature, the more users use and validate (no matter the consensus algorithm) a Blockchain, the hardest it is the successfully attack. So by leveraging an existing top tier chain/network to host the metadata of a second layer cryptocurrency, the security is superior than having to develop it in the first hand. These advantages are comparable with those coming from renting a server in the cloud instead of buying, deploying and maintaining the physical infrastructure.<sup>4</sup>

### 4.3.2 Why WAVES ?

“WAVES is a decentralized blockchain platform focusing on custom blockchain tokens operations”<sup>5</sup>. Exactly made for second layer tokens, WAVES looked like a perfect match for what impak Coin envisioned. Digging a little deeper, its PoS consensus model makes it faster and greener compared to PoW Blockchains. Despite being a relatively young coin, WAVES market cap of \$40M showcases its potential and strong codebase. The project managed to attract a blasting capital of \$16M during the ICO, which is, on par with Ethereum, the largest ICO ever made.

Serious projects are already leveraging the WAVES blockchain for their own second layer cryptocurrencies, for example Incent from Australia who raised \$1M earlier this year.

## 4.4 impak Coin (MPK) Blockchain infrastructure

impak Coin is also different by its Blockchain infrastructure. impak Coin is part of the movement of “Blockchain 2.0”. The philosophy is all about leveraging an existing Blockchain to encode metadata instead of first layer transactions. As well as a cryptocurrency transaction, a string of characters on a Blockchain could represent pretty much anything like other digital assets or securities. That philosophy has enabled new models like Blockchain-as-a-service (BaaS). Just like cloud computing where you can use the infrastructure without owning it and having to manage it, BaaS let you use a Blockchain without having to maintain the network yourself. In a way, we can say that impak Coin’s Blockchain is a meta-Blockchain and impak Coin itself is a meta-cryptocurrency.

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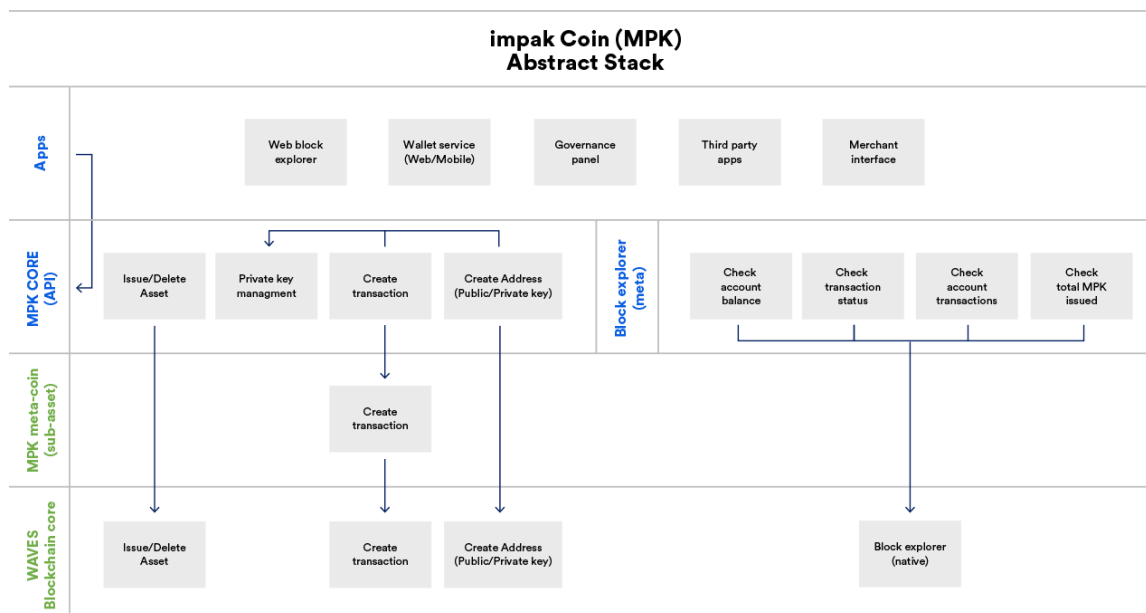
<sup>3</sup> Source : WAVES white paper P.2

<sup>4</sup> Advantages of Infrastructure as a Service (IaaS), TechTarget 2015

<sup>5</sup> Source : Stratis white paper P.3

The chosen underlying Blockchain for impak Coin is WAVES. WAVES is a PoS Blockchain forked from Bitcoin with low block time, low fees and is specifically designed for the integration of second layer assets. Due to its PoS nature, it is a greener alternative than PoW blockchains.

## impak Coin (MPK) Abstract Stack



## 4.5 Anonymity

Every user will have to go through a standard KYC process. Then, every new public key will be stapled to its owner identity but this record will not be public. Hence there will be a limited anonymity in the impak Coin network. The fact that any transactions or addresses can be tied to a physical person eliminates much of the regulatory friction. This system could also enable new models for regulators and authority where instead of having to push them the information on transactions, they could pull it from the transparent Blockchain. This would make it less of a burden for citizens and would benefit authorities since they would have the truth right away.

## 4.6 Private keys

In the impak Coin-centralized system, private keys are never stored on the client's device. They will remain secured within the impak infrastructure. This way, the risks associated with loss or theft of a private key are all mitigated by impak Finance which eases that burden for its clients.

## 4.7 Transactions

### 4.7.1 WAVES Transaction Cost to impak Finance

The transaction fees on the Waves platform are 0.001 WAVES per transaction no matter the size of the transaction - this fee is paid by impak Finance (as a matter of comparison, 1 WAVES is approximately \$0.37 which means 1000 impak Coin transactions would cost \$0.37). impak Finance is not charging any fees for its infrastructure.

### 4.7.2 Transaction speed

The transaction speed for impak Coin will be somewhere between 1-20 seconds before the first confirmation. This is somewhat faster than most other cryptocurrencies. Those speeds are achieved due to impak Coin being a second layer Blockchain and because of its underlying PoS model.

## 4.8 Network Architecture

It is important to understand the entities within the network and how they interact with each other. There are four main player required for the system to work: Apps servers, MPK core, WAVES node and the database server.

### 4.8.1 Apps servers:

Some apps servers may be supported by impak Finance, others will be under the control of the governance. An example of an application using the MPK is the web wallet, which will be developed and maintained by impak Finance. In general, all apps will become an integral part of the ecosystem and should be developed using “User Centered Design” principles. Third party developers are invited to contribute to the ecosystem by connecting to MPK core API.

### 4.8.2 MPK core

The MPK core acts as the entry point for any application. It will act as the Blockchain core with traditional calls<sup>6</sup> as well as for internal procedures like onboarding clients and managing money supply.

### 4.8.3 WAVES node

The WAVES node could be on the same virtual machines as the MPK core. The node will be the gateway for the core to interact with the actual ledger underlying impak Coin. The WAVES node could be optional since the interaction could be done with a public WAVES node already on the network but there could be security issues if the node gets compromised.

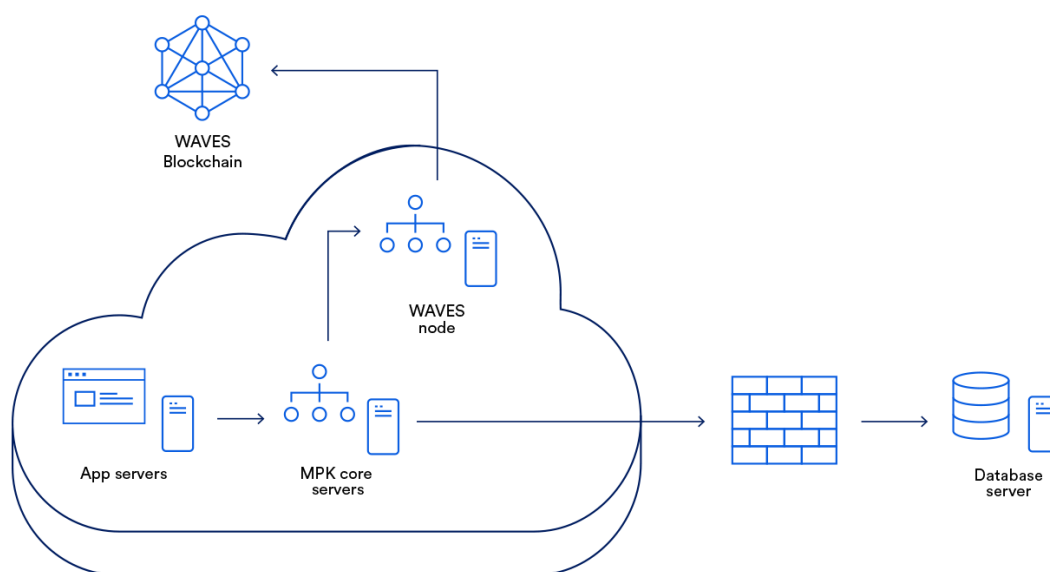
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<sup>6</sup> See Annex 1

## 4.8.4 Database server

The database server is where the sensitive information will be stored. This is why there should be extra security measures in place such as an IP whitelist, firewall, encryption of every sensitive field and more.

### Network architecture



## 4.9 Stability

### 4.9.1 impak Coin Stable Supply

As impak Coin's main objective and purpose is to support the growth of the Impact Economy, the MPK creation mechanism is designed to be correlated with the growth of the transactions value within impak.eco.

The issuance or revoking of MPKs is made off-chain by the MPK Governance Body. The amount is determined to reflect the health of the impak.eco community in a way that if it grows, more can be added and if it shrinks, more can be revoked. One of the factors will be the flow between fiat and MPKs. To assure transparency at any time, there will be a reserved address for the issuance of MPKs. This will allow to openly disclose at any time the amount of MPKs in circulation and the moment they were issued.

### 4.9.2 Stable Market

Although impak Coin will be supported by a fully decentralized blockchain (Waves), The MPK Governance Body will act as a central bank by regulating the exchange rate and by controlling the issuance mechanism. The goal being to assure that impak Coin remains a growth catalyst for the impak.eco Merchants that accepts impak Coin-based transactions. Furthermore, the MPK

Governance Body will act as the only market maker to stabilize the MPK price. It will do so by setting the price of the MPK on a quarterly basis and executing market operations as described further in this document.

## **4.10 Merchant ecosystem**

### **4.10.1 Merchant service**

Every accredited impact businesses and organizations (Accredited Merchants) publishing the impak Sore Card within impak.eco social network will be granted with an impak Coin merchant eWallet (the MPK eWallet). The MPK eWallet will allow them to seamlessly accept payments made in MPK. All MPK transactions made to an Accredited Merchant will be free of charge. All other transactions, such as exchange into other currencies, will have a transaction fee. This will foster the circulation of impak Coin within impak.eco.

### **4.10.2 Customer rewards**

Clients are going to be incentivized to spend their impak Coin within impak.eco through a reward system. Similar to a cash-back system, clients will receive a % of what they spend as new MPK. The exact percentage will be adjusted from time to time by the MPK Governance Body to regulate and stabilize the MPK price.

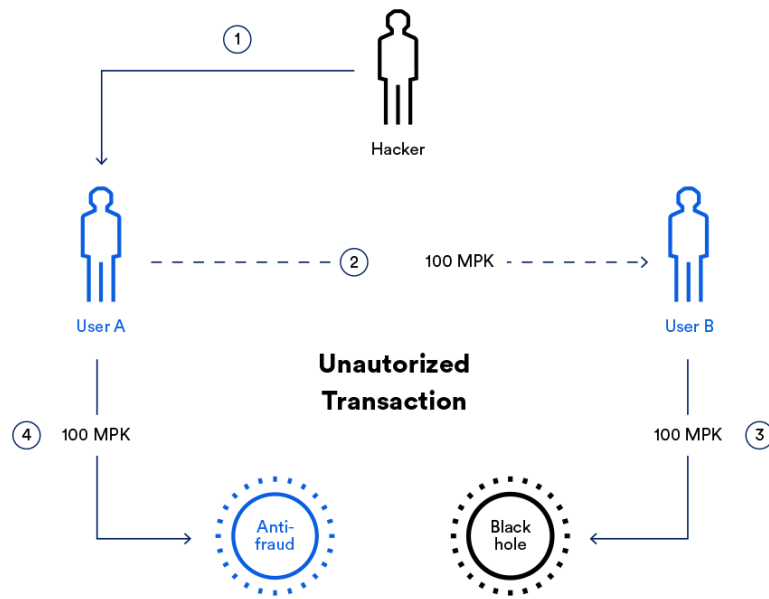
## **4.11 Malicious Attack Prevention**

### **4.11.1 Unauthorized transactions**

It is impossible to eliminate the occurrence of a user account being compromised if someone steal/guess/hack their password or device. This is why the MPK Governance Body must have a protocol to contest or reverse illegitimate transactions. The main obstacle, however, is that by nature the Blockchain ledger is immutable, thus transactions cannot be reversed or canceled.

The first element of the solution is to create a “black hole” address, an MPK eater of which no one will have the private key. Then an “anti-fraud” address should be created with the sole purpose of generating new MPKs following the destruction of “dirty”/compromised MPKs.

Now, every time an unauthorized transaction is identified, the whole amount of the transaction will be sent from the receiver account into the “black hole”. After that, new coins will be generated by the “anti-fraud” address and will be sent back the to sender of the unauthorized transaction. This will do two things; first the balances will be in the same state they were before the malicious transaction. Finally, the “black hole” address will make sure that “dirty”/corrupted coins are never in circulation after being identified. This way, every MPK on the network will have a clean history and it will be possible to easily identify addresses that have been involved with malicious actions.



#### 4.11.2 Private Key Management System Compromised

A system must be in place in the occurrence of a hacker gaining total access to the infrastructure including the private key management system in which every private key is stored. In the case, the main concern is to authorize fraudulent withdrawals and transactions. So first thing will be to block all CAD withdrawals and signal that transactions are disabled. Then, a recovery system will take care to duplicate valid data onto a brand new Blockchain with their own distinct private/public keys.

The recovery system will create a new asset on the WAVES network. From this new asset, pair of keys will be generated for every account registered in the KYC database. Once every key is regenerated onto the new Blockchain, the recovery system will chronologically duplicate any transaction made on the compromised Blockchain onto the new one until the point where the infrastructure has been compromised. Finally, once the new asset is at the desired state, every key from the old system will be wiped and the MPK core will now be redirected on the new asset that will become the main impak Coin asset.

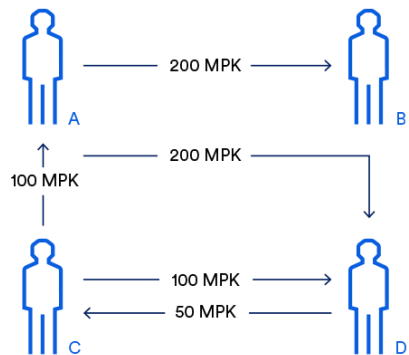
Hence, even if the hacker has a duplicate of every keys and enters what he want in the “old” compromised Blockchain, the old asset will not be recognized by any means as an MPK since the MPK core will reference the “new” Blockchain.

#### 4.11.3 Cashback System Abuse

To prevent abuse in the cashback system, bonuses will not be drawn directly from the raw outgoing amount of one’s address. It will be calculated instead from the flow of MPKs between each individual with which one has transacted with. The flow is basically the difference between the income and outcome between each pair of individuals. Any overlapping flow between two users will be deducted from the rewardable outcome. This system makes the abuse of the

cashback system much more difficult, since no matter how many people are involved in the fraud, only the ones with a positive flow will receive cashback.

One the example below, user C and D have an overlapping flow for of 50 MPK which makes that 50 MPK not eligible for cashback.



End of month 5% cashback

User	Outcome	Overlapping Flow	CashBack (5%)
A	200 MPK	0 MPK	10 MPK
B	0 MPK	0 MPK	0 MPK
C	200 MPK	50 MPK	7.5 MPK
D	50 MPK	50 MPK	0 MPK

## 5. The MPK Crowdsale

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### 5.1 The Impact Economy

The Impact Economy is a new market force underpinned by companies, entrepreneurs and investors that have the intention to generate social and environmental impact alongside a financial return. Impact entrepreneurs are pursuing business opportunities that will both generate profit and address endemic social problems.

### 5.2 impak Coin (MPK): the first cryptocurrency with social purpose

impak Coin is the first complementary currency leveraging the power of cryptocurrencies and blockchain to support and accelerate the growth of the Impact Economy.

- It is the first crypto currency with a purpose combining the orientation power of complementary currencies with the decentralized scalability and usability of a blockchain currency.
- The way it is designed and coded, impak Coin will be the first stable cryptocurrency supporting the growth of the Impact Economy.
- impak Coin's purpose is to encourage participating members to put their buying power at each other's disposal and keep it circulating within the Impact Economy, thereby providing impact enterprises with additional sales volume and loyalty.
- impak Coin may even dampen downturns in the business cycle, helping to stabilize and grow the Impact Economy during difficult times.
- The use of impak Coin may result in increased sales, cash flow and profits for Impact Organizations (Accredited Merchants) within the impak.eco social network.
- impak Coin is a "coup de force" against the "diversion" by banks of a "public service" mission: monetary creation and real economy stimulation.

### 5.3 impak Coin (MPK) Crowdsale Terms

MPK Denomination	1 MPK = 1 CAD or equivalent in BTC or ETH
MPK Cap	Minimum: 575 000 Coins Maximum: 11 500 000 Coins
Transactions Fees	Refer to section 5.8.3.
Reserve in CAD kept	Year 1 reserve 40% of Crowdsale Year 2 reserve 30% of Crowdsale
Reserve in MPK kept	15% of Crowdsale



MPK Buyback	MPK Governance Body will maintain stability of the MPK market by buying and/or selling MPKs on the marketplace.
Trading Term	Evergreen; traded in perpetuity once issued
Ongoing Pricing Policy	The price of the MPK in CAD will be established by the MPK Governance Body once every quarter and will be correlated on the evolution of the total transaction value within impak.eco.
MPK expected date of launch	June 2018
MPK expected MPK eWallet launch	June 2018
Escrow period	The escrow schedule for all initial holders of MPK is: 1/4 tradable immediately at launch of MPK eWallet 1/4 tradable 6 months following MPK eWallet launch 1/4 tradable 12 months following MPK eWallet launch 1/4 tradable 18 months following MPK eWallet launch
Use of funds	Refer to section "Use of Funds"
Governance	Every MPK holder will have gone through an identification process (KYC).  The MPK Governance Body, composed of independent value aligned members, will be responsible of the MPK price stability by controlling the MPK supply and by maintaining the MPK market with its own reserve.

\*the terms and conditions may change and impak Finances reserves the right to modify one or all of those dates. The Crowdsale landing page terms and conditions will prevail.

## 5.4 impak Coin launch timeline\*

1 MAY 2017	Crowdsale pre-campaign
7 MAY 2017	White-paper distribution
10 JUNE 2017	Pre-sale opening
26 JUNE 2017	Crowdsale public opening
26 JUL 2017	Crowdsale close
MAY 2018	impak Coin distribution
JUN 2018	impak Coin marketplace launch

\*this timeline may change and differ in time and impak Finances reserves the right to modify one or all of those dates.

## 5.5 Designed to accelerate growth of the Impact Economy

Every accredited impact business and organization (Accredited Merchant) publishing their impact Scorecard within [impak.eco](#) will be granted an MPK merchant eWallet (MPK eWallet). The MPK eWallet will allow seamless acceptance of payments made in MPK. All impact Coin transactions made to an Accredited Merchant will be free of charge. All other transactions, such as exchange into other currencies, will have a transaction fee. This will foster the circulation of MPKs within [impak.eco](#).

Although any merchants (non [impak](#) accredited) and individuals will be able to own, accept, buy and sell MPKs at the listed market price, the cost of selling MPKs will favor the use of MPKs within [impak.eco](#).

On the other hand, spending cryptocurrencies or fiat money (mostly CAD in the initial deployment phase) within [impak.eco](#) will be rewarded: on each transaction executed with Accredited Merchants, the buyer will be granted an MPK cash-back representing a % of the transaction. This cash-back system will be the main currency creation process. (see MPK Supply section 5.9)

## 5.6 [impak Coin](#) Aligns Incentives to Grow the Impact Economy

Imagine a world where merchants could reward customers instantly, with a digital asset that never expires and appreciates in value. Would you not shop with a merchant who offered such a powerful reward?

[impak Coin](#) represents for its holders access to products and services offered by Accredited Merchants (businesses and organizations) part of the [impak.eco](#) network.

By combining the values of complementary currencies and the power of crypto-currencies, we believe [impak Coin](#) will have an impressive accelerating effect for the Impact Economy by aligning its users incentives towards the support of this positive economy. Secondly, an Open API approach will encourage third party developers to add functionalities to the [impak Coin](#) ecosystem bridging to further growth of the network.

## 5.7 Initial [impak Coin](#) (MPK) Supply

The initial amount of MPKs created in this Crowdsale will be a minimum of 575,000 MPK to a maximum of 11,500,000 MPK.

### Initial MPK issuance

	Crowd sale issuance	Governance Body MPK reserve (15%)	Total issued
Min.	500,000	75,000	575,000
Max.	10,000,000	1,500,000	11,500,000

The Initial Holders of MPK of the Crowdsale will be subject to the following escrow schedule:

- 1/4 tradable immediately at launch of MPK eWallet
- 1/4 tradable 6 months following MPK eWallet launch
- 1/4 tradable 12 months following MPK eWallet launch
- 1/4 tradable 18 months following MPK eWallet launch

## 5.8 MPK supply will be correlated to the growth of the Impact Economy

As impak Coin's main objective and purpose is to support the growth of the Impact Economy, the MPK creation mechanism was designed to be correlated with the growth of the Impact Economy. The main MPK creation mechanisms are as follows:

### 5.8.1 MPK cash-back percentage per transaction\*

Most of the impak Coin supply will be created on an ongoing basis each time a transaction in cryptocurrencies or in FIAT money occurs through an Accredited Merchant MPK eWallet. The amount of MPKs created will represent a % of the transaction and will be automatically credited to the buyer's eWallet at the end of each month. Similar to a cash-back system, the % will be adjusted from time to time by the MPK Governance Body to regulate and stabilize the MPK price.

The planned schedule of the MPK cash-back % applied during the first year following the impak Coin launch is:

MPK creation (cash-back%) schedule	
Launch Phase (0-3 months)	10 %
Phase 1 (3-6 months)	7%
Phase 2 (6+ months)	5 %

\*This schedule may change and differ in time and impak Finance reserves the right to modify one or all of those figures and conditions.

### 5.8.2 MPK creation to incentivise usage

MPKs may be created and credited to users at the end of the month for actions promoting the usage of the impak Coin. Examples of such transactions and rewards could be:

- impak mobile app (wallet) installation: 25 MPK
- first transaction with impak merchant: 10 MPK
- a referred friend registering: 5 MPK
- inviting personal network to impak.eco: 10 MPK

Other activities could also trigger MPK creation for an impak.eco user; i.e. commenting, participating in a co-creation activity, mentorship, recommending, etc.

The MPK Governance Body may choose to cancel MPKs when buying them back, or to create new MPKs through a crowd sale or otherwise as long as it results in supporting impak Coin's main purpose.

### 5.8.3 MPK-CAD Conversion Fee

In order to be financially sustainable and cover its operating costs, impak Finance will apply transaction fees of 2% on MPK conversions to CAD.

### 5.8.4 MPK Governance Body

The impak Foundation will create, be a founding member of and oversee the MPK Governance Body which will be the institution managing the MPK supply and market. The MPK Governance Body will be composed of third party value aligned members all active in the Impact Economy. Those members will meet quarterly and determine the Monetary Policy and the action to be taken in order to support the stability of the MPK.

### 5.8.5 Stability of the MPK Value

Although impak Coin will be supported by a fully decentralized blockchain (Waves), The MPK Governance Body will control the value of the MPK through (a) the quarterly setting of the exchange rate, and (b) market operations like buying or selling MPKs on its marketplace with its own CAD and MPK reserve, adjusting transaction fees, adjusting the % in MPK cash-back and issuing new MPKs..

The goal is to ensure the impak Coin remains a growth catalyst for the impak.eco merchants that accept MPK-based transactions.

## 5.9 Open and trustworthy

We are convinced that the more impact businesses (Accredited Merchants) will have access to impak.eco social network, the more they will make use of impak Coin, and the more the impak Coin will be useful to them. Therefore, we want this ecosystem to be open, and we will welcome all organizations that work to nurture the Impact Economy as part of impak.eco. Value aligned credit unions and financial institutions, incubators, certification organizations, etc. will be invited to join the **MPK Governance Body** and will be allowed to grant eWallets to the impact businesses and organizations they work with. The impak ecosystem, together with impak Coin, will become stronger as it attracts players in the impact sector, and as it relies less on impak Finance for its growth.

Although only MPK Governance Body members will be able to qualify businesses as "impact organizations" (Accredited Merchants) benefiting of such advantages as no transactions fees, impak Finance will publish the API allowing anyone to create eWallet applications that trade in MPKs.

## 5.10 Low cost and energy efficient

We choose Waves' blockchain-as-a-service solution to support impak Coin.

“WAVES is a decentralized blockchain platform focusing on custom blockchain tokens operations. National currencies transfer is maintained on the WAVES blockchain through compliant gateway operators. Decentralized token exchange facilitates fundraising, crowdfunding, and trading of financial instruments on the blockchain. Lightweight clients provide an easy installation procedure and a flat learning curve for end users.”<sup>7</sup>

Harnessing an already well-established blockchain like Waves will bring impak Coin robustness, security and performances. Waves currently validates a transaction block under 15 seconds and each transaction comes with a very small fee, which allows impak Coin to handle retail transactions. Those fees absorb the cost of maintaining the blockchain infrastructure.

Waves also uses Proof-Of-Stake consensus algorithm which is many times more energy efficient than the Proof-Of-Work used by other well-known blockchains like Bitcoin or Ethereum and that is known to be a major carbon energy waste.

MPK infrastructure will consist of a layer between MPK eWallets (clients) and Waves blockchain. This layer will provide the API allowing clients to make transactions and encode those to Waves. It will also implement all transactions rules aimed to support the impak Coin.

## 5.11 Compliant

Managing our own layer of software to validate transactions will allow us to implement compliancy rules that every financial institution has to follow: anti money laundering, taxes declarations. A KYC process will be mandatory to open an MPK eWallet, and even if transactions will appear as anonymous on the Waves blockchain, users' identity will be known by the MPK Governance Body, which will have the responsibility to disclose unusual transactions to authorities as well as to provide all information required by tax authorities. During the initial deployment phase, only impak Finance will be allowed to create MPK eWallets (with respect to the KYC process). Further in time, value aligned third parties may be entitled by the MPK Governance Body to create MPK eWallets and maintain such processes.

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<sup>7</sup> Source: [Waves Withepaper](#).

## 5.12 Use of funds

The impak Coin presale funds will be utilized to pay for development expenses according to the following schedule:

Expense items	Funds Allocation	Funds Allocation
	CAD Min. amount	CAD Max. amount
Product development		
impak Coin (MPK) architecture	75,000	150,000
MPK eWallet (retail and enterprises)	65,000	250,000
MPK marketplace in eWallet	50,000	250,000
impak.eco online social network development	75,000	2,250,000
Marketing & Sales	15,000	2,500,000
Liquidity reserve for market making	200,000	4,000,000
Product maintenance	10,000	450,000
Legal	10,000	150,000
Total	500,000	10,000,000

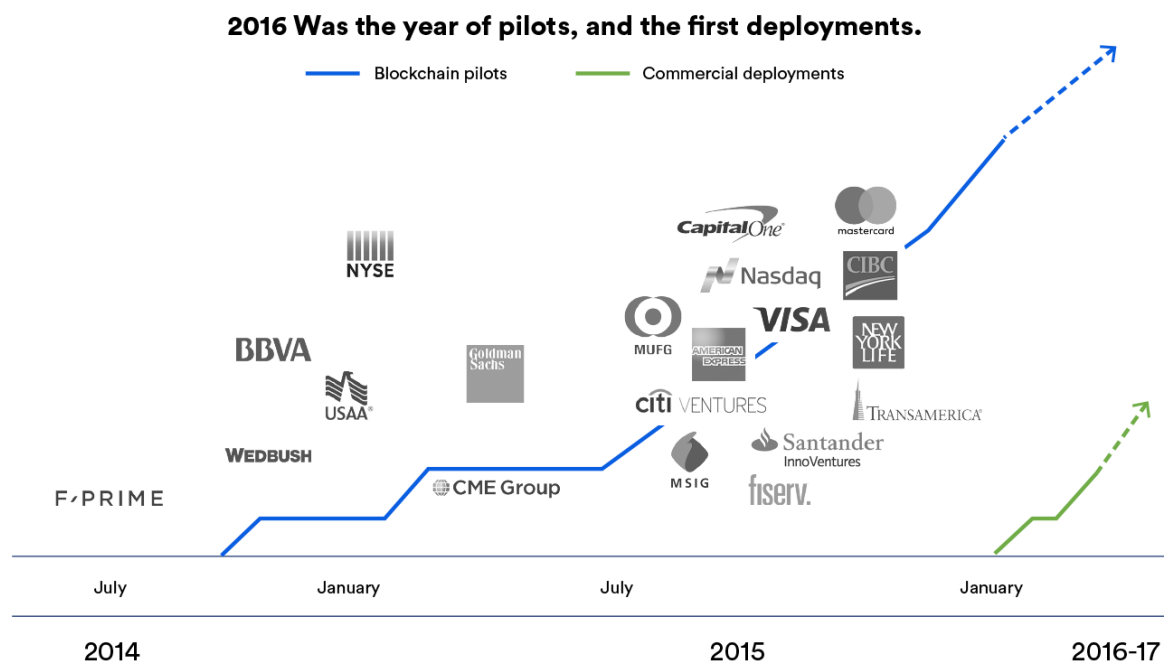
## 5.13 The time is now

We see an increasing number of companies across a variety of industries making the first tentative steps in blockchain adoption. They are realising that there is a pressing need to get ahead of the curve and beat the competition. Primary interest in the sector is coming from tech giants (Microsoft, IBM, Amazon) and major Wall Street banks (JPMorgan, Citigroup), with companies such as Infosys, TCS and HCL reportedly working on blockchain-based products to support the financial industry. R3 was the first blockchain company in the financial sector; founded in 2014 it now leads a consortium of more than 70 of the world's biggest financial institutions and working on a variety of projects that it is rapidly patenting.

Meanwhile, the demand for blockchain technology in finance and financial services is growing on a worldwide scale, primarily in the developing world. A multitude of economies within Latin America, Southeast Asia and Africa have strict currency control laws and are seeing consumers flock towards alternatives to mainstream financial institutions. People who have no bank account, simply to use alternative financial services, are activating over 1 million smartphones a month.

In terms of entrepreneurial ventures, we have also seen a clear trend emerge in the last few years. Broadly speaking, 2015 was the year when financial institutions and fintech startups discovered blockchain technology. 2016 was then the year of pilots and first deployments. Following on this trend, we project that 2017 will be the year when blockchain enterprise solutions leave the pilot phase and proceed to commercialization and wide-scale adoption.

As we can observe, the large majority of blockchain initiatives are developed within the same economic mind frame of profit maximisation. We believe that the intrinsic characteristics and innovations of cryptocurrencies can be leveraged in order to have a positive social impact on our world. This is at the center of the impak Project.



***Cryptocurrencies and blockchain are changing the world. They can also have a positive social impact. You can either stand beside and observe – or you can become part of history in the making.***

For us, 2017 is the year to use blockchain technology to invite every Citizen in supporting impactful enterprises of the real economy wanting to make your world a better place. We believe that the technology is finally ready to be utilized in the real world by a large population.

Through the impak Coin launch we are paving the way for other organizations to follow suit. We are creating a state-of-the-art model to attract citizens wanting to transform our economies towards a more decentralized model, following the worldwide trend. The technology we are using highlights scalability and security. We have also laid out a governance roadmap which solves many of the grey areas previous blockchain-based investments have found challenging.

We know that the internet was somewhat of a niche novelty until the browsers, email clients, search engines and online retailers came along. Then, suddenly, it became a household necessity. With blockchain, it has taken years to build up the basic infrastructure rooted in cryptocurrency. 2017 will be the year when this all finally takes off.





## 6. Risk Factors

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Participation in this Crowdsale should only be made after consulting with independent and qualified sources advice. Participation in this Crowdsale at this time is highly speculative due to the stage of the Corporation's development and requirement to raise additional financing to carry out its long-term business plan. Participants must rely on management of the Corporation. Any participation in this Crowdsale at this stage involves a high degree of risk.

### 6.1 THIS IS NOT A PROSPECTUS OF ANY SORT

This document **does not constitute a prospectus of any sort**, it is not a solicitation for investment and does not pertain in any way to an offering of securities in any jurisdiction Worldwide. This White Paper constitutes a description of the functionality of the impak Coin (MPK) system.

### 6.2 Risks Related to Our Business and Industry

#### 6.2.1 Limited operating history in an evolving industry

The Corporation has no operating history in an evolving industry that may not develop as expected. Assessing its business and future prospects is challenging in light of the risks and difficulties it may encounter. These risks and difficulties include its ability to:

- navigate complex and evolving regulatory and competitive environments;
- increase the number of customers;
- successfully maintain and evolve our internal controls to manage compliance with an evolving and complex regulatory environment;
- improve the terms on which the Corporation lends to its customers as its business becomes more efficient;
- increase the effectiveness of its direct marketing and ability to identify the trends relevant to its targeted demographics;
- successfully develop and deploy new products;
- successfully maintain its funding strategy;
- favorably compete with other companies that are currently in, or may in the future enter, the business of financial services to its targeted demographics;
- successfully navigate economic conditions and fluctuations in the financial services market;
- effectively manage the growth of its business;
- successfully expand its business;
- continue to revise its platform's proprietary credit model;
- continue to develop, maintain and scale its platform;
- effectively use limited personnel and technology resources;

- effectively maintain and scale its financial and risk management controls and procedures;
- maintain the security of its platform and the confidentiality of the information provided and utilized across its platform; and
- attract, integrate and retain an appropriate number of qualified employees.

### 6.2.2 No assurance of profitability

- The Corporation operates at a loss and there is no assurance that the Corporation will ever be profitable.

### 6.2.3 The financial services industry is highly regulated

The Corporation's business is subject to numerous federal, provincial and other local laws, ordinances and regulations in each of the jurisdictions in which it operates, which are subject to change and which may impose significant costs or limitations on the way the Corporation conducts or expands its business. These regulations govern, or affect, among other things:

- lending and collection practices, such as truth in lending and short-term and instalment lending and continuous payment authority;
- interest rates and usury;
- loan amount and fee limitations;
- licensing and posting of fees; and
- privacy of personal consumer information.

As the Corporation develops and introduces new products and services, it may become subject to additional laws and regulations. Future legislation or regulations may restrict the Corporation's ability to continue its current methods of operation or expand its operations and may have a negative effect on its business, results of operations and financial condition. In addition, future legislation or regulations, or amendments to existing regulatory regime, could require the Corporation to modify its platform and processes, which may cause the Corporation to incur additional costs.

### 6.2.4 There is no guarantee that the Corporation will obtain status as a Schedule I Bank under the Bank Act.

After the completion of the Crowdsale and subject to receiving sufficient funds, the Corporation intends to apply to obtain status as a Schedule I Bank as defined under the *Bank Act*. There is no guarantee as to when the Corporation will obtain status as a Schedule I Bank, or if it will ever obtain such status. If the Corporation's application is rejected, the Corporation will modify its business plan and it could adversely affect the Corporation's business and financial condition.

### 6.2.5 Personal data

The Corporation receives, transmits and stores a large volume of personally identifiable information and other sensitive data from its customers and potential customers. There are

federal, provincial and foreign laws regarding privacy and the storing, sharing, use, disclosure and protection of personally identifiable information and sensitive data. Specifically, personally identifiable information is increasingly subject to legislation and regulations to protect the privacy of personal information that is collected, processed and transmitted. Any violations of these laws and regulations may require the Corporation to change its business practices or operational structure, address legal claims and sustain monetary penalties and/or other harms to its business.

The regulatory framework for privacy issues in Canada is constantly evolving and is likely to remain uncertain for the foreseeable future. The interpretation and application of such laws is often uncertain, and such laws may be interpreted and applied in a manner inconsistent with the Corporation's current policies and practices or require changes to the features of its platform. If either the Corporation or its third-party service providers are unable to address any privacy concerns, even if unfounded, or to comply with applicable laws and regulations, it could result in additional costs and liability, damage its reputation and harm its business.

### 6.2.6 Additional capital may be required

The Corporation intends to continue to make investments to support the growth of its business. As such, it may require additional capital to pursue its business objectives and respond to business opportunities, challenges or unforeseen circumstances, including increasing its marketing expenditures to improve its brand awareness, developing new products or services or further improving existing products or services, enhancing its operating infrastructure and acquiring complementary businesses and technologies. Accordingly, it may need to engage in equity or debt financings to secure additional funds. However, additional funds may not be available when the Corporation needs them, on terms that are acceptable to the Corporation, or at all. In addition, the Corporation's agreements with other lenders may make it more difficult for it to obtain additional capital and to pursue business opportunities.

If the Corporation raises additional funds through further issuances of equity or convertible debt securities, its existing shareholders could suffer significant dilution, and any new equity securities the Corporation issues could have rights, preferences and privileges superior to those of holders of its common stock. If the Corporation is unable to obtain adequate financing or financing on terms satisfactory to the Corporation, when it requires, its ability to continue to pursue its business objectives and to respond to business opportunities, challenges or unforeseen circumstances could be significantly limited, and its business, operating results, financial conditions and prospects could be adversely affected.

### 6.2.7 Security breaches of customer's confidential information

The Corporation stores customers' personal and banking information and other sensitive data. Any accidental or wilful security breaches or other unauthorized access could cause the theft and criminal use of this data. Security breaches or unauthorized access to confidential information could also expose the Corporation to liability related to the loss of the information, time-consuming and expensive litigation and negative publicity. If security measures are breached because of third-party action, employee error, malfeasance or otherwise, or if design flaws in the Corporation's software are exposed and exploited, and, as a result, a third party obtains unauthorized access to any of its customers' data, the Corporation's relationships with its customers will be severely damaged, and the Corporation could incur significant liability.

Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, the Corporation and third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, certain provinces have enacted laws

requiring companies to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause the Corporation's customers to lose confidence in the effectiveness of its data security measures. Any security breach, whether actual or perceived, would harm its reputation and the Corporation may lose customers.

#### 6.2.8 If products and platform enhancements do not achieve sufficient market acceptance

The Corporation incurs expenses and expends resources upfront to develop, acquire and market new products and platform enhancements to incorporate additional features, improve functionality or otherwise make its platform more desirable to its customers.

#### 6.2.9 It may be difficult and costly to protect the intellectual property rights, and the Corporation may not be able to ensure their protection.

The Corporation's ability to service its customers depends, in part, upon its intellectual property. It primarily relies on copyright, trade secret and trademark laws, trade secret protection and confidentiality or license agreements with its employees, customers and others to protect its intellectual property rights. However, the steps it takes to protect its intellectual property rights may be inadequate. The Corporation currently does not have any issued patents.

In order to protect its intellectual property rights, the Corporation may be required to spend significant resources to monitor and protect these rights. Litigation brought to protect and enforce its intellectual property rights could be costly, time-consuming and distracting to management and could result in the impairment or loss of portions of its intellectual property. Furthermore, its efforts to enforce its intellectual property rights may be met with defences, counterclaims and countersuits attacking the validity and enforceability of its intellectual property rights. The Corporation's failure to secure, protect and enforce its intellectual property rights could seriously harm its brand and adversely affect its business.

#### 6.2.10 The Corporation's success and future growth depend in part on its successful marketing efforts and increased brand awareness.

The Corporation believes that an important component of its growth will be continued market penetration through its direct marketing channel. To achieve this growth, the Corporation anticipates relying heavily on marketing and advertising to increase the visibility of the impak brand with potential customers. The goal of this marketing and advertising is to increase the strength, recognition and trust in the impak brand, drive more unique visitors to submit applications on its mobile platform, and ultimately increase the number of customers banking with the Corporation or the number of loans made to its customers.

If the Corporation is unable to recover its marketing costs through an increase in the number of saving accounts opened and in the number of loans made, or if it discontinues its broad marketing campaigns, it could have a material adverse effect on its growth, results of operations and financial condition.

#### 6.2.11 The Corporation relies on its management team and need additional key personnel to grow its business, and the loss of key employees or inability to hire key personnel could harm its business.

The Corporation believes its success has depended, and continues to depend, on the efforts and talents of its executives and employees, including Paul Allard, Vikash Jain, Tima Gros, Philippe Gablain, Pierre-Étienne Vachon, François Le Bel, Stéphane Dumont, Armen Ouzounian and Jean Oulhen. Its future success depends on its continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and the Corporation may incur significant costs to attract and retain them. In addition, the loss of any of its senior management or key employees could materially adversely affect its ability to execute its business plan and strategy, and it may not be able to find adequate replacements on a timely basis, or at all.

#### 6.2.12 Litigation may adversely affect the Corporation's business and financial condition.

The Corporation's business is subject to the risk of litigation by employees, customers, consumers, suppliers, competitors, shareholders, government agencies, or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. The outcome of litigation, particularly class action lawsuits, regulatory actions and intellectual property claims, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to these lawsuits may remain unknown for substantial periods of time. In addition, certain of these lawsuits, if decided adversely to the Corporation or settled by the Corporation, may result in liability material to its financial statements as a whole or may negatively affect its operating results if changes to its business operations are required. The cost to defend future litigation may be significant. There also may be adverse publicity associated with litigation that could negatively affect customer perception of its business, regardless of whether the allegations are valid or whether the Corporation are ultimately found liable. As a result, litigation may adversely affect its business and financial condition.

### 6.3 Risks Related to this Crowdsale

#### 6.3.1 Pricing

The Price of the MPK will be set by the Corporation prior to the beginning of the contribution period and may contain an increasing price mechanism. Pricing details are located on the Impak Coin Crowdsale Platform at ([www.impakcoin.com](http://www.impakcoin.com))

#### 6.3.2 Speculative participation

A participation in the Crowdsale is highly speculative. Purchasing the MPK currency in advance should be considered only by participants who are able to make a long term commitment and are aware of the risk factors involved in such a participation. You should only purchase the MPK currency if you are able to bear the risk of the entire loss of your participation and have no need for immediate liquidity in such purchase.

### 6.3.3 MPK Holders may experience more dilution.

The Corporation is authorized to issue the MPK cryptocurrency according to the terms described in this White Paper. MPK holders may experience more dilution in the future.

### 6.3.4 No guaranties of liquidity for the MPK.

There is absolutely no guarantee that impak Coin holders will be able to sell Coins through the MPK marketplace as there is a high risk of having no buyers or sellers if the impak Project is not a commercial success. Consequently, it may be difficult or even impossible for Users to sell impak Coins.

### 6.3.5 Restrictions on resale of MPK.

There are restrictions on resale of the impak Coin for participants of this Crowd sale. Such restrictions on resale are described in Section 5.3 of this White Paper.

### 6.3.6 MPKs are not insured.

The Corporation is not a member institution of the Canada Deposit Insurance Corporation and MPKs pre-sold in this crowdsale are not insured against loss.

### 6.3.7 Less than Full Amount pre-sold

There can be no assurance that more than the minimum amount will be pre-sold. In that case, less than the maximum funds will be available to the Corporation and, consequently, its technology development and business development plans and prospects could be adversely affected.

### 6.3.8 Changes in Legislation

There can be no assurance that income tax laws and laws relating to the industry in which the Corporation operates will not be changed in a manner which adversely affects the Corporation business plan.

### 6.3.9 Absence of validation of the information provided to the Corporation and reproduced in this White Paper

The information provided to the Corporation by any person and reproduced in this White Paper about such persons or about activities of any other person than the Corporation has not been at this stage verified by the Corporation and as such, might not be accurate in whole or in part and no one shall rely on any of such information for the purposes of participating in the Crowdsale.

### 6.3.10 Tax Matters

impak Coin usage is subject to changes in Canadian federal and provincial tax laws, tax proposals, other governmental policies or regulations and governmental, administrative or judicial interpretation of the same. There can be no assurance that tax laws, tax proposals, policies or

regulations, or the interpretation thereof, will not be changed in a manner which will fundamentally alter the tax consequences to impak Coin holders acquiring, holding or disposing of MPKs.

For all of the aforesaid reasons and others set forth and not set forth herein, impak Coin involves a certain degree of risk. Any person considering the purchase of MPKs should be aware of these and other factors set forth in this White Paper and should consult with his/her legal, tax and financial advisors prior to making an investment in MPKs. MPKs should only be purchased by persons who can afford to lose all of their total investment.

### 6.3.11 Main Principles of MPK CrowdSale

By transferring Ether (ETH) or Bitcoin (BTC) to the MPK Crowd sale platform and the MPK Software System creating and assigning impak Coins to User, User confirms to understand and accept that User makes a contribution into the MPK Crowd sale platform for the development of software, in particular the impak Coin, eWallet, and impak.eco social network, and the respective IP rights, including security audits, marketing & communication and research activities related to the development of impak.eco and impak Coin (together "IMPAK PROJECT").

### 6.3.12 Development on a best effort basis

User and Participant in the MPK Crowd sale further confirms to understand and accept that while the individuals and entities assigned to this task, in particular the Corporation and its subcontractors, will make reasonable efforts to develop and complete the impak Project, it is possible that such development may partially or fully fail and User's impak Coins become useless-and/or valueless due to technical, commercial, regulatory or any other reasons (see Section 6.1. regarding risks).

### 6.3.13 Complete loss due to Commercial Risk

User is also aware of the risk that even if all or parts of the impak Coin are successfully developed and released in full or in parts, due to a lack of public interest, the impak Project could be fully or partially abandoned, remain commercially unsuccessful or be shut down for lack of interest or other reasons. User therefore confirms to understand and accept that the transfer of Ether (ETH) or Bitcoin (BTC) or CAD to the MPK Crowdsale platform and the creation of impak Coins carry significant financial and/or regulatory risks (including the complete loss of the contributed Ether (ETH) or Bitcoin (BTC) or CAD or the loss of any value or functionality of allocated impak Coins).

### 6.3.14 Complete understanding of terms and conditions

By transferring Ether (ETH) or Bitcoin (BTC) or CAD to the MPK Crowdsale platform User expressly agrees to all of the terms and conditions set forth on the MPK Crowdsale platform (together the "Terms"). User further confirms to have carefully reviewed this White Paper and the terms and conditions set forth in this document and fully understands the risks and costs of participating in contribution and contributing Ether (ETH) or Bitcoin (BTC) or CAD to the MPK Crowdsale platform for the development of the impak Project.

## 6.4 Token Contribution and impak Coin (MPK)

### 6.4.1 Usage License. No Ownership, Revenue or Governance Rights.

Ownership of impak Coin (MPK) carries no rights express or implied other than a limited right (license) to use the MPK Software System and digital means of exchange in the MPK Blockchain network, if and to the extent the MPK Software System has been successfully completed and deployed. In particular, User understands and accepts that impak Coin do not represent or constitute any ownership right or stake, share or security or equivalent rights nor any right to receive future revenues shares or any other form of participation or governance right in or relating to the impak Project (i.e. the MPK Software System) and/or the Corporation.



