

Great Wall: Executive Summary

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Executive Overview

This document presents an investment opportunity in Great Wall, a company whose mission is to solve the single biggest unsolved problem in cryptocurrency—the “\$5 wrench attack”—and the fragility created by obscurity-based security approaches.

The problem:

As self-custody becomes mainstream as captured by the trend “Not your keys, not your coins”, users are increasingly vulnerable to physical threats and coercion. Great Wall renders forcing a user to give up their assets verging on the impossible.

We envision a future where customers can move from hiding in fear to declaring their security with loud, proud confidence.

The solution:

Our solution is a novel protocol we call **Tacit Knowledge-Based Authentication (TKBA)**. It is the first and only system designed to simultaneously satisfy four crucial security properties that, until now, have been mutually exclusive:

- **Knowledge-Based (Deviceless):** Access is tied only to the user’s mind (their tacit knowledge), not a physical device, seed phrase, or object that can be stolen or seized.
- **Individual Custody:** Upholds the core crypto promise: ‘Not your keys, not your coins.’ The user remains their own bank, with no reliance on third-party custodians.
- **Anti-Obscure (Anti-Fragile):** Obscurity is fragile; anti-obscurity is anti-fragile. TKBA is anti-obscure. Its security *increases* as attackers learn more about the protocol, as this knowledge acts as a primary deterrent against attacks that cannot succeed.
- **Coercion Resistance:** The protocol’s architecture (requiring both time and tacit knowledge) renders it effectively impossible for an attacker to gain access by force, neutralizing the \$5 wrench attack.

Differentials:

This unique combination of four properties sets Great Wall apart from all existing solutions, each of which suffers from a critical, and often dangerous, flaw.

| Method | Deviceless | Individual | Anti-Obsecure | Coercion Res. | Examples | Primary Down-side |
|------------------|------------|------------|---------------|---------------|--|---|
| TKBA | ✓ | ✓ | ✓ | ✓ | Great Wall. | relies on user not forgetting their tacit knowledge (which we solve via an integrated memory coach). |
| Physical | ✗ | ✓ | ✓ | ✓ | physical vault(s), multiple addresses, Shamir's secret sharing / multisig | astronomically high cost and operational complexity, and geographic binding: "Glorified gold." |
| Shared/Delegated | ✓ | ✗ | ✓ | ✓ | exchanges or co-custody companies: Coinbase, Binance, Casa. | negates the core premise of self-custody: "Not your keys..." |
| Obscurity-Based | ✓ | ✓ | ✗ | ☠ | decoy wallets; plausible denial; redirectable time-locked transactions | inevitably backfires : once educated about obscure method, attacker has material incentive towards more violence (torture/assassination). |
| Vanilla Custody | ✓ | ✓ | ✓ | ✗ | hardware (Ledger, Trezor, Krux BIP39) or software (Electrum, Exodus, Metamask) wallets | completely vulnerable to a wrench attack. |

Monetization:

We are capturing this market via a high-margin subscription marketplace connecting Users (who need security) with Providers (who sell idle computation).

Our marketplace's growth is fueled by a provider-driven referral program. Providers are incentivized via affiliate commission to act as a highly-motivated, zero-base-cost sales force. They naturally recruit Users, creating a powerful and scalable growth engine that dramatically lowers our Customer Acquisition Cost (CAC).

Loud, Proud Apparel (Hybrid Model):

A two-tiered approach combining deterrent marketing with community engagement. Primary deterrent items (stickers/decals) are given away as marketing expenses to maximize adoption and create the "yard sign" network effect. Premium apparel is available through a separate "Superfan Store" for revenue generation. This serves as bonus revenue excluded from primary financial projections.

We believe this will create a virtuous cycle of loud, proud community confidence, exponential growth, brand loyalty, and market dominance.

The investment opportunity:

We are seeking a \$600K seed round to launch and scale the marketplace platform toward a 20.00M valuation by Year 3.

Near-Term Timeline

- MVP Ready — Feb 28, 2026
- First 10 Beta Clients — Mar 10, 2026
- End of Beta (50 Clients) — May 2026
- Scale Marketing / Hire CMO — Jun 2026

- 1,000 Customers — Sep 2026

1 Key Investment Highlights

1. **Solves the #1 Barrier to Self-Custody:** Addresses the wrench attack, the visceral, unsolved problem that prevents mainstream crypto adoption.
2. **Building the Loud, Proud, and Free Movement:** Our core purpose is to disrupt the culture of fear. By moving the market from hide in the shadows to loud, proud, and free, we give users the confidence to embrace self-custody, accelerating crypto adoption and uniting them as part of this mission.
3. **Creates a “Confident Security” Movement:** The loud apparel is a desirable strategic asset primarily because it signals confident security preparedness. It makes potential attackers understand that users are protected and confident. This builds a loud, proud visible community, driving a virtuous cycle of growth and collective security confidence.
4. **Capital-Efficient Growth Engine:** Our growth is fueled by an aggressive provider-driven referral program starting as 20.00% commission lifetime until we reach the mark of 20k paying customers to guarantee first mover advantage.
5. **Exceptional Unit Economics:** This provider-driven growth delivers outstanding LTV:CAC ratios of 26:1, with 3.20-month payback periods.
6. **Defensible Network Effects:** As the first-mover, our marketplace builds a powerful moat. A growing base of reputable, anonymous providers creates value that competitors cannot easily replicate.
7. **The Staged Investment Opportunity:** This is a clear, staged path to a 20.00M valuation. The **\$600K Seed** funds the scalable marketplace. Traction from Phase 1, combined with our protocol-driven “Loud, Proud” movement, drives brand-led acquisition, improves conversion and retention, and reinforces CAC efficiency—de-risking and supporting a **Series A** to scale the marketplace and ecosystem.
8. **Resistant to AI Bubble:** Our valuation and growth are driven by fundamental, verifiable protocol security and marketplace economics (computation/subscriptions), not by speculative AI hype. This provides a durable, defensible investment independent of the AI market’s volatility.
9. **Resistant to Semiconductor Volatility:** The dual product strategy provides natural resistance to semiconductor price volatility — rising hardware costs drive cloud adoption while falling costs improve device margins, creating countercyclical revenue stabilization.
10. **Strong Gross Margins:** Our 66.64% gross margin—derived from explicit, auditable COGS components—positions us within the 60–80% marketplace benchmark range, with room for improvement via Lightning Network payment adoption.

2 Business Model: Marketplace + CAC Optimization

2.1 Revenue Stream Segmentation

- **Subscriptions:** Anonymous marketplace for recurring memory-intensive computation services
- **Merchandise (Community Engagement):** Branded items sold via a separate 'Superfan Store' to engage our most passionate users. This is treated as a bonus revenue stream and is not included in the primary financial projections.

2.2 Subscription Service: Anonymous Computation Marketplace

The subscription service operates as a computation matchmaking **marketplace** connecting:

- **Clients:** Users needing recurring memory-intensive computation without owning adequate hardware - anonymity critical for privacy
- **Providers:** PC owners monetizing idle computational capacity - can operate publicly to attract clients

Platform provides anonymous client matching, reputation system, and dispute arbitration. Key marketplace dynamics:

- Computation jobs are simple but, by design, memory-intensive, lengthy and Clients demand for them is recurrent
- Anonymity is critical for Clients, while Providers can promote services openly
- We align provider success with platform growth. An aggressive referral commission incentivizes providers to recruit clients, transforming them into a highly-motivated, capital-efficient sales force [1].
- First-mover advantage critical to build reputable user base before competitors
- Tiers differentiate by computation duration: 2, 24, 48 and 168 hours

Table 1: Customer Segment Characteristics

| Attribute | Subscription Users | Free Users |
|---------------------|--------------------|-------------------------------|
| Technical Level | Low-Medium | High |
| Purchase Preference | Recurring | Self-hosted (no subscription) |
| Price Sensitivity | Medium | High |
| SAM Size | 1,350,000[2, 3] | — |

SAM refers to the Serviceable Available Market for subscription users. Free (self-hosted) users are excluded from SAM and related financial projections for simplicity. Merchandise is treated solely as community engagement and is not included in financial projections.

3 Enhanced Business Model with CAC Optimization

3.1 Subscription Pricing (Based on Computation Economics)

Table 2: Anonymous Computation Marketplace Economics

| Tier | Delay (Hours) | Price | Mix | Provider Cost | Provider GP | Marketplace Rev |
|---------------------|------------------|--------|---------|------------------|-------------|--------------------|
| Basic | 2 | 1.25 | 35% | 0.36 | 0.54 | 0.35 |
| Medium | 24 | 18.00 | 40% | 4.32 | 8.64 | 5.04 |
| Professional | 48 | 42.00 | 15% | 8.64 | 21.60 | 11.76 |
| Golden | 168 | 210.00 | 10% | 30.24 | 120.96 | 58.80 |
| Weighted Avg | | 34.94 | 100.00% | | | 9.78 |

Note: Provider’s costs based on 350 W @ \$0.12/kWh, 4.29 runs/month. All values in USD/month.

3.2 Marketplace Economics and Competitive Analysis

Our platform operates with a 28% commission rate, positioning us competitively within the marketplace landscape:

- **Provider’s Progressive Markup (2.50–5.00x):**

- Basic (2.50x): Entry-level commitments with quick turnarounds; lower markup to seed supply and onboard providers
- Medium (3.00x): Day-scale jobs add coordination and opportunity costs; moderate markup reflects added diligence
- Professional (3.50x): Multi-day (48h) runs lock capacity and raise reliability risk; premium markup prices scarcity
- Golden (5.00x): Week-long workloads require sustained resource dedication and scheduling discipline; highest balanced markup secures dependable supply

- **Platform Fee Benchmarks:**

- Our platform: 28% - includes full-service anonymous matchmaking, reputation system, and dispute resolution
- Uber: 25% commission[4]
- Airbnb: 15% total fees[5]
- Amazon Marketplace: 15-45% depending on category[6]
- Fiverr: 20% from sellers[7]
- Upwork: 20% for first \$500, then 10%[8]

- **Why Our Economics Work:** Unlike traditional marketplaces that spend 15-30% of revenue on customer acquisition[9], our model creates natural viral growth. Providers actively recruit clients to increase their own revenue, functioning as an unpaid but highly motivated sales force. This alignment means we achieve similar growth with marketing budgets of just \$80-150k annually rather than the \$200-400k typical for our revenue scale.
- **Provider Economics Remain Attractive:** Even at 28% platform fee, providers earn $2.5\text{-}5\times$ their electricity costs depending on tier, creating sustainable incentives for participation. Academic research shows that successful two-sided platforms maintain take rates between 20-30% when providing high-value services[10, 11].

4 Multi-Channel Customer Acquisition

4.1 Annual Marketing Budget Allocation

| Year | Budget | Base CAC | New Customers | Total Acquired* Customers |
|--------|-------------|----------|---------------|------------------------------|
| Year 1 | \$80,000 | \$21.00 | 3,810 | 3,810 |
| Year 2 | \$120,000 | \$21.00 | 5,714 | 9,524 |
| Year 3 | \$1,000,000 | \$21.00 | 47,619 | 57,143 |

*values don't account for customer churn.

4.2 Traditional Acquisition Channels

| Channel | Budget (USD) | Gross CAC[12] | CAC |
|--------------------|--------------|---------------|-------|
| Digital (Subs) | 60,000 | 20.00 | 21.00 |
| Content/SEO (Subs) | 25,000 | 18.00 | 19.40 |
| Total | 85,000 | | |

CAC values reflect an embedded 20.00% reduction from free gift campaigns (keychain + laptop adhesive + shipping), with average cost per user of \$5.00; conservative with external benchmarks of 47% [13].

Free gift components:

- Keychain
- Laptop adhesive
- Shipping (avg cost per user \$5.00)

5 Three-Year Financial Projections

5.1 Revenue Projections - Exit ARR vs Actual Revenue

| Revenue Metric | Year 1 (USD) | Year 2 (USD) | Year 3 (USD) |
|------------------------------------|--------------|--------------|--------------|
| Exit ARR (for valuation) | | | |
| Subscription Exit ARR | 447,256 | 1,097,949 | 6,644,039 |
| Active Subs (year-end after churn) | 3,810 | 9,353 | 56,598 |
| Actual Revenue Collected | | | |
| Total Revenue (actual)* | 242,264 | 790,514 | 4,081,958 |

**Actual revenue accounts for when subscribers join. New subscribers contribute average 6.50 months of revenue in their first year.*

5.2 Cost of Goods Sold (COGS)

| COGS Component | Year 1 (USD) | Year 2 (USD) | Year 3 (USD) |
|------------------------------|--------------|--------------|--------------|
| Payment Processing (10.36%)* | 25,092 | 81,875 | 422,774 |
| Infrastructure (10.00%) | 24,226 | 79,051 | 408,196 |
| Support/Disputes (8.00%) | 19,381 | 63,241 | 326,557 |
| Trust & Safety (5.00%) | 12,113 | 39,526 | 204,098 |
| Total COGS (33.36%) | 80,812 | 263,693 | 1,361,625 |
| Gross Profit (66.64%) | 161,451 | 526,821 | 2,720,334 |

**Payment processing is 2.90% on gross transaction volume = 10.36% of net revenue. Infrastructure, support, and trust & safety are bottom-up estimates benchmarked against market-place industry data.*

5.3 Operating Expenses

| Expense Category | Year 1 (USD) | Year 2 (USD) | Year 3 (USD) |
|----------------------------------|--------------|--------------|--------------|
| Team Salaries | 240,000 | 600,000 | 1,200,000 |
| Infrastructure (non-production)* | 10,000 | 20,000 | 40,000 |
| Legal/Compliance/Insurance | 20,000 | 30,000 | 40,000 |
| Marketing | 80,000 | 120,000 | 1,000,000 |
| Total OpEx | 350,000 | 770,000 | 2,280,000 |

**Production infrastructure (matching platform, hosting) is included in COGS above. This line covers office tools and non-production systems only.*

5.4 Monthly Burn Rate Analysis

| Monthly Burn Breakdown | Year 1 | Year 2 | Year 3 |
|---------------------------|-----------------|-----------------|------------------|
| COGS (variable) | \$6,734 | \$21,974 | \$113,469 |
| Team Salaries | \$20,000 | \$50,000 | \$100,000 |
| Infrastructure (non-prod) | \$833 | \$1,667 | \$3,333 |
| Legal/Compliance | \$1,667 | \$2,500 | \$3,333 |
| Marketing | \$6,667 | \$10,000 | \$83,333 |
| Total Monthly Burn | \$35,901 | \$86,141 | \$303,469 |
| Runway Analysis | | | |
| After Seed (\$600k) | 17 months | | |
| After Series A (\$2M) | | 23 months | |

5.5 Path to Profitability

| Metric | Value |
|-----------------------------------|----------|
| Target Breakeven | Month 25 |
| Required Subscribers | 9,840 |
| Monthly Gross Profit at Breakeven | \$64,150 |
| Monthly Fixed Costs at Breakeven | \$64,167 |

| Metric | Year 1 | Year 2 | Year 3 |
|--------------------------------|---------|---------|-----------|
| Net Revenue (actual) | 242,264 | 790,514 | 4,081,958 |
| Gross Profit | 161,451 | 526,821 | 2,720,334 |
| Gross Margin | 66.64% | 66.64% | 66.64% |
| Active Subscribers (year-end) | 3,810 | 9,353 | 56,598 |
| Marketplace's Monthly Rev/User | \$9.78 | \$9.78 | \$9.78 |

5.6 Customer Metrics

| Metric | Year 1 | Year 2 | Year 3 |
|---------------------------|--------|--------|--------|
| New Subscribers (Paid) | 3,810 | 5,714 | 47,619 |
| Cumulative Subs (w/churn) | 3,810 | 9,353 | 56,598 |
| Annual Churn Rate | 5.00% | 4.50% | 4.00% |
| CAC | \$21 | \$21 | \$21 |
| LTV:CAC Ratio | 26:1 | 26:1 | 26:1 |

Shown CAC (\$21) already embeds the 20.00% free gift effect and includes gift cost[13].

Table 3: CAC Inputs (Digital)

| Input | Value |
|------------------------|--------|
| Baseline CAC (no gift) | \$20 |
| Free gift reduction* | 20.00% |
| Resulting CAC | \$21 |
| Avg gift cost per user | \$5.00 |

**The reduction reflects lower cost-per-lead due to higher conversion rates; the final CAC then re-incorporates the \$5.00 cost of the gift and shipping.*

Table 4: Three-Year Profit & Loss Summary

| (USD) | Year 1 | Year 2 | Year 3 |
|---------------------------------|----------|----------|-----------|
| Revenue | | | |
| Net Revenue (actual) | 242,264 | 790,514 | 4,081,958 |
| Cost of Goods Sold | | | |
| Payment Processing | 25,092 | 81,875 | 422,774 |
| Infrastructure (production) | 24,226 | 79,051 | 408,196 |
| Support/Disputes | 19,381 | 63,241 | 326,557 |
| Trust & Safety | 12,113 | 39,526 | 204,098 |
| Total COGS | 80,812 | 263,693 | 1,361,625 |
| Gross Profit | 161,451 | 526,821 | 2,720,334 |
| Operating Expenses | | | |
| Team Salaries | 240,000 | 600,000 | 1,200,000 |
| Marketing | 80,000 | 120,000 | 1,000,000 |
| Infrastructure (non-production) | 10,000 | 20,000 | 40,000 |
| Legal/Compliance | 20,000 | 30,000 | 40,000 |
| Total OpEx | 350,000 | 770,000 | 2,280,000 |
| Operating Income (Loss) | -188,549 | -243,179 | 440,334 |

Path to profitability: Cash flow positive in Month 25 at 9,840 active subscribers

6 Valuation Analysis

6.1 Multiple-Based Valuation

| Component | Multiple[14, 15] | Y1 Value | Y2 Value | Y3 Value |
|-----------------------|------------------|-----------|-----------|------------|
| Subscription Exit ARR | 3.00x | 1,341,768 | 3,293,846 | 19,932,118 |
| Total Valuation | | 1,341,768 | 3,293,846 | 19,932,118 |

6.2 Investment Timeline and Valuation Progression

| Stage | Timing | Funding | Valuation | Basis |
|------------|----------|---------|----------------|---|
| Seed | Month 0 | \$600K | \$3.00M | Market comparables* |
| Series A | Month 18 | \$2M | \$8.00M | Financing-driven; supported by forward net ARR trajectory, CAC efficiency, and movement-led GTM |
| Target | Year 3 | 0 | \$17.00–20.00M | \$6.60M × 2.50–3.00 (ARR mult.) |
| Optimistic | Year 3 | 0 | \$20.00–27.00M | Premium multiples |

**Pre-revenue valuation based on team, TAM, and marketplace model - not formulaic
ARR figures refer to net platform revenue (take rate), not GMV.*

Series A valuation rationale The Series A valuation is supported by a combination of capital efficiency, de-risked execution, and a defensible go-to-market engine:

- **Protocol innovation + movement as GTM:** Brand-led acquisition (organic in-bound, press, community), conversion uplift (deterrence narrative), and retention uplift (identity/community). We track this via CAC, conversion, churn, and referral rate.
- **Capital efficiency:** CAC of \$21 with 3.20-month payback supports scalable growth with modest marketing spend.
- **De-risking milestones:** MVP/beta traction and a clear path to breakeven by Month 25 reduce downside risk ahead of scale.

6.3 Growth & Unit Economics Supporting Valuation

- **Accelerating ARR Growth:** Projected scaling from 145.50% (Y1-Y2) to 505.10% (Y2-Y3).
- **Exceptional Unit Economics:** A powerful 26:1 LTV:CAC ratio enables our aggressive growth strategy.

- **Aggressive, Data-Driven Acquisition:** Scaling marketing from \$80,000 (Y1) to \$1,000,000 (Y3). This investment is fueled by our proven 26:1 LTV:CAC.
- **Provider Growth Flywheel:** Organic alignment, amplified by targeted referral and rev-share programs, to rapidly scale network density.
- **Strategic Market Position:** Competitive 28% take rate with a clear strategy to capture 15.00% market share.
- **Rule of 40 Performance:** Year 3 projects 505.00% ARR growth + 11.00% operating margin = 516.00 score, significantly exceeding the 40% threshold that signals sustainable, efficient growth[15].

6.4 Gross Margin Context

Our 66.64% gross margin positions us within industry benchmarks:

- **Marketplace benchmark:** 60–80% gross margin typical for tech-enabled marketplaces[9]
- **SaaS benchmark:** 70–85% for subscription software[15]
- **Our position:** 66.64% reflects conservative COGS assumptions including 10.36% payment processing (on net revenue basis), with room for improvement via Lightning Network adoption

7 Unit Economics Summary

| Metric | Subscriptions |
|-------------------------------|---------------|
| Average Revenue (Marketplace) | \$117/year |
| Gross Margin | 66.64% |
| CAC | \$21.00 |
| LTV | \$548 |
| LTV:CAC Ratio | 26:1 |
| Payback Period | 3.20 months |

7.1 Gross Margin Breakdown

Our 66.64% gross margin is derived bottom-up from explicit COGS components, positioning us conservatively within the 60–80% marketplace benchmark range[9]:

| COGS Component | % of Net Rev | Description |
|---------------------|---------------|--|
| Payment Processing | 10.36% | 2.90% on GMV \div 28.00% take rate |
| Infrastructure | 10.00% | Matching platform, hosting, databases |
| Support/Disputes | 8.00% | Customer support, dispute arbitration |
| Trust & Safety | 5.00% | Fraud prevention, security, compliance |
| Total COGS | 33.36% | |
| Gross Margin | 66.64% | = 100% – COGS |

7.2 Key Economic Insights

- **Subscription Economics:** Our 66.64% gross margin reflects the capital-light marketplace model. COGS are dominated by payment processing (10.36% of net revenue), with additional costs for infrastructure, support, and trust/safety operations. We plan to incentivize Lightning Network adoption to reduce payment processing costs over time.
- **Competitive Platform Fee:** 28% take rate aligns with industry leaders (Uber 25%, Fiverr 20%, Amazon 15-45%)[4, 7, 6]
- **Customer Acquisition Efficiency:** Our platform design creates natural viral growth through provider incentives. Industry benchmarks show marketplaces typically spend \$35-50 per customer acquired[9], while our blended CAC is just \$21. This efficiency stems from providers actively recruiting clients to increase their own revenue—a dynamic documented in successful platforms like Uber (drivers recruiting riders) and Airbnb (hosts encouraging bookings)[16, 17]. Includes the free gift effect (20.00% CAC reduction) observed in case studies[13].

7.2.1 Provider-Driven Growth Economics

Academic research on two-sided platforms demonstrates that when supply-side participants directly benefit from demand growth, customer acquisition costs can decrease by 40-70% compared to traditional advertising[1]. In our model, providers who recruit just one additional client increase their monthly profit by \$0.54–120.96 (depending on tier), creating powerful organic growth incentives. This dynamic explains why our \$80–120k annual marketing budgets achieve growth rates comparable to marketplaces spending \$200-400k[18].

7.3 Cohort Economics

- **Customer Lifetime:** Average 7.00 years (capped at 7.00 years)
- **Churn Improvement:** From 5.00% to 4.00% annually

- **Revenue Retention:** Strong unit retention with growing revenue per user through tier upgrades

7.4 LTV Calculation Transparency

| Component | Value | Calculation |
|-----------------------------|--------------|---|
| Annual Platform Revenue/Sub | \$117.39 | Weighted avg across tiers |
| Gross Margin | 66.64% | Derived from COGS |
| Annual Gross Profit/Sub | \$78.23 | Revenue \times Margin |
| Customer Lifetime | 7.00 years | $\min(1/\text{churn}, 7.00 \text{ cap})$ |
| LTV | \$548 | GP/year \times Lifetime |

8 Total Addressable Market

| Market Segment | Global TAM | Serviceable (SAM) | Target Share |
|--------------------|-------------------------|-------------------|------------------|
| Subscription Users | 9,000,000[2, 3, 19, 20] | 1,350,000 | 15.00% (202.00k) |

Note: TAM includes password manager users[19, 20], private security/insurance customers[21], and physical vault users[22, 23] seeking digital alternatives. Merchandise buyers overlap with primary segments and serve as a community engagement tool and minor, non-projected revenue stream.

8.1 Market Share Benchmarks

The target market shares are based on comparable first-mover and strategic partnership successes:

- **Subscription (15.00% of SAM):** Aligned with Coinbase’s 15% crypto exchange capture[24], Stripe’s 20% payment processing share[25], and LastPass/1Password’s 10-15% password management penetration[26]
- **Strategic Advantages:** Partnership with market leader provides distribution channels, brand credibility, and accelerated customer acquisition typically doubling organic growth rates[27, 11]

8.2 Market Dynamics

- **Bitcoin Adoption:** Growing mainstream adoption drives demand for security tools
- **Self-Sovereignty Trend:** "Not your keys, not your coins" philosophy expanding market

- **Privacy Concerns:** Increasing demand for anonymous computation services
- **Underserved Market:** Limited competition in anonymous marketplace segment
- **Adjacent Markets:** TAM includes password manager users seeking stronger security solutions[19, 20], customers of private security companies/violence insurance exploring digital alternatives[21], and physical vault users transitioning to digital security[22, 23]

8.3 Competitive Landscape

- **Direct Competition:** Limited due to anonymous marketplace complexity
- **Indirect Competition:** Traditional cloud computing lacks privacy features
- **Barriers to Entry:** Trust and reputation system creates moat
- **First-Mover Advantage:** Early provider network difficult to replicate

9 Funding Requirements and Use of Proceeds

9.1 Seed Round (Current)

| Category | Amount (USD) | Purpose |
|--|----------------|---|
| Team (lean, 17-month plan) | 411k | Phased hiring to sustain a lean 17-month runway |
| Infrastructure (lean, 17-month plan) | 17k | Hosting, tooling, and security scaled to match usage growth |
| Legal / Compliance (17-month coverage) | 34k | Legal, compliance, and insurance for regulated operations |
| Marketing (phased over 17 months) | 137k | Customer acquisition paced to demand and liquidity |
| Total Seed Round | 600,000 | 17-month runway |

9.2 Series A Focus (Year 2)

| Category | Amount (USD) | Purpose |
|------------------|--------------|---|
| Platform Scaling | 2,000,000 | Team growth, ecosystem integrations, market expansion |

Series A pricing is supported by de-risked traction and movement-led go-to-market (CAC, conversion, churn, and referral rate), rather than a simple trailing ARR multiple.

9.3 Near-Term Timeline (Next 7 Months)

| Milestone | Target Date | Goal |
|----------------------------|--------------|---|
| MVP Ready | Feb 28, 2026 | MVP feature-complete; internal QA complete |
| First 10 Beta Clients | Mar 10, 2026 | Onboard design partners; collect feedback |
| End of Beta (50 Clients) | May 2026 | Close beta; finalize pricing and onboarding |
| Scale Marketing / Hire CMO | Jun 2026 | Launch paid + referral programs; leadership hire |
| 1,000 Customers | Sep 2026 | Scale supply/demand; readiness for broader launch |

9.4 Detailed Timeline

Year 1 (Months 0–12): Build + Validate Marketplace

- Month 0: Raise \$600K Seed (20.00% equity), \$3.00M post-money valuation (17-month runway)
- Months 1.00–3.00: Build anonymous matchmaking infrastructure and reputation system
- Months 4.00–6.00: Launch beta with 50 design partners, scale toward 1,000 users
- Months 7.00–12.00: Scale marketplace and validate unit economics
- End of Year 1: 3,810 subscribers; Exit ARR \$0.45M

Year 2 (Months 13–24): Scale + Series A

- Months 13–18: Continue scaling supply/demand, deepen provider network, and expand integrations
- Month 18: Series A \$2M (25.00% equity), \$8.00M post-money valuation
- End of Year 2: 9,353 subscribers; Exit ARR \$1.10M

Year 3 (Months 25–36): Accelerated Growth to Target Valuation

- End of Year 3: 56,598 subscribers; Exit ARR \$6.64M
- Valuation (Target): \$17.00–20.00M
- Valuation (Optimistic): \$20.00–27.00M

Beyond Year 3: Scale and Potential Exit

- Continue scaling beyond Year 3 results via partnerships, integrations, and geographic expansion
- Optional outcomes: strategic exit, Series B, or continued profitable growth depending on market conditions

10 Risk Factors and Mitigation

| Risk | Impact | Mitigation |
|---------------------------|--------------------|--|
| Higher CAC than projected | Lower growth | Provider-driven referrals and channel optimization to reduce CAC; adjust spend mix and creatives based on performance data |
| Competitive entry | Margin pressure | First-mover advantage, network effects |
| Regulatory changes | Compliance costs | Conservative approach, legal reserves |
| Provider availability | Supply constraints | Dynamic pricing, geographic diversity |

10.1 Technical Risks

- **Platform Scalability:** Mitigated through cloud infrastructure and modular architecture
- **Security Breaches:** Comprehensive security audits and bug bounty program

10.2 Market Risks

- **Bitcoin Price Volatility:** Business model agnostic to BTC price, focuses on security needs
- **Regulatory Environment:** Proactive compliance strategy, legal counsel engagement
- **Competition from Big Tech:** Anonymous marketplace creates differentiation

10.3 Operational Risks

- **Key Person Dependency:** Build strong team, document processes
- **Provider Churn:** Competitive revenue sharing, loud proud community building
- **Customer Support Scale:** Automated systems, community support model

11 Possible Future Expansion

These opportunities are not part of the near-term plan or financial model. They may be explored after the marketplace and protocol have scaled, subject to resourcing and traction milestones.

- **Dedicated Hardware Modules (spin-off or partnerships):** Optional devices to extend secure boundaries for advanced users and specialized environments.
- **State Secret Stewardship:** High-assurance workflows for custodianship and controlled disclosure of sensitive governmental materials.
- **Inheritance Protocols:** Policy-driven, time- and knowledge-gated transfer of assets and secrets to designated heirs.
- **Password Manager Applications:** Protocol-backed secrets management with verifiability, auditability, and recovery features.
- **Investigative Journalism Workflows:** Source protection and verifiable access controls for sensitive investigations and disclosures.

Appendix: Variable Debug Dump

This appendix displays all softcoded variables with automatic validation. Computed values are checked against hardcoded expectations at compile time.

Validation Legend: **Green** = computed matches expected **Red** = mismatch (expected value shown in gray)

A1. Timeline & Milestones

| Variable | Value | Description |
|----------------|--------------|------------------------|
| mvpDate | Feb 28, 2026 | MVP target date |
| betaTenDate | Mar 10, 2026 | First 10 beta clients |
| betaEndDate | May 2026 | End of beta period |
| scaleMktDate | Jun 2026 | Scale marketing date |
| kCustomersDate | Sep 2026 | 1,000 customers target |
| betaUsers | 1,000 | Beta user target |

A1b. Beta & Referral Program Parameters

| Variable | Value | Description |
|-----------------------------|--------|-------------------------------|
| betaFirstClients | 10 | First beta milestone |
| betaEndClients | 50 | End of beta milestone |
| providerCommissionPercent | 20.00% | Provider referral commission |
| referralProgramEndCustomers | 20,000 | Referral program threshold |
| providerMonthlyProfitMin | \$1 | Provider profit (Basic tier) |
| providerMonthlyProfitMax | \$121 | Provider profit (Golden tier) |

A2. Computation Economics (Base Inputs)

| Variable | Value | Description |
|-----------------------|----------|-------------------|
| computePowerWatts | 350.00 W | Power consumption |
| electricityCostPerKwh | \$0.12 | Electricity rate |
| weeklyRunsPerMonth | 4.29 | Runs per month |

A3. Tier Configuration

| Tier | Hours | Mix (%) | Markup |
|--------------|--------|---------|--------|
| Basic | 2.00 | 35.00% | 2.50x |
| Medium | 24.00 | 40.00% | 3.00x |
| Professional | 48.00 | 15.00% | 3.50x |
| Golden | 168.00 | 10.00% | 5.00x |

A4. Provider Economics (Derived — Validated)

| Tier | Cost (\$/mo) | Gross (\$/mo) | Profit (\$/mo) |
|--------------|--------------|---------------|----------------|
| Basic | 0.36 | 0.90 | 0.54 |
| Medium | 4.32 | 12.96 | 8.64 |
| Professional | 8.64 | 30.24 | 21.60 |
| Golden | 30.24 | 151.20 | 120.96 |

A5. Subscription Pricing (Derived — Validated)

| Tier | Price (\$/mo) | Platform Rev (\$/mo) |
|---------------------|---------------|----------------------|
| Basic | 1.25 | 0.35 |
| Medium | 18.00 | 5.04 |
| Professional | 42.00 | 11.76 |
| Golden | 210.00 | 58.80 |
| Weighted Avg | 34.94 | 9.78 |

| Variable | Value | Description |
|------------------------|--------|--------------------------|
| markPlatformFeePercent | 28.00% | Platform fee (take rate) |
| markWeightedAvgMonthly | 9.78 | Monthly platform rev/sub |
| markWeightedAvgAnnual | 117.39 | Annual platform rev/sub |

A5b. Cost of Goods Sold - Components

| COGS Component | Value | Basis |
|--|---------------|--|
| <i>Payment Processing (Derived from gross fee)</i> | | |
| paymentProcessingFeeGross | 2.90% | Fee charged on GMV |
| cogsPaymentProcessingPercent | 10.36% | = 2.90% ÷ 28.00% take rate |
| <i>Operating COGS (Bottom-up estimates)</i> | | |
| cogsInfraPercent | 10.00% | Matching platform, hosting (8-15% benchmark) |
| cogsSupportPercent | 8.00% | Dispute resolution, customer support |
| cogsTrustSafetyPercent | 5.00% | Fraud prevention, security, compliance |
| totalCogsPercent | 33.36% | Sum of all components |
| subGrossMargin | 66.64% | = 100% – COGS% |

Verification: 10.36 + 10.00 + 8.00 + 5.00 = 33.36% → Gross Margin = 66.64%

A5c. Cost of Goods Sold - Dollar Amounts (Derived — Validated)

| COGS Component | Year 1 | Year 2 | Year 3 |
|----------------|-----------|-----------|-------------|
| Total COGS | \$80,812 | \$263,693 | \$1,361,625 |
| Gross Profit | \$161,451 | \$526,821 | \$2,720,334 |

A6. Customer Acquisition Cost (Derived — Validated)

| Variable | Value | Description |
|--------------------------------|--------------|------------------------------|
| cacDigitalWithoutFreeMerchan | \$20.00 | Base digital CAC |
| cacContentWithoutFreeMerchan | \$18.00 | Base content CAC |
| freeMerchanCacReductionPercent | 20.00% | Gift reduction effect |
| freeMerchanCost | \$5.00 | Gift cost per user |
| cacDigital | 21.00 | Effective digital CAC |
| cacContent | 19.40 | Effective content CAC |
| budgetDigital | \$60,000 | Digital budget |
| budgetContent | \$25,000 | Content budget |

A7. Marketing Budgets & New Subscribers (Derived — Validated)

| Variable | Year 1 | Year 2 | Year 3 |
|-----------------|----------|-----------|-------------|
| marketingBudget | \$80,000 | \$120,000 | \$1,000,000 |
| baseNewSubs | 3,810 | 5,714 | 47,619 |
| newSubs | 3,810 | 5,714 | 47,619 |

A8. Customer Growth with Churn (Derived — Validated)

| Variable | Year 1 | Year 2 | Year 3 |
|------------------|--------------|--------------|---------------|
| churnRate | 5.00% | 4.50% | 4.00% |
| retainedSubs | — | 3,639 | 8,979 |
| newSubs | 3,810 | 5,714 | 47,619 |
| totalSubs | 3,810 | 9,353 | 56,598 |

Verification formula: $totalSubsY2 = round(totalSubsY1 \times (1 - churnY2/100)) + newSubsY2$

A9. Revenue Calculations (Derived — Validated)

| Variable | Year 1 | Year 2 | Year 3 |
|-------------------|-----------|-------------|--------------|
| subARR (Exit) | \$447,256 | \$1,097,949 | \$6,644,039 |
| actualSubRevenue | \$242,264 | \$790,514 | \$4,081,958 |
| grossVolume (GMV) | \$865,227 | \$2,823,264 | \$14,578,423 |

| Variable | Value | Description |
|-------------------------|-------|--------------------------------|
| avgRevenueMonthsYearOne | 6.50 | Avg months new subs contribute |

A10. Operating Expenses (Derived — Validated)

| Variable | Year 1 | Year 2 | Year 3 |
|----------------------------|------------------|------------------|--------------------|
| teamSalaries | \$240,000 | \$600,000 | \$1,200,000 |
| infrastructure (non-COGS) | \$10,000 | \$20,000 | \$40,000 |
| legalCompliance | \$20,000 | \$30,000 | \$40,000 |
| marketing | \$80,000 | \$120,000 | \$1,000,000 |
| totalOpex | \$270,000 | \$650,000 | \$1,280,000 |
| totalOperatingCosts | \$350,000 | \$770,000 | \$2,280,000 |

A11. Profit & Loss Flow (Derived — Validated)

| Line Item | Year 1 | Year 2 | Year 3 |
|---------------------------|-------------------|-------------------|--------------------|
| Net Revenue | \$242,264 | \$790,514 | \$4,081,958 |
| – COGS | (\$80,812) | (\$263,693) | (\$1,361,625) |
| = Gross Profit | \$161,451 | \$526,821 | \$2,720,334 |
| – OpEx (excl. mktg) | (\$270,000) | (\$650,000) | (\$1,280,000) |
| – Marketing | (\$80,000) | (\$120,000) | (\$1,000,000) |
| = Operating Income | \$–188,549 | \$–243,179 | \$440,334 |
| monthlyBurn | \$35,901 | \$86,141 | \$303,469 |

A12. Unit Economics & LTV (Derived — Validated)

| Variable | Value | Description |
|--------------------------|---------------|-----------------------------------|
| subGrossMargin | 66.64% | Derived from COGS (100% – 33.36%) |
| avgAnnualChurn | 0.05 | Avg churn (decimal) |
| theoreticalLifetimeYears | 22.22 | 1/churn |
| ltvCapYears | 7.00 | LTV cap |
| ltvYearsUsed | 7.00 | Actual years used |
| subAnnualGrossProfit | 78.23 | Annual GP/sub |
| subMonthlyGrossProfit | 6.52 | Monthly GP/sub |
| subLTV | 547.62 | Lifetime Value |
| subPaybackMonths | 3.20 mo | Payback period |
| ltvCacRatio | 26:1 | LTV:CAC ratio |

LTV calculation: \$117.39/yr × 66.64% margin × 7.00 years = \$547.62

A13. Breakeven Analysis (Derived — Validated)

| Variable | Value | Description |
|--------------------------|-----------------|--------------------------|
| monthlyFixedCostsYearTwo | \$64,167 | Monthly OpEx + Marketing |
| subMonthlyGrossProfit | 6.52 | Contribution per sub |
| breakevenSubscribers | 9,840 | Rounded to 10s |
| monthlyGrowthYearTwo | 461.92 | Monthly sub growth Y2 |
| breakevenMonth | Month 25 | Target breakeven |

$$\text{Breakeven} = \text{Fixed Costs} / \text{Gross Profit per Sub} = \$64,167 / \$6.52 = 9,840 \text{ subs}$$

A14. Funding & Runway (Derived — Validated)

| Variable | Seed | Series A | Description |
|--------------|-------------|-------------|--------------|
| amount | \$600,000 | \$2,000,000 | Raise amount |
| equity | 20.00% | 25.00% | Equity sold |
| valuation | \$3,000,000 | \$8,000,000 | Post-money |
| runwayMonths | 17.00 mo | 23.00 mo | Runway |

A15. Growth Rates & Valuation (Derived — Validated)

| Variable | Value | Description |
|--------------------------|---------------|----------------------------|
| growthRateYearOneTwo | 145.49% | Y1→Y2 ARR growth |
| growthRateYearTwoThree | 505.13% | Y2→Y3 ARR growth |
| operatingMarginYearThree | 10.79% | Y3 operating margin |
| ruleOfFortyScore | 515.92 | Growth + Op. Margin |
| arrMultiple | 3.00x | Base ARR multiple |
| targetARRMultiple | 2.50x | Conservative multiple |
| optimisticARRMultiple | 4.00x | Optimistic multiple |
| targetValLow | \$17M | Target low |
| targetValHigh | \$20M | Target high |
| optimisticValLow | \$20M | Optimistic low |
| optimisticValHigh | \$27M | Optimistic high |

$$\text{Rule of 40: } Y2 \rightarrow Y3 \text{ growth (505.00\%)} + Y3 \text{ operating margin (11.00\%)} = 516.00$$

A16. Market Sizing (TAM/SAM)

| Variable | Value | Description |
|-----------------------|-----------|--------------------------|
| tamBitcoinUsers | 3,000,000 | Bitcoin user segment |
| tamPasswordMgrUsers | 4,000,000 | Password mgr segment |
| tamPhysicalVaultUsers | 500,000 | Physical vault segment |
| tamPrivateSecUsers | 1,500,000 | Private security segment |
| tamSubsGlobal | 9,000,000 | Total TAM |
| samPercentOfTam | 15.00% | SAM as % of TAM |
| samSubs | 1,350,000 | SAM (users) |
| targetShareSubs | 15.00% | Target market share |
| targetSubsCountk | 202.00k | Target subscribers |

A17. Merchandise (Reference Only)

| Item | Price | Margin | Profit |
|---------------------|----------------|---------------|----------------|
| T-shirt | \$25.00 | 50.00% | \$12.5 |
| Hoodie | \$45.00 | 40.00% | \$18 |
| Cap | \$20.00 | 45.00% | \$9 |
| Mug | \$15.00 | 55.00% | \$8.25 |
| Sticker | \$5.00 | 70.00% | \$3.5 |
| Backpack | \$35.00 | 45.00% | \$15.75 |
| Weighted Avg | \$28.00 | 48.00% | \$13.44 |

Note: Merchandise is excluded from financial projections; shown for reference only.

STATUS: ALL VALIDATIONS PASSED. All computed values match their expected hardcoded values.

*Generated: January 12, 2026 — All values computed via **xfp** package at compile time.*

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