Whitepaper

October 2017

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INTRODUCTION

DivvyBloc is building marketplaces for the bitcoin ecosystem, supported by blockchain technology, sitting on top of the decentralized web, intended for the transformation of commerce that'll unfold as mobile devices, presently smartphones and wearables, evolve as the preferred medium for people to conduct business, connect with one another and manage their daily lives.

The purpose of this white paper is to describe the first of these markets, *DivvyTrave*l, an end-to-end, peer-to-peer hospitality marketplace for the short term rental industry. *DivvyTravel* will seamlessly bring together travelers, merchants, service providers and other groups, especially developers, who seek to create a vibrant online travel experience.

By employing cryptocurrency and its underlying blockchain technologies, our goal is to increase consumer adoption by focusing on providing practical services for real human beings and a robust, secure technology interface with the ever-evolving “machine world” running in the background.

Given the reality of the potential of blockchain and digital assets at its core, it’s clear that there’s ample demand to incorporate the basic building blocks of this new technology, namely smart contracts and decentralized apps (dApps), into people’s daily lives, starting with hospitality.

Readers of this whitepaper will come away with how the *DivvyBloc* ecosystem, starting with *DivvyTravel*, will grow and flourish at a rapid pace, the details of the roadmap and the technical aspects of the blockchain-based platform that has been seeded by the project founders and its initial supporters to its further development of real world use cases for everyday living.

Our token (DIVVY symbol) is an essential part of the *DivvyBloc* ecosystems being rolled out, including the initial one described in this white paper, *DivvyTravel*. Major utilities available to the Divvy Token include transactions between any two parties (e.g., making a guest reservation or ordering cleaning services), incentives for dApp developers, earning rewards for travel discounts and a whole range of services.

THE BLOCKCHAIN OPPORTUNITY

The growth and ensuing convergence of cryptocurrency, blockchain, artificial intelligence (AI) and the Internet of Things (IoT), taken together as Web 3.0, or simply the “New Internet”, is mind-boggling ever since the release of the Bitcoin whitepaper only a few weeks after the near-collapse of the financial system backed by central banks in late 2009. What’s groundbreaking about the digital assets coming out of these technologies is that they enable anyone to own and transfer value across an open network without the need for a trusted third party. Bitcoin as an asset class really puts control back in the hands of everybody using it, with everyone who's participating in the system determining how it works.

At the heart of the *DivvyTravel* project is speed and efficiency, but also trust and security, to

reduce the time and money to process transactions and eradicate problems due to legacy computer system that cannot keep up with today's travelers, increasingly younger, who seek to lead "frictionless" digital lives. Our solution involves using blockchain and cryptocurrency tokens, or simply DIVVY coins, to remove the friction in a current booking system.

Bitcoin, conceived by a coder shrouded in mystery, Satoshi Nakamoto, as a peer-to-peer network that enables people to buy and sell bitcoins that's automatically secured and perpetuates the system, was the first blockchain created.

Ethereum, the second largest blockchain, created by Vitalik Buterin, takes the business logic program a step further by addressing Bitcoin's limitations and introducing "smart contracts" that can be written in a number of languages.

Both blockchains, as well as others on the market, require coders located everywhere (*decentralized*) on the planet, called "miners", to be the first one to work out the math problems to record transactions in "blocks" on a digital ledger. The compensation for their work are bitcoins, ether or whatever cryptocurrency that is being "hashed" (i.e., finding a computational solution for the math problem). These payments encourages miners to solve these equations, and the processing of the financial and/or smart contract transactions, even faster, which requires massive computing power.

Figure 1: Key Features of Digital Assets as a Currency

The technology works by providing all parties involved in the business network with a transparent, secure and synchronized record of transactions. The blockchain distributed ledger records every sequence of transactions from beginning to end, whether it's hundreds of steps in a supply chain, or a single one for an online payment.

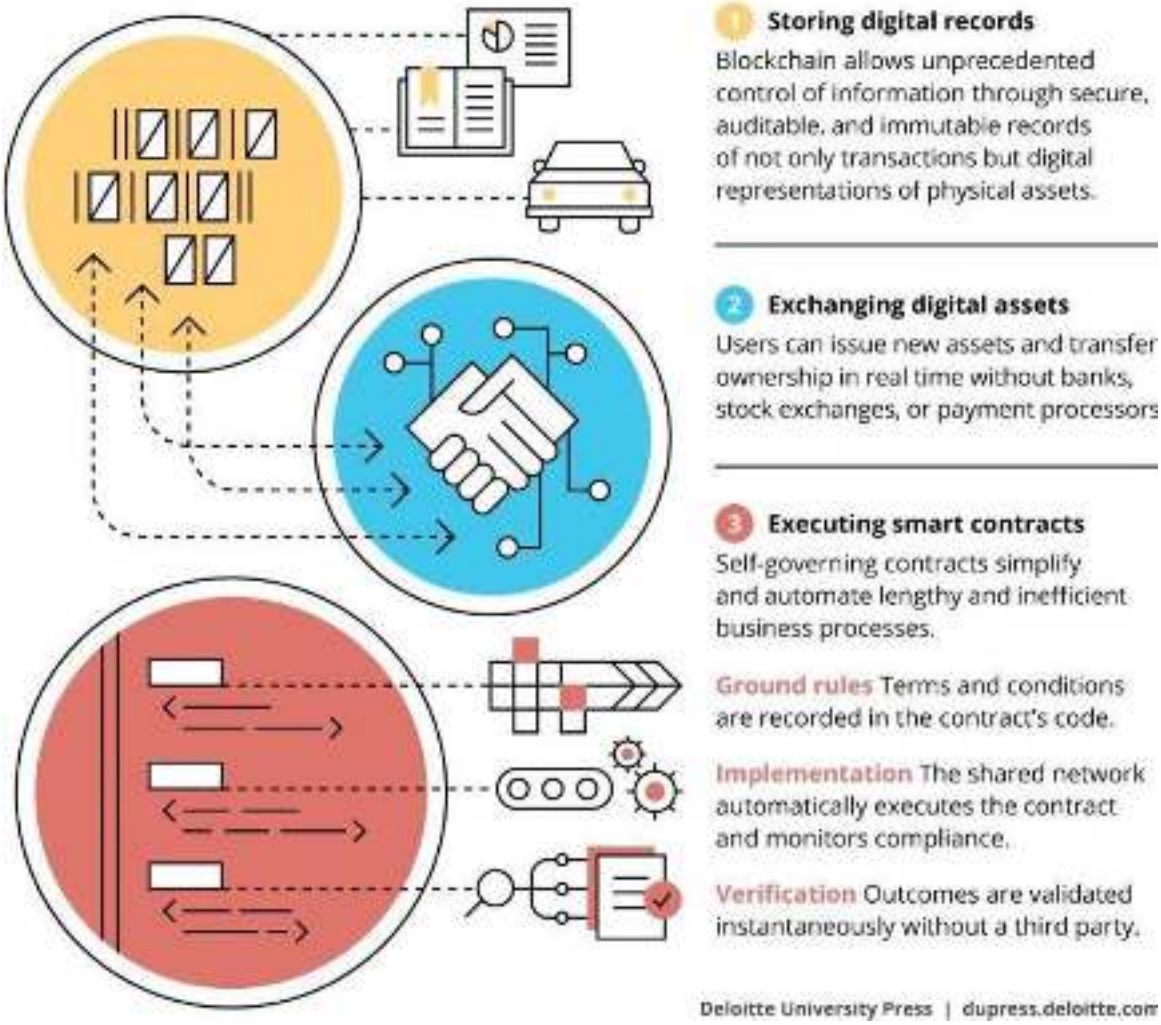
As each transaction takes place, it's put into a block. Each block is connected to the one before

and after it. Groups of transactions are blocked together, and a fingerprint of each block is added to the next, thereby creating an irreversible chain of events.

While blockchain works with all types of transactions, there are three primary features that make it uniquely capable to handle the requirements of the hospitality industry. It's distributed, it's permissioned and it's secured.

Furthermore, because blockchain is a shared form of recording transactions, it ensures that no one person or organization holds ownership of the system. Everyone involved in the process is permissioned to have a copy of every recorded piece of data, and no transaction can be added to the chain without consensus across the participants. This means that no one person can add to or alter the blockchain without being permanently recorded, making it tamper resistant, eliminating the risk of fraud and error. No one, not even a system administrator, can delete it.

Figure 2: Blockchain Basics for Everyday Living

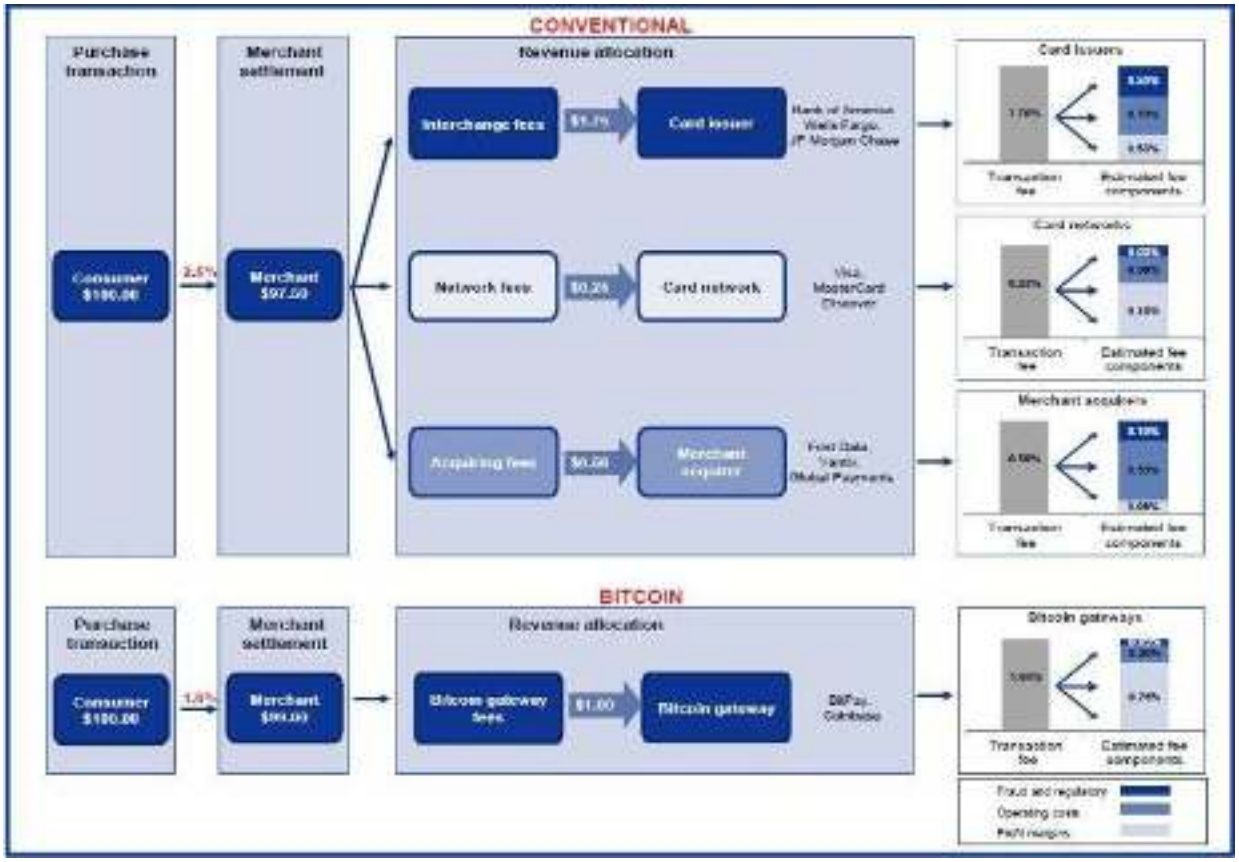


In practice, the blockchain on which bitcoins operates is safer than conventional payment systems. From the merchant's' perspective, transactions are secure, irreversible and do not contain customer info, preventing fraud, chargeback claims, etc. For consumers, given

blockchain's decentralization, payments cannot be manipulated by any single party.

To understand why digital currency transactions are the cheapest, take a look at the diagram below for a conventional payment, which consists of a bloated, "four party" ecosystem consisting of the merchant, the consumer, the card issuing firm and the card network. This results in a typical cost to a US-based merchant of 2-2.5% (including the merchant acquirer), which is why the merchant processing industry based on these transactions is valued close to a trillion in US dollar terms, and growing.

Figure 3: Bitcoin vs. Conventional Payments



The effective cost of a bitcoin transaction is approximately 60% lower than a traditional "four party" model.

In other words, bitcoin brings the cost down now that the technology is there enabling network effects, big data, etc. It narrows the bid/ask spread across value chains on one end, especially through its removal of numerous players to ensure trust previously required, which is no longer needed given consensus and traceability for every transaction.

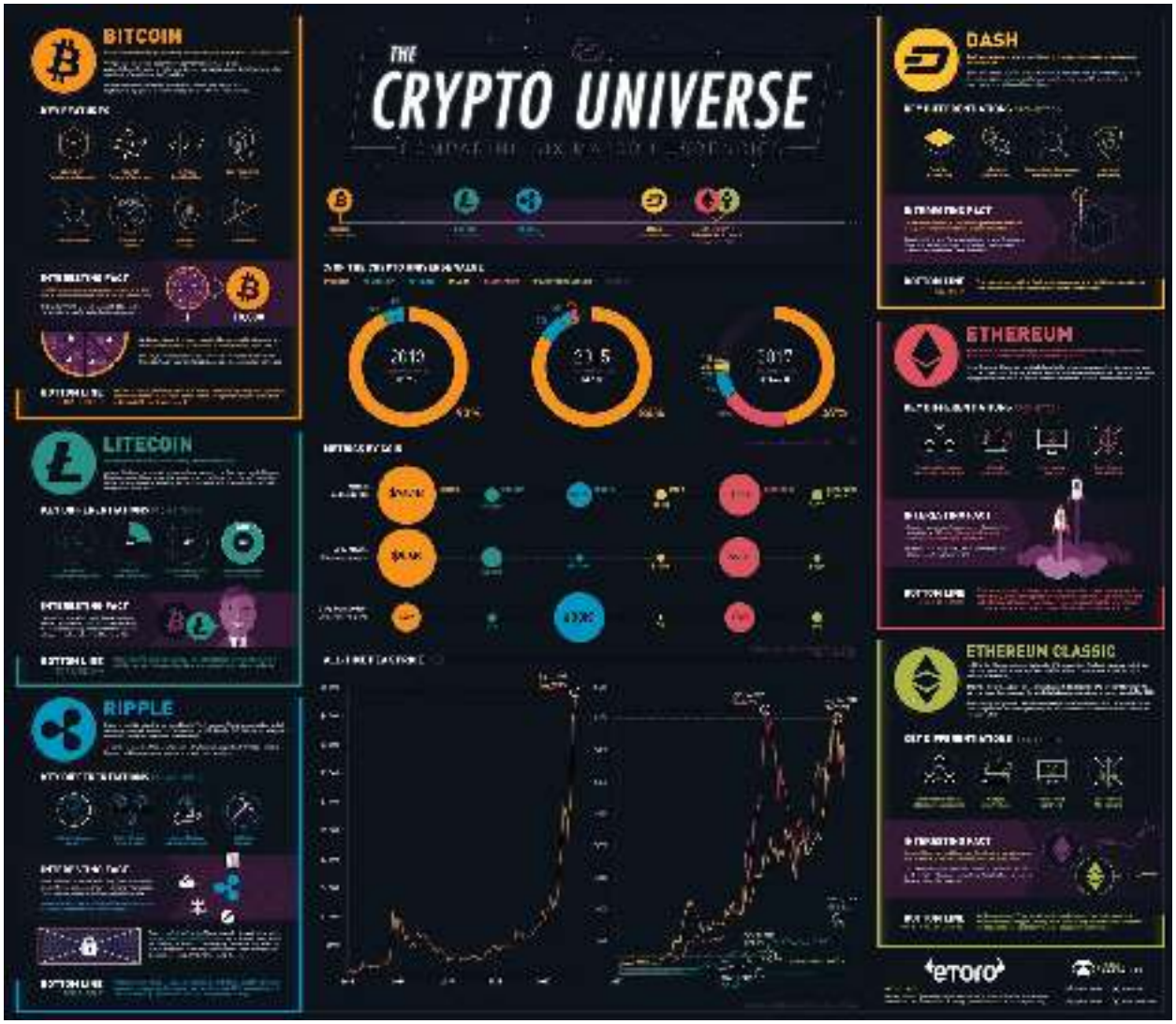
On the other spectrum, as a technology itself, it's analogous to Google AdWords massively reducing the cost of advertising, opening up new markets which previously didn't have the means for extensive advertising. As IoT goes more widespread, all of the transactions between devices (the machines doing all of the work) will be done with crypto's micropayment

functionality. This, on top of human transactions, will cause crypto's usage to skyrocket.

DESCRIPTION OF MAJOR DIGITAL COINS

Here are descriptions of the major cryptocurrencies, which presently make up 84% of the coin universe. As more tokens are proposed, this number should fall as adoption rates increase for the entire crypto ecosystem.

Figure 4: The Top Cryptocurrencies



Bitcoin

Bitcoin is the original cryptocurrency, and was released as open-source software in 2009. Using a new distributed ledger known as the blockchain, the Bitcoin protocol allows for users to make peer-to-peer transactions using digital currency while avoiding the "double spending" problem.

No central authority or server verifies transactions, and instead the legitimacy of a payment is

determined by the decentralized network itself.

Bottom Line: Bitcoin is the original cryptocurrency with the most liquidity and significant network effects. It also has brand name recognition around the world, with an eight-year track record.

Litecoin

Litecoin was launched in 2011 as an early alternative to Bitcoin. Around this time, increasingly specialized and expensive hardware was needed to mine bitcoins, making it hard for regular people to get in on the action. Litecoin's algorithm was an attempt to even the playing field so that anyone with a regular computer could take part in the network.

Bottom Line: Other altcoins have taken away some of Litecoin's market share, but it still has an early mover advantage and some strong network effects.

Ripple

Ripple is considerably different from Bitcoin. That's because Ripple is essentially a global settlement network for other currencies such as USD, Bitcoin, EUR, GBP or any other units of value (i.e. frequent flier miles, commodities).

To make any such a settlement, however, a tiny fee must be paid in XRP (Ripple's native tokens) – and these are what trade on cryptocurrency markets.

Bottom Line: Ripple runs on many of the same principles of Bitcoin, but for a different purpose: to serve as the middleman for all global FX transactions. If it can successfully capture that market, the potential is high.

Ethereum

Created by Vitalik Buterin, Ethereum is an open software platform based on blockchain technology that enables developers to build and deploy decentralized applications.

In the Ethereum blockchain, instead of mining for bitcoin, miners work to earn ether, a type of crypto token that fuels the network. Beyond a tradeable cryptocurrency, ether is also used by application developers to pay for transaction fees and services on the Ethereum network.

Bottom Line: Ethereum serves a different purpose than other cryptocurrencies, but it has quickly grown to displace all but Bitcoin in value. Some experts are so bullish on Ethereum that they even see it becoming the world's top cryptocurrency in just a short span of time – but only time will tell.

Ethereum Classic

In 2016, the Ethereum community faced a difficult decision: The DAO, a venture capital firm built on top of the Ethereum platform, had $50 million in ether stolen from it through a security

vulnerability.

The majority of the Ethereum community decided to help The DAO by “hard forking” the currency, and then changing the blockchain to return the stolen proceeds back to The DAO. The minority thought this idea violated the key foundation of immutability that the blockchain was designed around, and kept the original Ethereum blockchain the way it was. Hence, the “Classic” label.

Bottom Line: As time goes on, Ethereum Classic has been carving out a separate identity from its bigger sibling. With similar capabilities and a different set of principles, Ethereum Classic could still have upside.

Dash

Dash is an attempt to improve on Bitcoin in two main areas: speed of transactions and anonymity. To do this, it has a two-tier architecture with miners and also “masternodes” that help the network perform advanced functions such as near-instant transactions and coin-mixing to provide additional privacy.

Bottom Line: The innovations behind Dash are interesting, and could help to make the coin more consumer-friendly than other alternatives.

CURRENT SIZE OF THE DIGITAL COIN ECOSYSTEM

Digital assets are growing by leaps and bounds from relative obscurity a few years ago to its present size at $100 billion+. In fact, in addition to the major digital assets as previously described, according to data collected by Outlier Ventures, there’s a growing list of tokens that have had successful crowdfunds or are in the process of launching, across a variety of industries.

Figure 5: The Top Cryptocurrencies

Nevertheless, even with the new "coins" coming to market, including *DIVVY*, the entire size of the cryptocurrency marketplace is miniscule when compared to the trillions of dollars traded daily in foreign exchange (FX) estimated by the Bank for International Settlements at an average of $5.3 trillion per day, or $220 billion every hour, with the US dollar making up 85% of this volume. Participants of this market is made up of institutional investors, corporations, governments, banks, as well as currency speculators. Roughly 90% of this volume is generated by currency speculators capitalizing on intraday price movements.

A day is coming when digital assets will be the norm, particularly when cryptocurrency will be the mechanism for the machine world to perform much of the work in the background driving world GDP, which will be well into the trillions. However, when looking at how global investors value the ecosystems for connecting people with each other via peer-to-peer (P2P) marketplaces, clearly cryptocurrency is very much in its infancy, as Facebook's market capitalization is presently 3.5x larger than all digital assets combined, for example.

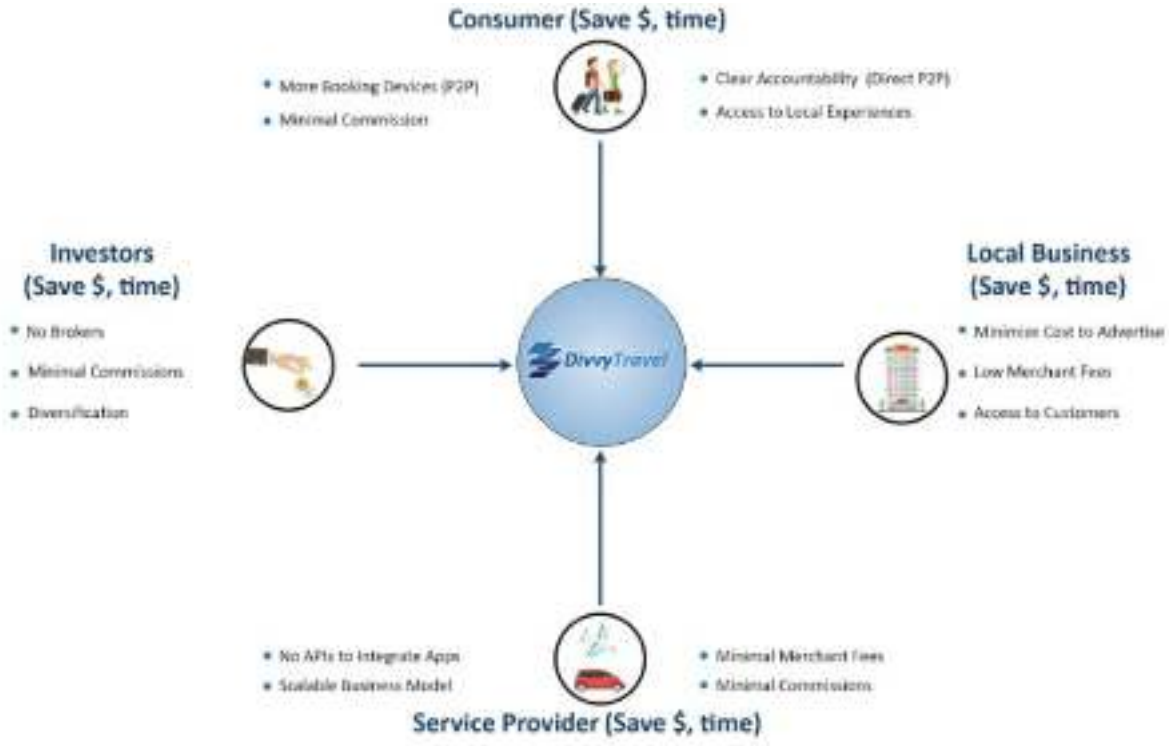
Figure 6: Putting Digital Assets Into Perspective

Beyond its superiority as a platform for the travel market, *DivvyTravel* will be ready when the inflow of funds from both travelers, service providers and even those seeking to benefit from its adoption picks up significantly. In the coming years, we suspect to see exchange traded fund (ETF) managers and similar institutional asset managers, not to mention large players with a vested interest in the evolution of the travel market (e.g., Uber, Lyft, Airbnb) take positions in travel-related tokens such as DIVVY.

THE NEW INTERNET FOR TRAVEL

DivvyTravel represents the first truly peer-to-peer, end-to-end decentralized application for the hospitality industry, built on top of Ethereum, that will enable consumers and service providers to find each other and transact through a decentralized, automated platform without the typical friction characteristic of the existing booking platforms.

Figure 7: The DivvyTravel Approach



In arriving at this solution, the DivvyBloc team looked for areas with the greatest opportunity to "move the needle" for commercializing decentralized web technology. The exhaustive search resulted in the creation of *DivvyTravel*, a frictionless peer-to-peer (P2P), end-to-end marketplace for the hospitality industry that will allow consumers (travelers) and service providers (hotels, short-term rentals, airlines, car rental companies and other service providers and merchants in the space) to transact in an environment without the typically high transactions costs (namely, commissions and merchant fees) and the operating inefficiencies associated with the typically semi-automated and labor intensive order fulfilment process starting from when the consumer researches, plans and books their travel and accommodation through their entire customer experience.

While technology continues to reshape the hospitality industry and guest satisfaction of the entire travel experience, the Internet, increasingly accessed through mobile devices, namely smartphones, has established itself as the preferred method to research, plan and book travel.

The Online Travel Agency ("OTA") industry is comprised of websites that allow consumers to search for and purchase airline tickets, car rentals, hotel stays, leisure activities or other private accommodations from providers of those services.

OTAs serve as an intermediary in the transaction between the service provider and the consumer in exchange for a commission. The OTAs also compete with the same service providers, which also offer direct booking on their websites, thus eliminating the commissions and sharing any savings with consumers. On the hotels and short-term rentals side, the most profitable segment for the OTAs, typical commissions can be as high as 10-15% in addition to a

merchant processing fees of 3-5% for payments.

Once a consumer books their accommodation, whether a hotel or a private stay, the entire end-to-end guest experience is managed by the hotel or short term rental company through disparate technology applications that must be integrated through APIs and semi-automated or manual activities, making the end-to-end guest management process inefficient and expensive for the service provider.

Our goal is to create a technology platform for the community of all parties involved in the hospitality and travel industry, including consumers, investors, hotels, short-term rentals, airlines, car rental companies, local businesses patronized by travelers and vendors supplying these service providers, a mechanism for transacting without the high transactions costs and operational inefficiencies using existing technologies and applications.

By transacting on our platform, hotels and short-term rentals would particularly benefit by avoiding the transactions costs of OTAs who make up over 50% of all hotel online bookings. As such, we would expect all hotels and short-term rentals providers to be supportive of this platform and to benefit from network effects as our community grows.

Finally, the leadership team's track record for starting and scaling a number of businesses across a variety of sectors will enable *DivvyTravel* to achieve long-term growth and success within the exciting travel industry that continues to change as the technology evolves.

WHY DIVVY?

The recent Equifax breach affecting 143 million U.S. consumers is further proof that traditional online businesses are vulnerable to cybersecurity threats and hacking due to their reliance on centralized information technology infrastructure. Moreover, these structures make these organizations prone to strict financial regulations and onerous overhead costs put in place to protect consumers. Peer-to-Peer ("P2P") decentralization allows for frictionless transactions between various parties without reliance on payment processors, while reducing operational compliance requirements to prevent the occurrence of fraud and embezzlement.

The *DivvyTravel* project will allow consumers and service providers to transact without any intermediaries, such as financial institutions for payments or OTAs, saving the service providers money and time and allowing them to pass on some of the savings to the consumer. Both the consumers and service provider benefit at the expense of using existing technologies and applications.

For example, Ethereum allows for the creation of smart contracts that run business logic autonomously in the blockchain thereby allowing any two parties on the platform to transact without the high commissions or merchant payment processing fees. These smart contracts can be used for fast, secure and reliable matching of consumers and service providers without an intermediary.

Unlike the existing OTAs or the service providers own Direct Booking websites, which are centralized and typically limited to matching consumers and service providers and booking, as

well as payment processing, the *DivvyTravel* platform will be capable of running all applications associated with the entire transaction from booking, payments processing, all guest management activities and concierge services, through checkout under one technology platform by having all these participants accessible on the platform without any need for integrating platforms or manual activities. In fact, the platform will be the basis of a community, including businesses that are patronized by consumers, investors, as well as vendors to service providers, all connected to transact via smart contracts.

All transactions under the platform are publicly verifiable, viewable, resistant to counterfeit and not subject to the risk of institutional processing, which is expensive and can be time-consuming.

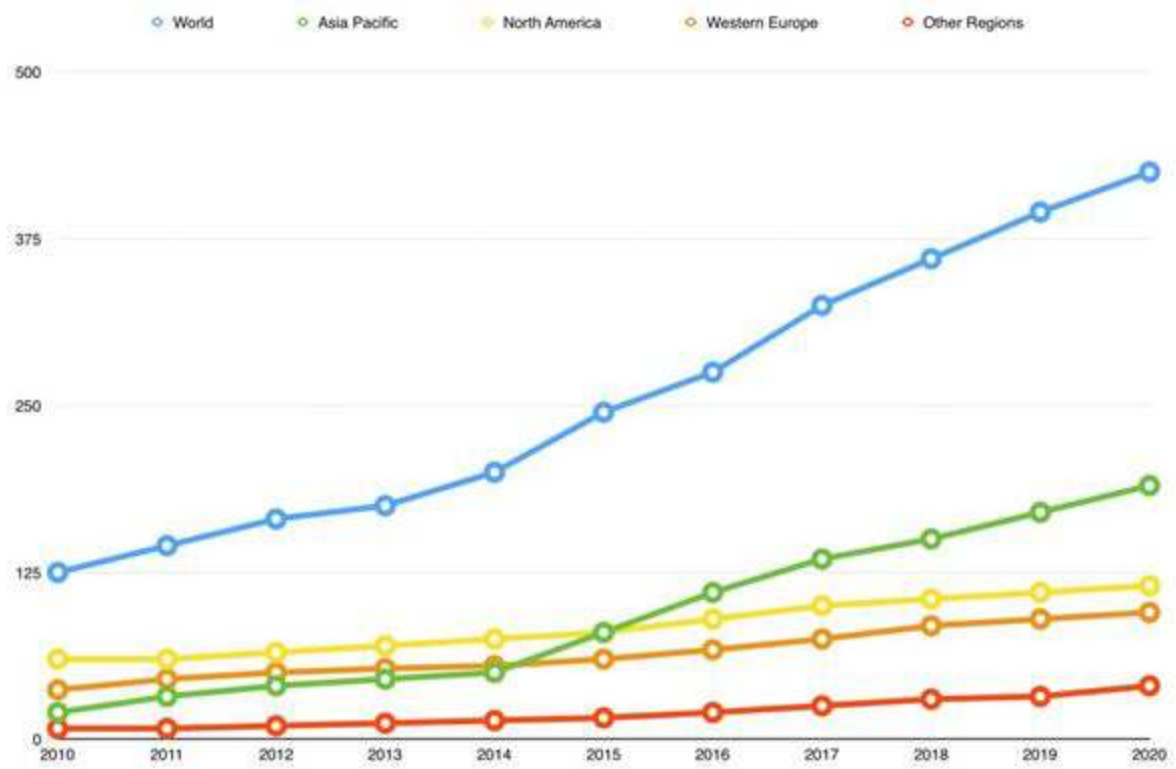
Each transaction between any two parties (consumer-service provider, consumer-local business, vendor-service provider) will be automatically verified by other parties on the platform and governed by smart contracts. All transactions will be executed using our cryptocurrency built on the Ethereum platform. This eliminates the OTA commissions and payment processing fees while significantly reducing the risk of fraudulent transactions on our platform.

THE ONLINE TRAVEL MARKET

The Online Travel Market, comprised of OTA bookings and Direct Bookings, which was $246 billion in 2015, is estimated to reach $1.1 trillion by 2022, which implies a compounded annual growth rate (CAGR) of 11.1% during the forecasted period 2016-2022. Online travel providers aim to ease travel planning and bookings for travelers. The online travel market is driven by quick and convenient flight and hotel bookings, rise in the consumer's trust in online payments and the end user's expectations to compare various available travel options.

According to *Euromonitor International's* travel research, global sales of Online Travel Agencies grew by 19% in 2015 to reach $246 billion or 53% of the Online Travel Market sales. This performance was driven by (i) OTA sales in the Asia Pacific region, which grew by 43% in 2015 to reach $79 billion, (ii) North America's OTA sales, at $83 billion (11% growth), and (iii) Western Europe, at $67 billion (9% growth). ***The OTA growth is expected to grow at 12% CAGR between 2015-2020 to reach sales of $434 billion with the Asia Pacific region expected to remain the main driver of this performance with a 20% CAGR over the same period.***

Figure 8: Worldwide Online Travel Marketplace (In USD billion)



The OTA competitive environment has seen the rise of dominant players such as Expedia, Priceline and increasingly Airbnb taking leadership away from Expedia's HomeAway pioneer in the short term rental marketplace, creating a three way race along with Priceline's Booking.com for market superiority. Of course, Google, given the push of airlines, hotels and car rental companies to increase their direct bookings, has a commanding position in the industry. These participants, as well as social media players such as Facebook, are the ones closer to consumers and are able to attract huge numbers of visitors to their sites, increasingly aiming to keep them until the completion of the booking and beyond, seeking to follow them at every step along the way throughout the entire travel experience.

While market leader Expedia's goal is to gain the brand loyalty of travel consumers, the long-term objective in the case of Google seems to be to disintermediate the travel industry to become the key generator of travel bookings. We believe that our effort to focus on direct bookings to the hotel sites with minimal transactions costs will be well received by hosts and hotels alike, and help them to counter the potential domination by the OTAs and the search giants.

MILLENNIAL TRAVEL BOOM

Armed with smartphones, wearables and social media profiles, the thirst by millennials to explore the world, experiencing the culture and interacting with locals on a person-to-person level is shaking up the travel industry. This segment, many of whom would be described as urban nomads, regardless of their nationality, seek authenticity in their travel experience unlike their older peer groups, especially baby boomers, who were the previous generation to disrupt the travel industry, as seen by the growth of chain hotels and themed destinations and resorts

in previous decades. Now, travelers, oftentimes millennials, as travel statistics reveal that 90% of this demographic book travel online, utilizing digital tools to compare options, can simply go on their mobile phone, search for what they like and connect directly with their peer located hundreds or even thousands of miles away, and make an instant reservation, with the OTAs earning commissions, along with everyone involved in this transaction, especially the merchant processor.

DivvyTravel will simplify their travel experience by increasing the transparency and lowering the cost of the reservation through the acceptance of digital coins. Furthermore, the *DIVVY* tokens will take away the frustrations with legacy conversion systems due to foreign currency.

Highly influenced by the recommendations of the peers as found on WeChat, Facebook, Instagram, SnapChat and other social networks, through the posting of images in their feeds, *DIvvyTravel* will provide a seamless destination at just a few touches on the privacy of their smartphones or wearable device (e.g., iWatch) to plan their next trip, regardless for work or play. In fact, *DivvyTravel* is a bet on the anticipated, explosive growth of peer-to-peer online travel and the increasing adoption rates of cryptocurrency, as *DivvyTravel's* tokens will be some of the first of these digital asset to enter into circulation. These trends, along with the increasing purchasing power of millennials around the world, will result in massive disruption for a marketplace—global travel—that currently represents 10% of world spending at $7.6 trillion.

MARGIN PRESSURE ON PARTICIPANTS

The fast growth in the Online Travel Agency industry was initially driven by conversion from offline to online bookings. The OTA industry growth is likely to be below the expectations seen previously. The conversion from offline to online booking is largely complete, and industry growth depends on slower organic growth of the whole travel industry as opposed to a shift within it. As travel service providers react to the slowdown in growth, the OTAs could face declining rates on transactions hurting profitability. Providers of travel services seek to cut out the intermediaries.

Revenue Streams for the OTAs falls into one of three categories:

(i) Agency revenues where the website is simply an intermediary that connects a traveler with a provider of travel services, but the website is not the merchant of record.

(ii) Merchant revenues where the website is the merchant of record, and costs associated with the transaction are borne by the website owner, such as credit card processing fees, costs associated with securing a package or deal and any other fees that might be associated with the transaction.

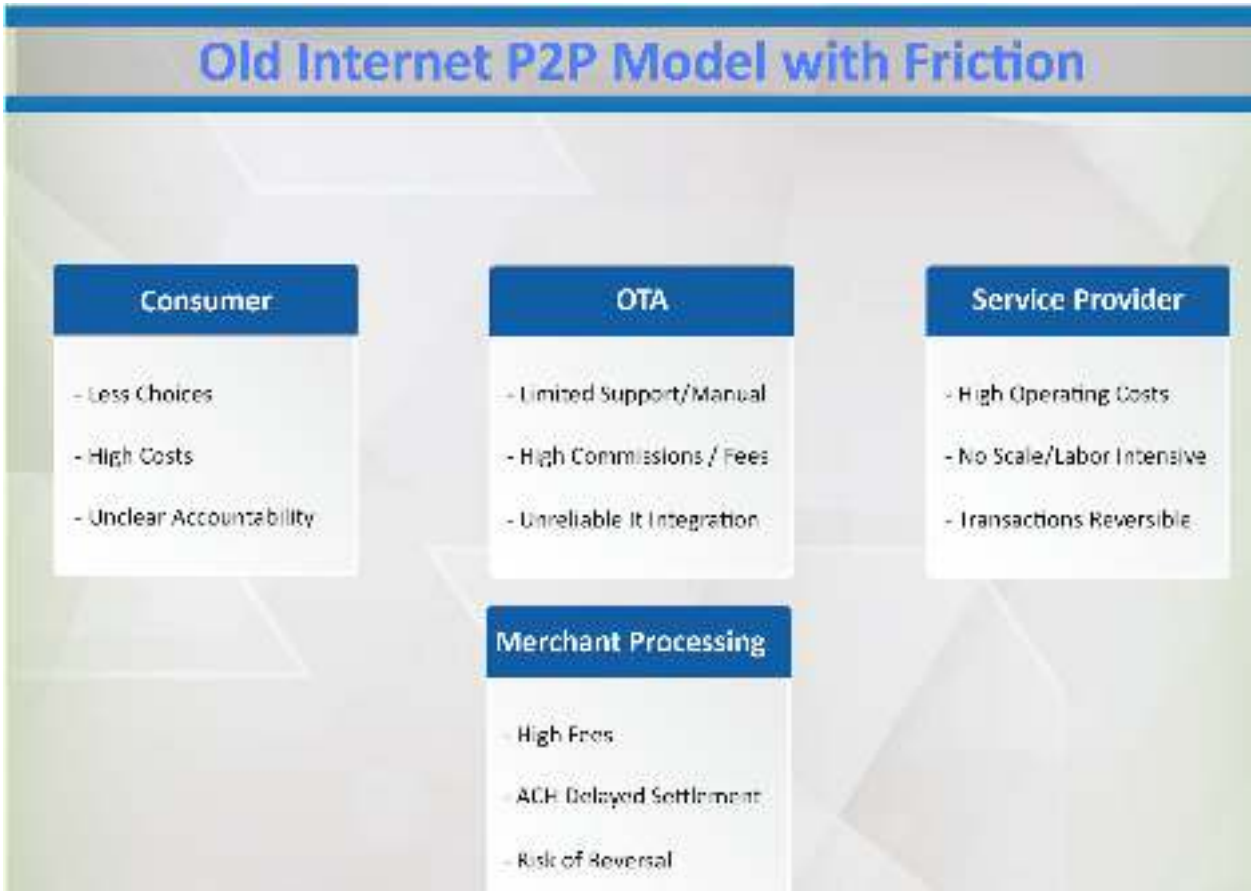
(iii) Advertising, which is the smallest source of revenues and does not have associated costs since, unlike Google, the ads are displayed on company-owned websites. Revenue growth in advertising has been strong year-over-year as the providers compete amongst each other to win market share.

The OTA industry is one of the intermediaries that is insulated from and tends to benefit from the intense competition among travel service providers.

In addition to the high commissions, the service providers also incur high operating expenses

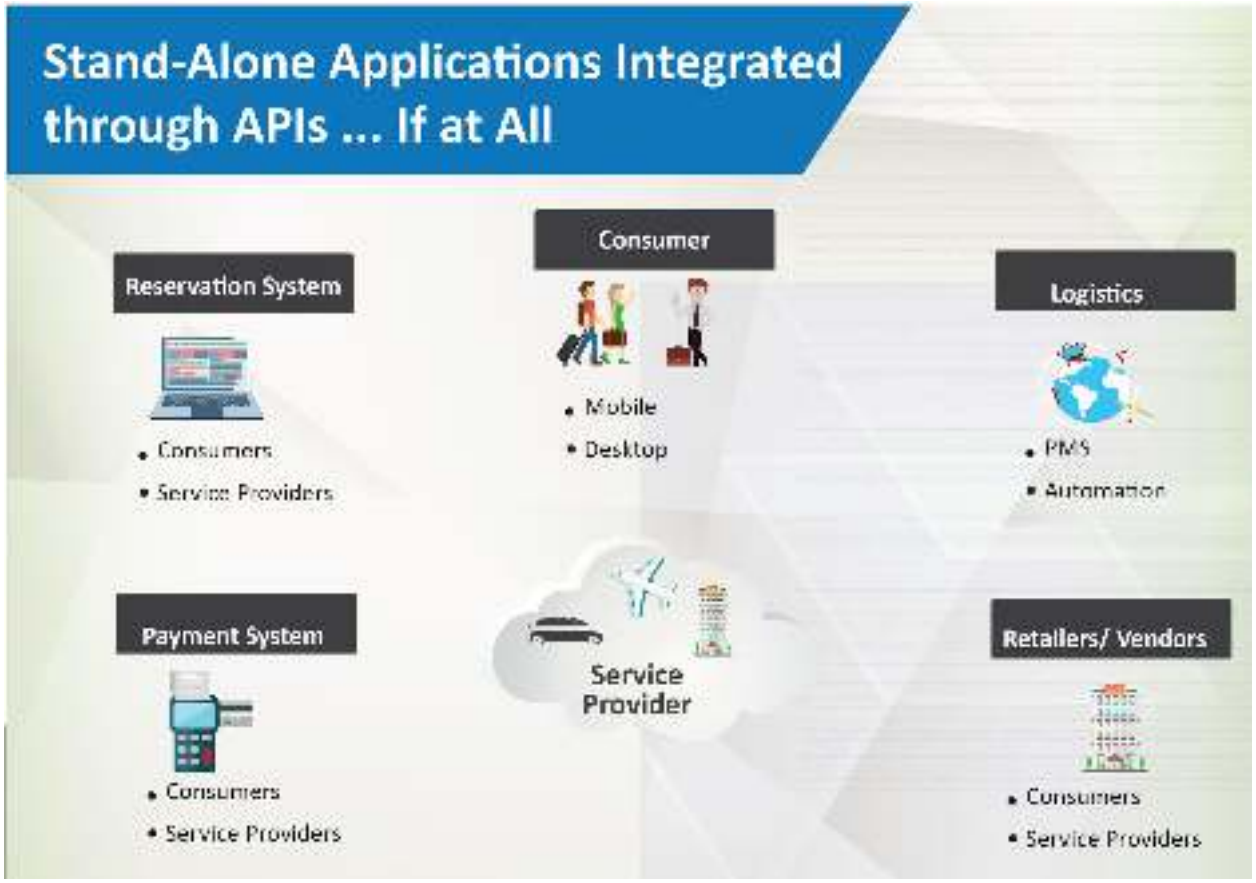
associated with managing the guests and operating their business, especially in an environment where all the various activities are not seamlessly integrated technology-wise. From an IT standpoint, the end-to-end customer process in most operations is a patchwork of different applications (OTA System, Host Booking/Reservation System, Payment Processing System, Manual Guest Management System) that must be integrated to form an end-to-end guest management process.

Figure 9: Friction Associated with Existing Technology



Unlike hotels that have a back-end infrastructure and a brand, the end-to-end customer process (booking to check-out) for small players is a hodge-podge of different applications/platforms, manual activities, high transactions costs (commissions and merchant fees) that make it expensive to run and difficult to scale. No current OTA system offers a seamlessly integrated solution.

Figure 10: Current Technology Characterized by Disparate Applications

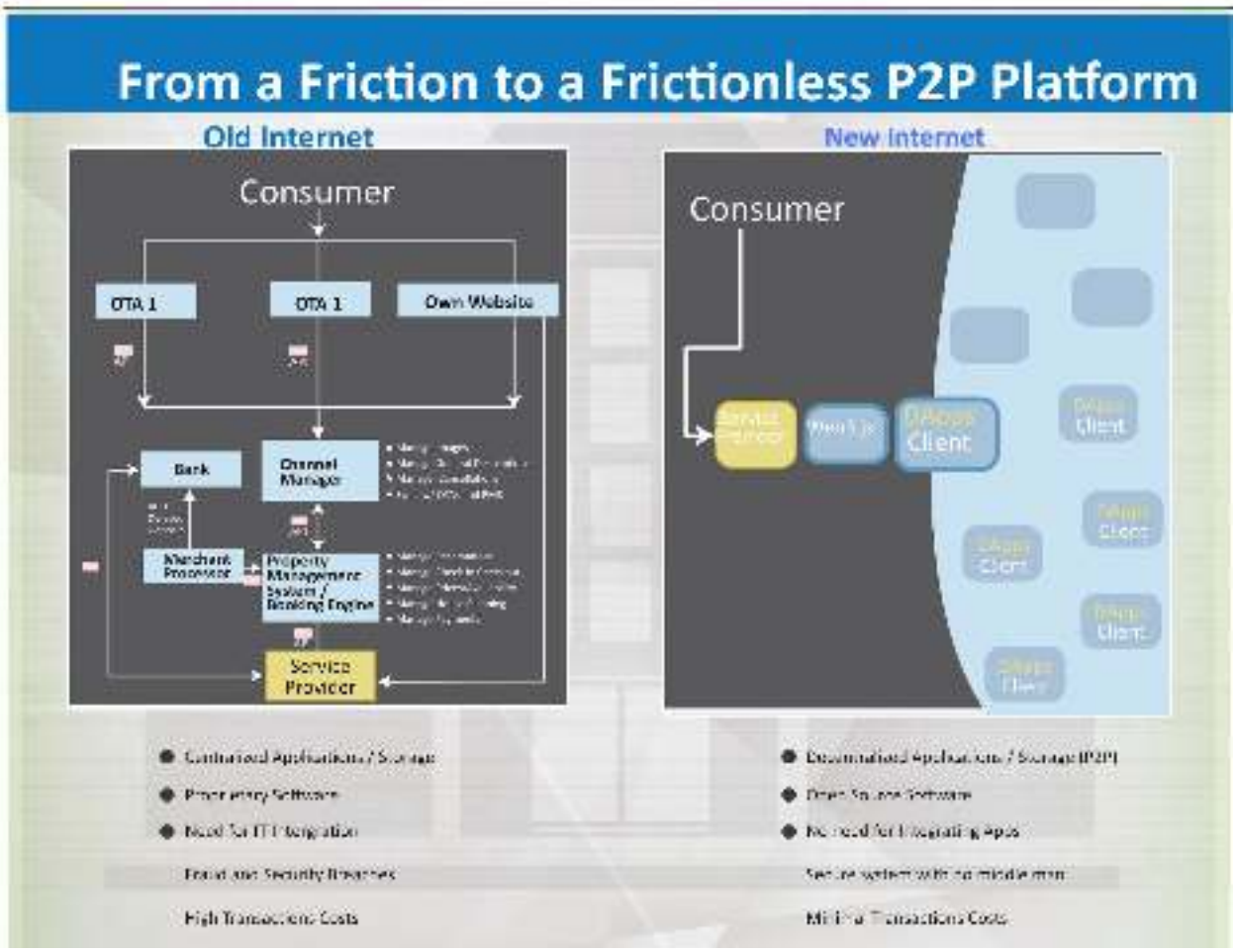


We believe that service providers operating under our platform will realize significant cost savings from a reduction in operating expenses by seamlessly integrating their operations under one platform and make it possible to scale their businesses with much lower marginal costs.

For example, a consumer can access our platform and be able to purchase an airline ticket, book a hotel room and make a reservation at a nearby restaurant or bar without high transaction costs, while saving time by not going to multiple different sites. The service providers, such as a hotel, as well as third party developers, can leverage the open-source nature of our code to build applications to run their business (logistics or otherwise) that are seamlessly integrated to our platform without the need for our API as is the case with current systems.

The result of this approach is a frictionless, peer-to-peer (P2P), “New Internet” system for travel.

Figure 11: The New Technology Removes Friction from the Existing Platform



Through *DivvyTravel's* decentralized platform, consumers will be able to search for their choice of service provider and book directly with that service provider without going through a intermediary. The consumer will be able to book and send payments directly to the service provider with the transaction cleared on the Ethereum blockchain without ever being processed by a bank or any third party institution. Smart contracts are used to write the business logic that will govern the transaction.

This decentralized model reduces transaction and other operating costs. These savings will be passed on to the consumer and service provider, adding value that competitors cannot provide. Existing centralized solutions place consumers at risk by using credit card payments through merchant processors and service providers at the risk of reversed transactions or unwarranted refunds/claims by consumers mediated by intermediaries that tend to be biased towards guests.

FUTURE VISION FOR TRAVEL

DivvyTravel aims to be a global platform or "ecosystem" for the hospitality and travel industry that will allow all participants (consumers, service providers, investors, local businesses, vendors) to transact without the friction characteristic of existing platforms, which tend to have high transactions costs and labor intensive processes, and to play an essential part in shaping the future of cryptocurrency and blockchain-based projects in the hospitality and travel industry.

This project will initially focus on matching consumers and service providers and allowing them to transact without an intermediary, but will expand to include all participants in the hospitality industry, including investors and local businesses patronized by guests, hotels and vendors.

While the travel industry is obviously enormous, with numerous sub sectors and segments, *DivvyTravel's* initial focus will be on the following markets:

(i) Consumers located in the Asia-Pacific region, most notably cities within China, Hong Kong, Taiwan, Japan, Korea, Singapore, the Philippines, Indonesia and Vietnam, given the high growth and the wider acceptance and use of cryptocurrencies in those markets.

(ii) Service providers in the US market, given our presence and the availability of service providers already willing to be part of our platform. In fact, we believe hotels will be receptive to our platform as leverage to the OTAs and metasearch engines, who currently exercise market power over them and charge high commissions.

(iii) Select merchants, such as restaurants, bars and local attractions, that are situated in close proximity and/or seek to be a member of the community in order to reach the *DivvyTravel* network of consumers and service providers. For example, a local, popular bartender could work with nearby hosts to promote drink specials with their guests, encouraging them to use the DIVVY coin, thereby driving traffic into the establishment, while providing real-time customer analytics on behavior and preferences. Presently, OTAs such as Airbnb are focused on a "Live There" strategy, but the company's existing infrastructure isn't built to measure these activities in any dynamic shape or form. Moreover, even when these capabilities are rolled out, the emphasis on fiat currency and third party payment processors makes the analysis of this data cumbersome and inexact at best despite the availability of a highly sophisticated location services infrastructure and advanced smartphones such as the iPhone X with facial recognition.

Ultimately, *DivvyTravel* will be a leading platform for all transactions in the hospitality and travel industry globally. Additionally, we expect a plethora of applications, such as new booking and reservation systems for businesses built on Ethereum, to connect with our platform, further automating their operations while easily integrating into our system. In short, *DivvyTravel* will bring together the best of wireless technology at the chip, device and carrier levels with dApps and smart contracts made available by third party developers. Of course, we expect network effects to benefit all participants as members join our community.

INTELLECTUAL CAPITAL

In rolling out its services, *DivvyTravel* will utilize a number of conventional mechanisms to protect its brand, infrastructure and business processes while still operating in the spirit of openness and transparency as envisioned by the decentralized web to foster continued innovation. Legal protection for the structural capital will be sought out, including processes, patents, trademarks, as well as *DivvyTravel's* image, organization, information system and proprietary elements of the software and databases interfacing with end users and the world computer, i.e., the Ethereum network.

The *DivvyBloc.io* and *DivvyTravel* web interfaces will be https with Google 2 Factor Authentication.

CURRENT TRACTION

- The project leader of *DivvyBloc* currently operates dozens and dozens of short-term rentals in major cities across the United States, with international expansion plans on the horizon, approaching 5,000 guest reservations since 2013.
- The project leader is contributing an existing booking and back-end logistics software platform to DivvyBloc (e.g. Valorwings.com) that completely automates operations for guests, hosts, merchants and suppliers for a streamlined, efficient hospitality experience.
- The *DivvyBloc* team is familiar with the main OTAs and has experienced firsthand their limitations.
- A system has been designed that solves all key problems.
- A prototype for beta testing is underway by the development team.

THE INITIAL COIN OFFER (ICO)

The *DIvvy Foundation* is raising funds for the support of *DivvyBloc* projects, initially *DivvyTravel,* and the *Divvy Payment Institution* (DPI), as well as the associated technologies. As such, the Divvy Foundation is issuing *Divvy Tokens* (DIVVY), through the smart contract system operated by *Ethereum*. Proceeds from the token sale will be retained by the *Divvy Foundation* until they're placed into service.

Divvy Foundation is a public registered body with legal obligations, subject to audits, which will ensure the transparency of operational activities and the secure custody of the funds.

Divvy Token symbol

Token Name: DIVVY Token — Divvy Profit Share Smart Contract
A Divvy Token represents the right to receive distributable profits of DivvyBloc projects, initially *DivvyTravel*. All tokens in aggregate will have the right to receive 20% of such profits. The Tokens will be assigned pro-rata to the funds provided to the Divvy Foundation during the ICO.

Payout Structure: According to the bylaws at the end of a financial year, 20% of the distributable profit of the *Divvy Payment Institution*, or *DPI*, including the *DIvvyTravel* Reservation System, will be transferred to the specific Ethereum (ETH) wallet. The ETH is then redistributed to all holders of Divvy tokens according to smart contract conditions (i.e. the stake of profit is received pro-rata to the share of tokens owned).

Token Supply: The total supply of tokens is not locked, as we'll need to be able to add tokens before the end of the sale and revoke unsold amounts.

Initial Rate: Price per token is locked at $10 USD per 1 DIVVY Token.

TOKEN DISTRIBUTION

Highlighted below is a breakdown of the token distribution for the DIVVY token. Bounties will be paid out after the crowdsale ends.

Token Distribution

- Distributed to users: 93%
- Founders: 5%
- Bounties: 2%

Token Bonuses

- Day 1: 25%
- Day 2-7: 20%
- 2nd Week: 15%
- 3rd Week: 10%
- 4th Week: 5%
- 5th Week: 0%

Bounties

- Facebook campaign: 10% of bounty pool
- Twitter campaign: 10% of bounty pool
- WeChat campaign: 10% of bounty pool
- DivvyBloc thread support: 10% of bounty pool
- Exclusive support: 60% of bounty pool

MILESTONE PLANS

The road to creating our community involves many different aspects, such as an Authorized Payment Institution licence, compliance, consortia and creativity.

Below you can see the milestone roadmap that covers the most significant levels of financial activity that we will be achieving with the ICO. Every step of the milestone is meant to be incremental to the preceding one and is implemented according to market response of the proposals.

ICO proceeds are intended to be spent mainly, but not exclusively on the acquisition of licences, building out the platform, intellectual property, hiring a team and marketing. It is going to be critical to ramp up very quickly to pre-empt any competition as we scale.

In the beta testing phase, the targeted region will be the Far East due to the wide use of cryptocurrencies in that market and the fast growth rate of the travel industry and hosts in the US. As part of this, a mobile dApp for the end-to-end hospitality experience, from check-in to check-out, with complete logistical support of the reservation will be included in this beta test period (e.g., housekeeping, laundry, concierge, supply replenishment, etc.).

Once the beta test is proven and the ICO is completed, the focus would be building the platform and signing up new community members and expanding geographically. Once a certain critical scale is reached, *DivvyTravel* will apply for an Authorized Payment Institution (API) licence and build out features making it possible to transact using fiat currencies on the customer facing front end, thereby enabling community members with the option to be paid in any currency, be it bitcoins or fiat currencies.

DIVVY PAYMENT INSTITUTION (DPI)

During the second phase, in order to achieve a robust *DivvyTravel* operations, a set of

conditions will be met, such as the establishment of the *Divvy Payment Institution* (DPI). Furthermore, licenses and mechanisms to comply with the law and financial regulations will also be closely adhered to, namely Know Your Customer (KYC), Anti Money Laundering (AML), Combating Financing of Terrorism (CFT) and similar provisions.

DivvyBloc will apply for a license for *DivvyTravel* as an Authorized Payment Institution (APl) so that it can accept funds from members of this new travel community as well as organize payment processes. It is estimated that the time required to acquire the license is will be three to nine months.

When this milestone is achieved, *DivvyTravel* will be considered a non-banking financial Institution (NBFI). The goal will not be to take deposits but facilitate the payment process using the DIVVY tokens. A community member will then be able to pay for travel services in any currency and receive funds in any currency with *DivvyTravel* fully able to handle all of the processing.

Once DPI is set up, the final stage will then be set to achieve a rapid global expansion and scale with particular emphasis on innovation realized through regional and annual developer conferences, as well as the support of a thriving online developer community.

PROJECT TEAM

Members of the team have expertise in multiple areas including launching technology start-ups and scaling businesses, along with sales and marketing, operations, software development and finance. The following provides a summary of the team and advisors.

Core Team

Drew W. | Project Lead

Drew is a Serial Entrepreneur skilled at starting and scaling disruptive technology companies involving the Internet. He has successfully operated short term rentals and hospitality logistics software companies. Previously, he was a founder of a fintech company and he co-founded, scaled and exited a provider of mobile software services for consumer and enterprise markets. Earlier in his career, he was an investment, merchant and commercial banker. He earned an MBA from the The Wharton School at the University of Pennsylvania and a BS in Finance from the College of Business at the University of Illinois at Urbana-Champaign.

Eeraj Q. | Technology Lead

Eeraj was a Vice President for Technology of a global financial institution in charge of technical program management, digital strategy and new platform development. He is skilled in product ideation, planning, estimation and delivery of large scale technology projects including workflow automation, systems integration, mobile strategy and analytics. Eeraj's expertise involves identifying use cases and the evangelization of pilots for next generation applications using AI (Microsoft LUIS and IBM Watson) and Predictive Analytics. His technical skills include

Solidity, SOA, Salesforce, Agile, MS Project, JIRA, Microsoft Team Foundation Server, Oracle, SQL Server, C#, ASP.NET. He is a PMP and Certified Scrum Master. Eeraj is a graduate of Z.H. College of Engineering & Technology - India, earning a Bachelor's in Chemical Engineering.

Zeljko D. l Back-end Development

Zeljko is experienced in building decentralized applications (dApps) and smart contracts. Software development and managing projects comes natural to Zeljko who has done so across a wide variety of business applications. He is particularly interested in mobile/web applications and agile development methodologies. He earned a BS in Information Systems from Belgrade University - FON.

Roman B. I Front-end Development

Roman is skilled and experienced in building and maintaining front-end functionality of all *DivvyBloc* projects, having developed hundreds of successful sites of various scope and complexity. His areas of expertise include PHP, HTML5, CSS3, JavaScript, JQuery, AngularJS, bootstrap, logo and UI/UX design. Roman is a graduate of Cherkasy State Technological University in computer engineering.

Amit G. | Business Development

Amit is responsible for expanding adoption and use of the *DivvyBloc* projects, starting with *DivvyTravel*. Previously, he was a business growth officer for YouthHack, a tech accelerator. Amit is presently working on his B.S. in Economics from The Wharton School and Bioengineering/Biomedical Engineering at the University of Pennsylvania.

Advisors

Mayur G. | Advisor

Mayur is the Global VP for Growth at a major Internet media company responsible for growing the free and subscribed user base through growth hacking and data-driven, always-on experiences, testing new growth strategies, business models and partnerships. He also sits on the Board of Directors for several companies, guiding the C-Suite in their respective digital transformation and growth journeys. Previously, he was the first ever Chief Marketing Technologist at a Fortune 500 consumer products company, responsible for the vision, strategy and development of all digital and eCommerce capabilities across all global, iconic brands. He graduated with a BA in English and Economics from Venkateswara College, Delhi University and an MS in Computer Science from the Institute of Management & Technology.

Olabunmi A. | Advisor

Olabunmi is an early supporter of DivvyBloc. She is a medical doctor and entrepreneur who has invested in a number of startups and businesses throughout her career. She earned a BS in Molecular & Cellular Biology from the University of Illinois at Urbana-Champaign. She

graduated from the University of Illinois at Chicago, earning her M.D.

Vinay R. | Advisor

Vinay has spent his entire career working in Silicon Valley. Presently, he is Risk Lead for a leading payments company. Previously, he was the Head of Trust & Safety for a major sharing economy startup with global operations. Prior to that, he was in quality control for a multibillion software company based in Menlo Park. Vinay earned a PhD and MS in Applied Mechanics from Stanford University. He graduated from Indian Institute of Technology, Bombay in Civil Engineering (B. Tech.).

Robert S. | Advisor

Currency markets and the drivers of it have been the focus of Robert's career, having worked in FX sales for major investment banks. His specialities include writing and researching macro market fundamentals, trading Foreign Exchange via spot, options, forwards or futures; trading factors that drive the FX market - bonds, equities, commodities via futures, management of sales and trading groups; building teams for sales and trading; and building new business units. He earned a BA in Political Philosophy from Yale University.

Johanna M. | Legal Advisor

Johanna is a licensed attorney, having practiced in the United Kingdom and the State of New York. She is experienced in advising, mentoring and representing tech startups. She is a graduate of the University of California, Los Angeles - School of Law.

LEGAL DISCLAIMER

The *DivvyBloc* team makes no guarantees regarding the legality of the platform or launch of the ICO campaign in any given jurisdiction. *DIVVY* tokens are not securities and do not hold any rights in the company. We must operate our business in accordance with the laws of relevant jurisdictions. As such, *DIVVY* tokens may not be immediately available in certain countries. We will keep *DIVVY* buyers informed of the status and progress of the *DIvvyTravel* project based on quarterly investment reports. All legal, financial and operational aspects of the *DIVVY* tokens, the ERC20 protocol and associated travel ecosystems will be coordinated by a central management team based in the United States. Please also review our Terms and Conditions before purchasing *DIVVY* tokens.

U.S. SECURITY REGULATION

The tokens have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to or for the benefit of US persons (as defined in Regulation S under the Securities Act) unless they are so registered, or an exemption from the registration requirements of the Securities Act is available. One such exemption allows the resale of tokens purchased for their own account and for investment purposes only by investors who (i) are not otherwise affiliated with the

Divvy Foundation, (ii) have been exposed for some time to the economic risks that ownership of tokens entails, and (iii) are not part of the distribution of the tokens.

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