

EQUI

POWERED BY
BLOCKCHAIN

THE NEXT
INVESTMENT FRONTIER

EQUI

WHITE PAPER

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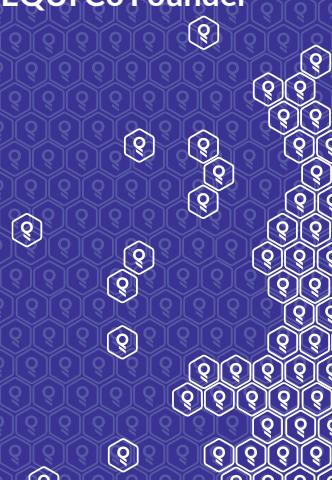
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**“EQUI IS A
DISRUPTOR TO
TRADITIONAL
VENTURE
CAPITAL
INVESTING”**

The Woz

**Steve Wozniak
EQUI Co Founder**



WELCOME

Steve Wozniak, Co-Founder of Apple Computer, Inc.

When I was asked to get seriously involved in EQUI with Doug Barrowman and Lady Michelle Mone, I asked myself, could EQUI make a difference to an industry in a way that I experienced in my younger days as the Co-founder of Apple Computer, Inc.

That's a big ask and to date I have deliberately not gotten directly involved in the crypto space, despite being the keynote speaker at numerous blockchain conferences around the world. The more I got to know the EQUI team and their model, I came to realise that EQUI is a disruptor to traditional venture capital investing.

It makes total sense from my perspective to tokenise a venture capital fund and allow investors to trade their tokens on a crypto exchange, rather than be locked into an investment for 5 to 7 years, as can happen in conventional venture capital funds. I liked the idea of wider investor participation that EQUI offers, giving people the opportunity to back the next hot investment opportunity that most get to hear about in the media after the event. It's a chance to be in at the ground level of a powerful new investment movement.

As a committed philanthropist myself, I like the idea of charitable giving that EQUI builds into its return models. That strikes a common chord with me, where capitalism and philanthropy both have a role to play in business.

EQUI gives me an opportunity to work alongside fellow entrepreneurs with a proven track record in this space. I too share their enthusiasm and belief that Blockchain technology is revolutionising the world, both in business and how we interact with each other.

I am looking forward to my EQUI journey and to making a difference to this traditional sector that needs shaking up a bit, Apple style.


**The Woz
EQUI Co Founder**





OUR VISION

ONCE IN A GENERATION, A NEW WAY OF THINKING DISRUPTS THE WORKINGS OF AN ESTABLISHED INDUSTRY

EQUI is that disruptor in venture capital investing.

EQUI is positioned to sit comfortably between the old world of conventional investing and the blockchain world, making it a new frontier for investment.

By launching EQUI, our aim is to open up the space to both crypto and conventional investors, and allow wider participation in an industry that traditionally has been the preserve of large institutions and Ultra High-Net-Worth Individuals.

The EQUI Fund is an open-ended and tokenised Fund with two main components:



1 A traditional investment Fund, where investors have direct ownership units in the Fund, called **EquiUnits**; and



2 The opportunity for constant liquidity through a tokenised unit, called an **EquiToken**.

The tokenized nature of the Fund allows investor liquidity to take place through the trading of the EquiToken. The Token can be traded on external exchanges and the price of the Token should be underpinned by the underlying value of the investments that we make.

In time, we believe the EquiToken will be seen as a currency of safety, particularly in times of high volatility in crypto markets.

EQUI is backed by a board of successful and visionary entrepreneurs. We are grateful to Woz for placing his faith in the team and the concept. EQUI harnesses our vast global network to identify exciting new ventures that have the capability themselves to be game changers in the business and technological space in which they operate.

Our established and proven EQUI team will invest primarily in the technology sector with an emphasis on companies that can make significant technological advances and demonstrate a scalable market opportunity. Blockchain technology itself is an area of strong investment interest for the Fund along with more conventional tech and biotech opportunities.

The EQUI Founders and Team will provide ongoing mentorship, resources and strategic advice to enable ambitious companies to grow and succeed. This approach will help transform great ideas into reality with the potential to generate outstanding investment returns.

We believe the EQUI model is set to be a game changer in the world of venture capital.

,

Doug Barrowman
EQUI Founder

Lady Michelle Mone
EQUI Co Founder

1 EXECUTIVE SUMMARY

EQUI is a technology focused venture capital Fund which combines the conventional principles of investing with a crypto back end that allows value to be realised and then traded in the open market through the EquiToken.

EQUI opens up the world of venture capital investing to a wider audience, both crypto and conventional investors.

The EQUI Fund is both an open-ended Fund and liquid, allowing investors the opportunity to sell their EquiTokens on external crypto exchanges at a time of their choosing.

The Fund will issue EquiUnits and accepts subscriptions in both fiat and selected cryptocurrencies. If an investor subsequently wishes to realise their investment, the EquiUnits will be exchanged for blockchained EquiTokens.

At launch, 1 EquiUnit will cost US\$1. Subsequent Issues of the EquiUnits will be at a price which reflects the externally traded price of the EquiToken.

At all times, 1 EquiUnit will be exchangeable for 1 EquiToken. On conversion to an EquiToken, the former EquiUnit is burnt and ceases to exist.

The EquiToken is an ERC20 token built on the Ethereum network and is expected to be freely traded on exchanges that list the token.

In order to invest in the Fund, investors must become an Accredited Investor. To gain Accreditation, investors must self-certify that they are a Sophisticated Investor and pass KYC and AML checks. In this way, EQUI operates as an effective Private Investors Club, whilst being regulated as a Fund.

Accredited Investors will be entitled to participate in an EQUI benefits and rewards programme.

The EQUI Fund operates on an 80/20 split of profits on realised investments, with 20% going to the EQUI Fund Managers and the balance reinvested back into the Fund for the benefit of investors. The externally traded price of EquiTokens should reflect the underlying value of the Fund including any realisations that are made. Prior to the 80/20 split being made, 3% of profits realised are deducted for charitable giving.

EQUI is primarily a technology investing Fund with most investments being made in high-tech, fintech, cryptocurrencies, blockchain and biotech. Investments will range from Seed Capital through to Pre IPO Funding. Up to 20% of investments will be made in non-tech proposals (such as real estate and luxury assets), but only where opportunistic deals can be done at significant undervalue and with well-controlled risks. This should provide frequent liquidity events and help to diversify the EQUI portfolio.

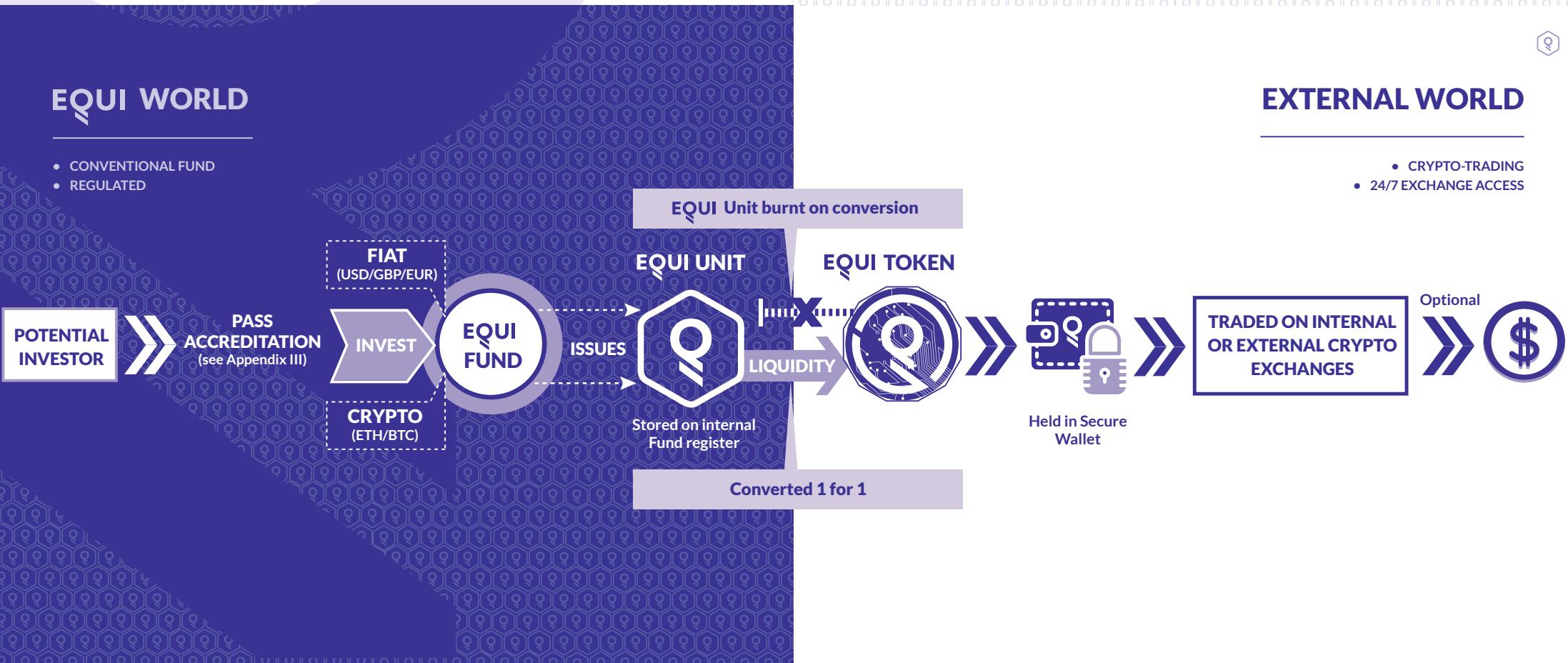
Once an investment is made, the experienced EQUI team will proactively work with investee companies to ensure that the best outcomes are achieved for investors, and the entrepreneurs that the Fund backs.

2 THE EQUI MODEL: A GAME CHANGER

EQUI is an open-ended Venture Capital Fund with a tokenised back end that allows liquidity events to occur through the trading of its crypto token, the EquiToken.

EQUI WORLD

- CONVENTIONAL FUND
- REGULATED



1 ULTIMATE FLEXIBILITY & LIQUIDITY OF INVESTMENT

Firstly, the EquiToken provides investors with the opportunity to exit from their investment at any point in time to suit their timescales and return preferences. By having the EquiToken listed on crypto exchanges, it means there is a large market of purchasers for the Token, ensuring its liquidity.

These crypto exchanges are running 24-7 and transactions are almost instantaneous, giving investors the ultimate flexibility on when to exit their investment. This trading process is external to the Fund, reducing the administrative burden and allowing the EQUI Investment Team to focus on its primary purpose of investing.

2 AN OPEN-ENDED FUND DESIGNED TO RUN IN PERPETUITY

The second major advantage that EQUI confers is that the Fund is open-ended and is intended to run in perpetuity. This allows the Fund to exit its investments at the optimal time, when either the market is strong and/or the investee company has reached the point in its lifecycle that offers optimal returns. Venture Capital Funds that have a set lifespan often have to sell their investments down at a sub-optimal value when a particular Fund is coming to the end of its term.

3 A POTENTIAL CRYPTOCURRENCY OF SAFETY

Thirdly, the cryptocurrency trading market is considered volatile, partly because the value of various cryptocurrencies are based on market sentiment and not on any underlying assets. As the pricing of EquiTokens should reflect the value of the Fund NAV, they have the potential to become a cryptocurrency of safety during periods of high volatility in crypto markets.

EQUI will accept both fiat and selected cryptocurrencies into the Fund and is designed to appeal to both conventional and crypto investors.

The aim is to create wider investor participation in the EQUI Fund and to enable Institutions and individuals alike to get involved. Providing prospective investors are able to pass the entry level requirements of the Accreditation process to become an Accredited Investor, they are eligible to buy into the Fund. Appendix III details the Accreditation process.

3 THE FUND

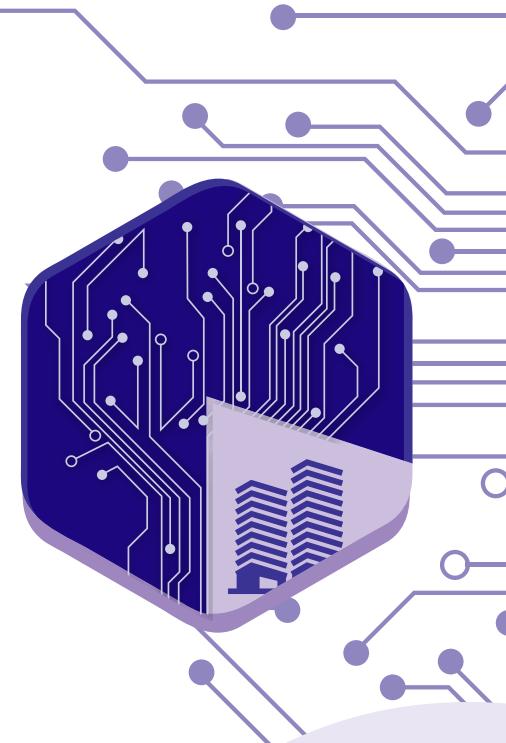
3.1 Investment focus of EQUI

The EQUI Fund is primarily a technology Fund covering all areas of innovative technology, services, applications and products in new, emerging and established tech sectors. Examples of such sectors are high-tech (e.g. software, hardware and engineering), fintech, cryptocurrencies, blockchain and biotech. The Fund will also look at backing technology-enabled transformative ideas in more traditional sectors. The time-to-maturity will range from the short-term (less than 1 year) to several years (typically 3 to 5 years), depending on the expected risk and reward profile of each opportunity.

It is expected that the majority of investments will be made into the opportunities described above. However the Fund's mandate will also allow investment in non-tech sectors, up to a maximum of 20% of the Fund value at any time. This allows advantage to be taken of highly interesting proposals that can provide significant returns, typically within a 12 month timescale. Examples of non-tech investing include short-term real estate opportunities and luxury assets such as art and other investment collectibles. This allocation into non-tech investments is designed to permit diversification within the Fund away from non-asset backed opportunities and to provide shorter term liquidity events.

3.1.1 Tech Investing (Primary Focus)

The aim is to build a balanced portfolio of tech opportunities ranging from early stage through to pre IPO opportunities. The decision has been taken not to concentrate purely on blockchain-enabled proposals, since many of the ventures in this sector still remain unproven with too much hope value attached. Whilst it is essential to back blockchain as a technology, lucrative returns can also be made in the more traditional tech and biotech areas. The key is to have a balanced portfolio with no Fund over exposure to any one investment or sector.



3.1.2 Non-tech Investing (Secondary Focus)

While it is not possible to list all eventualities, the following two categories are areas where the team has considerable experience:

- **Real Estate:** No speculative developments will be undertaken and the focus on investment here will be to acquire distress assets at undervalue, which can then be traded on relatively quickly to generate Fund returns. In addition, bridging finance will be considered on real estate projects, but only where premium returns can be generated on a fully-secured basis.
- **Luxury Assets:** The Fund is prepared to acquire luxury collectibles such as art and cars at significant undervalue, where these assets can be traded on at auction. Alternatively, it might lend against secured assets on a short term basis for typically 3 to 6 months in return for a premium monthly interest rate. In the event that loans are not repaid within agreed timescales, the Fund will exercise its security and ownership of the asset will revert to the Fund for subsequent sale. It is expected that advances of up to 50% of net realisable value will be made against luxury asset classes.

In summary, the primary focus of investing and predicted main driver of enhanced Fund value will be tech investing. This suits the entrepreneurial profiles of the Founders and the EQUI Investment Management team. However, the non-tech side of the Fund should provide more frequent liquidity events and generate ongoing interest in the external EquiToken market.

3.2 Returns Profile

3.2.1 Tech Investing (Primary Focus)

Fund returns will be dependent on both the risk profile of each investment made and also on the stage of development of the investment. The Fund will seek to back technology ventures that have exceptional growth potential and where substantial returns can be achieved.

Overall, we seek to achieve returns of 5 to 10 times investment cost ("ROI"). Moreover, the earlier the stage, the higher the return expected and required; for example:



SEED-STAGE INVESTMENT

ROI can be up to
15 X
funds invested



SERIES A-ROUND (early-stage)

ROI can be up to
8 X
funds invested



SERIES B-ROUND (later stage)

ROI can be up to
4 X
funds invested



PRE IPO STAGE

ROI can be up to
2.5 X
funds invested

While no returns can be guaranteed, these are typical industry bench-marks that the Investment Manager and the Fund will consider when sourcing and assessing investment proposals.

Nevertheless, tech investing is a high risk business, and a prudent manager will make some allowance for failures within the total portfolio. Allowing for failures within the portfolio, the Fund will use as its minimum return target a five-year internal rate of return (IRR) of 30%. By allocating a portion of the tech investment strategy into blockchain projects, this is designed to boost the return profile. While actual returns could be lower, returns higher than this are also achievable in a diversified pool of investments in this sector.

3.2.2 Non-tech Investing (Secondary Focus)

For both Real Estate and Luxury Assets the intention is to generate minimum returns of 20% on a project by project basis, with the aim of achieving a blended annualised return of 25 to 30% across all the transactions undertaken. Non-tech investing is expected to be low risk for the Fund given the asset-backing and secured nature of the investments planned.



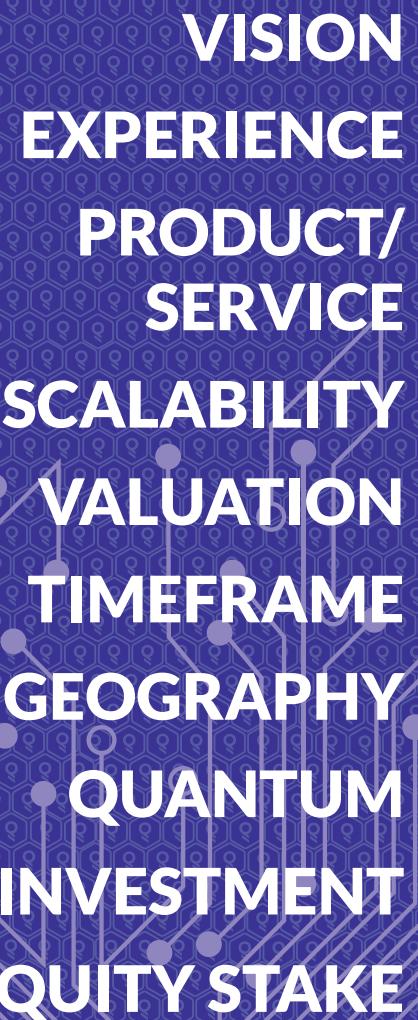
3.3 Investment Criteria

Technology Investments

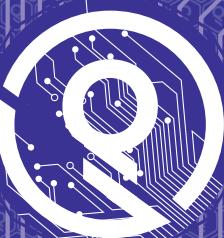
The core EQUI investment model will be to take equity and/or loan positions in innovative businesses that can demonstrate vision and scalability. These businesses may require not only capital but also expertise to ensure that outcomes are maximised. The EQUI Investment Management team is well placed to provide this expertise.

The following general criteria will guide the investment selection process:

- **Vision:** A clearly defined business model with revenue generation in mind
- **Experience:** A strong, comprehensive, dedicated management team with sector relevant experience already in place
- **Product/Service:** Minimum viable product/service offering in place now or at point-of-launch
- **Scalability:** A scalable business model, preferably global
- **Valuation:** A quantifiable business valuation from the outset
- **Investment Exit Timeframe:** Typically 3 to 5 years (depending on value-optimisation)
- **Stage of Investment:** Seed through to pre IPO funding
- **Geography:** Worldwide scope
- **Quantum:** In Year 1, EQUI will invest up to a maximum of \$5m in any one single investee company. From Year 2 onwards, a maximum of up to 5% of Fund value can be allocated to any single investment, including follow on rounds
- **Co-investment:** The Fund will consider co-investing with single-parties or syndicates of other investors and/or funds
- **Minimum equity stake/control required:** The Fund will be flexible, dependent on risk, stage, amount required and valuation



VISION
EXPERIENCE
PRODUCT/
SERVICE
SCALABILITY
VALUATION
TIMEFRAME
GEOGRAPHY
QUANTUM
CO-INVESTMENT
EQUITY STAKE



EQUI WILL TAKE AN ACTIVE APPROACH: PROVIDING MENTORING, ADVICE AND SUPPORT FOR EVERY INVESTEE COMPANY

3.4 Project Investment Process

The expected EQUI lifecycle of a Fund investment will typically be 3 to 5 years. The process starts with Deal Origination and works its way through to an exit within future anticipated timescales.

Taking each of the steps in turn:

Deal Origination

The Founders and our experienced management team have unprecedented access to an extensive pipeline of investment opportunities across all the Fund's preferred investment sectors. This recurring deal flow will be a real strength of EQUI going forward.

Evaluation

All proposed investments have to meet the Fund's general selection criteria outlined in section 3.3. Several meetings will have taken place with members of the EQUI Investment Management team. Prior to credit approval by the Investment Committee and approval of the investment by the Fund board, an investment paper will have been written and circulated. Final sign-off will also be required by at least one of the Founders prior to final Fund board approval. Once approved, a conditional offer letter will be prepared. That letter will be subject to completing satisfactory Due Diligence and Legal Documentation.

Due Diligence

The extent of Due Diligence undertaken will depend on the individual circumstances of the deal and the perceived risk profile. In all situations, detailed financial, commercial and legal Due Diligence will be undertaken prior to completion. Only when all Due Diligence requirements have been fully satisfied will a binding investment undertaking be pursued.

Transaction Management

All stages through the investment process up to and including completion are managed by the EQUI Investment Management team. Prior to completion, the Investment Manager will confirm to the Investment Committee and the board that all conditions have been satisfied. Once final board sign off has been given, the investment can be made.

Ongoing Monitoring and Support

Post investment, EQUI will take an active approach to its portfolio companies. The Fund will assign an advisor to be responsible for and adopt a proactive role with every investee company. Access to the Investment Management team and Founders will be made available where needed. The aim is for EQUI to provide mentoring, advice and support for every investee company.

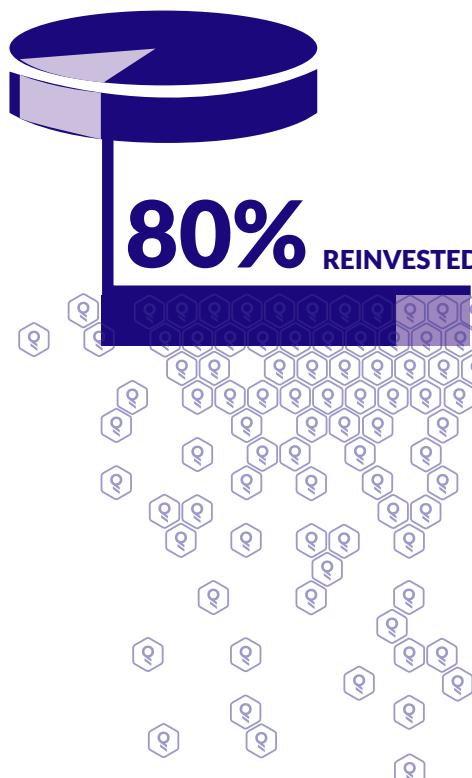
Exit

Typically exits will be sought within a 3 to 5 year timeframe. The EQUI team will work with management to ensure that market conditions are favourable and that the investee company itself is best placed in terms of its development to achieve an optimum outcome.

THE AIM OF THE FUND IS TO CONTINUE IN PERPETUITY

3.5 Allocation of Realised Profits

For every investment in the Fund realised at a profit the returns are split 80% to the Fund and 20% to the Investment Managers. The 80% profit share will be re-invested in new approved investments. The aim is to compound the growth in the Fund's NAV by constantly re-investing investors' profits.



3.6 Capital Growth and Distribution Policies

EQUI is an open-ended Fund that will continue in perpetuity. It can continue to raise new Fund Capital on a continual basis from the selling of more EquiUnits to Investors. Providing the price of new EquiUnits sold equals at least the underlying NAV of the Fund, previous investors are never diluted. The price set for new EquiUnits will be the greater of the underlying NAV value or the publically traded price of the EquiToken on crypto exchanges.

The second way in which the Fund will receive new capital is from the gains realised on investments. Gains are split on an 80/20 basis in favour of Fund investors. The EQUI Fund Managers receive the balance of 20%. Therefore 80% of gains will be reinvested back into the Fund for future investment. It is not the policy of EQUI to distribute those gains to individual investors, since we anticipate that market forces will capture the increase in value of the Fund through an increase in the externally traded price of the Token.

The Fund is unlikely to make exceptional distributions of Capital to the investor base, since the tradability of the EquiToken provides constant liquidity for the investor at the externally traded market value.

In the exceptional circumstance of the Fund choosing to wind itself down, the Fund assets would be disposed of in an orderly manner over a timescale designed to maximise the realisation proceeds. This is an advantage over traditional fund models with fixed-terms, where they are often forced to sell their remaining assets within fixed time constraints at an under-value.

On a final distribution, a profit distribution pool would be created and payments from it made initially to EquiUnit holders. The amount distributed to EquiUnit holders would be restricted to the proportion of EquiUnits still in existence relative to the combined total of EquiUnits and EquiTokens in issue at that time. EquiUnit holders would be paid a premium of 25% on final distribution over EquiToken holders. The amount of the distribution pool not paid out to EquiUnit holders would be retained by the Fund and ring-fenced such that it can be used to buy up the EquiTokens traded externally in the market.



SUCCESSFUL AND VISIONARY FOUNDERS, ADVISORS AND MANAGEMENT

4 EQUI TEAM

EQUI is backed by a Group of visionary Founders with an outstanding track record of success in both investing and building successful businesses.

The entrepreneurial culture of EQUI, supported by its highly experienced Advisory Board and Management Team, set EQUI apart from most conventional Venture Funds.





Co-Founder of Apple Computer, Inc.

Designed the first personal computer

Winner, National Medal of Technology

Winner, Heinz Award for Technology, The Economy and Employment

Founder, The Electronic Frontier Foundation

Winner, Hoover Medal

Founder, Woz U

Co-founder, EQUI.

4.1 Founders

STEVE WOZNIAK

A Silicon Valley icon and philanthropist for more than thirty years, Steve Wozniak has helped shape the computing industry with his design of Apple's first line of products, the Apple I and Apple II. He also influenced the popular MacIntosh. In 1976, Wozniak and Steve Jobs founded Apple Computer Inc, with Wozniak's Apple I personal computer. The following year, he introduced his Apple II personal computer, featuring a central processing unit, a keyboard, color graphics, and a floppy disk drive. The Apple II was integral in launching the personal computer industry.

In 1981, he went back to UC Berkeley and finished his degree in electrical engineering/computer science. For his achievements at Apple, Wozniak was awarded the National Medal of Technology by the President of the United States in 1985, the highest honor bestowed on America's leading innovators.

In 2000, he was inducted into the Inventors Hall of Fame and was awarded the prestigious Heinz Award for Technology, The Economy and Employment for single handedly designing the first personal computer and for then redirecting his lifelong passion for mathematics and electronics towards lighting the fires of excitement for education in grade school students and their teachers.

Through the years Woz has been involved in numerous business ventures and his advice is greatly sought after by some of the largest corporations in the world.

Woz is also a serial philanthropist, having given his time and resources to numerous educational projects designed to further computer knowledge in schools. In 2014 he was awarded the Hoover Medal, a prestigious honor given for 'outstanding extra-career services given by engineers to humanity' and was inducted into the Industry Week Manufacturing Hall of Fame.

Woz has had a strong interest in blockchain and crypto technology from the beginnings of the industry. He regularly speaks at Blockchain Events and Conferences around the Globe as a keynote speaker on the technology and its uses.

He is passionate about EQUI and its ability to disrupt conventional Venture capital thinking. Going forward, Woz will provide EQUI with his technical knowledge and lifelong experiences in tech investing. He will also make introductions to EQUI of the projects that he regularly receives.



» **Founder, Aston Ventures**
Private Equity, Property & Wealth Management expert
Founder, Knox Group
Founder, The Barrowman Foundation
Founder, EQUI.

DOUG BARROWMAN

Doug is an experienced and successful businessman who has spent his entire career investing in and operating businesses. A Scot by origin, Doug graduated in business studies from Glasgow University in 1985. He went on to qualify as a Chartered Accountant with Deloitte Haskins and Sells in 1988.

Age 22, his first venture was to open 3 paintball sites in Scotland. Awards followed, and his success resulted in the international private equity group 3i recruiting him to their investment team in 1989. In 1992 he decided to branch out on his own again, setting up and developing a successful corporate finance practice which he exited in 1999 to concentrate on his private investment vehicle, Aston Ventures.

Over the next 10 years, Aston Ventures made 13 acquisitions of old economy businesses with a total turnover in excess of £400 million. In recent years Aston has focused on technology investments and property investments. Since 2008, Doug has built the Knox Group of Companies and, as Founder and Chairman, he oversees a diverse and successful collection of companies whose business activities include private equity, property and wealth management. Knox employs over 350 staff across a number of international locations and has funds under management and administration approaching £3 billion.

As a self-made individual, Doug is a keen philanthropist and, through The Barrowman Foundation, actively supports education and opportunity for young people. Recent projects include building multiple schools in Africa as well as a new Prince's Trust Centre in the UK.

EQUI is the brainchild of Doug and embraces his belief in what blockchain technology and cryptocurrencies can achieve. In 2017, Doug successfully launched the first large scale property development to be available for sale in Bitcoin. EQUI is another first; offering investment opportunities, backed by leading entrepreneurs to the crypto community.



Start-Up Business Tsar to UK Government

Founder, Ultimo Brands International

Winner, World Young Business Achiever

Winner, Corporate Elite Business Woman of the Year

Awarded OBE for outstanding contribution to business

Awarded Life Peerage to the House of Lords, UK Government

Co-Founder, EQUI.

BARONESS MICHELLE MONE OF MAYFAIR, OBE

Baroness Michelle Mone OBE is one of the most sought after inspirational entrepreneurs of our time. Recently voted the UK's Number 1 Female Speaker, she is renowned as a successful entrepreneur and advocate for equality for women in business.

Founder of Ultimo Brands International (UBI), the UK's leading lingerie brand for two decades, Michelle received an OBE from Her Majesty, Queen Elizabeth II, in 2010 for outstanding contribution to business; further honoured in 2015, with a Life Peerage to the House of Lords by the UK's Prime Minister following her successful appointment as the UK Government's Start-Up Business Tsar.

Michelle came from an underprivileged background to found and manage a lingerie empire that spanned the globe, winning the coveted title of World Young Business Achiever at the Epcot Centre in Florida in 2000. In the same year she also scooped the Business Woman of the Year Award at the Corporate Elite Awards in London, and soon after HRH Prince Charles invited her to join the board of Directors for The Prince's Trust, a charity she worked closely with for the next 12 years.

In 2014, Lady Mone decided the time was right to sell Ultimo and concentrate on other business interests as wide ranging as interiors, technology, property and more. A successful designer, Michelle also turned her talents to jewellery, and *Michelle Mone for Diamonique* is now the best-selling designer jewellery collection on QVC.

Michelle has inspired, coached and mentored audiences and individuals in over 50 countries over the last two decades; sharing the stage as a key note speaker with former U.S. President Bill Clinton and Mikhail Gorbachev.

Over the past few years she has invested in technology businesses and pursued interests in the cryptocurrency market. In late 2017 she was pivotal in the launch of a \$250 million development of two residential towers and a retail complex in Dubai to the cryptocurrency community with her partner Doug Barrowman.

4.2 Investment Team

**Tim Eve****INVESTMENT DIRECTOR**

Tim qualified as a Chartered Accountant in 1996. His early career focused on advising owner managed businesses, and he successfully led a number of high profile acquisitions and disposals. In 2001, Tim joined the venture capital company Aston Ventures as a Partner. Over the intervening years Tim has been heavily involved in sourcing, completing and managing investment opportunities.

**Paul Ruocco****INVESTMENT DIRECTOR**

Paul is a graduate and fellow of the Institute of Chartered Accountants. He was a founding partner of Aston Ventures and has over 30 years' experience in corporate finance and private equity. As well as having made multiple acquisitions with Aston Ventures, Paul advises and mentors several businesses across a range of areas from strategic planning to change management. Paul continues to work closely with the wider Knox Group. His experience and skills will be invaluable to EQUI going forward.

**David Powell****INVESTMENT DIRECTOR**

David qualified as a Chartered Accountant with Ernst & Young in 1993. Prior to holding directorships within Aston Ventures investee companies from 2006, David held a number of senior finance positions with public multinationals and private equity owned companies. He has over twenty years' experience as a Finance Director, during which time he has managed investor, banking and advisor relationships. David has been involved in multiple investment opportunities whilst at Aston and in industry. He currently holds the Group Chief Financial Officer position at Knox and will also oversee the finance function of EQUI.



Ed Ogden

INVESTMENT DIRECTOR

A Chartered Banker and a former Area Director with HSBC, Ed has over 30 years of experience in all aspects of corporate finance and banking. He is currently Managing Director of Knox Capital Solutions, which is part of the Knox Group. As a debt specialist, Ed will structure the debt side of any investment opportunity presented to EQUI across corporate, real estate, and luxury asset sectors.



Andrew Barrowman

INVESTMENT MANAGER

Andrew qualified as a Chartered Accountant with PwC. His experience gained whilst at PwC involved working with clients in the banking and finance sectors. He previously completed a Masters in Chemistry at Oxford University. Andrew joined Knox Group in 2017 and was based in Dubai for 12 months, where he acted as Finance Director on the prestigious Aston Plaza and Residences Development Project. This was the first real estate development in the world to offer purchases in Bitcoin. Going forward, Andrew will perform the role of Investment Manager and Analyst at EQUI. His science and accounting background will add a valuable resource to the team.



Sarah Williams

INVESTMENT MANAGER (PROPERTY)

A Chartered Surveyor by training, Sarah has over 11 years of experience in the Commercial Property market, specialising in office, retail, industrial, and mixed-use property assets. Sarah currently manages the Aston Property Ventures Commercial Property Portfolio as part of the Knox Group. Prior to her current role, Sarah has held management roles on behalf of Ashtenue Industrial Fund, Norwepp, Hansteen and Spencer Holdings. At EQUI, her role will be to seek out value adding real estate opportunities, delivering on strategic asset management initiatives and working to enhance property performance.

4.3 Project Team



Richard Lynton-Jones

HEAD OF CAPITAL RAISING & INVESTOR RELATIONS

Prior to joining EQUI, Richard was a Director at Crossbridge Capital in Monaco, having joined them from the Monaco office of UBS. At UBS, Richard was responsible for the growth and development of the UK UHNW desk, focusing on client's with investable assets of €50 million and upwards. Before his move to UBS, Richard was Vice President at Barclays Wealth (Monaco) and Barclays Wealth (Jersey), where his main focus was working closely with UHNW clients, Multi Family Offices & Trust companies and Institutional Investors. Richard began his career in finance with Coutts Offshore in Jersey before moving to London to help establish the U.K. Private Client office for Alliance Bernstein, one of the world's largest asset managers. Richard is a Chartered Wealth Manager and holds a BSc in Psychology, majoring in Neuroscience from The University of Nottingham.



Duncan Cameron

BLOCKCHAIN TECHNICAL DIRECTOR

A blockchain expert and an early adopter of cryptocurrencies. Duncan's early interest in the whole area originates from the Royal Navy where he was a cryptographer and communications specialist. After leaving the Forces in the mid 90's, Duncan worked as an Applications Developer on the early internet. By 2011, he was buying bitcoin and getting involved in the blockchain space. He is the author of Bitcoin for Dummies and he has worked on many crypto projects to make blockchain more useable and accessible. His Crypto Wallet Cards under the brand Prypto represented a big step forward in offline storage. He has also developed a high frequency trading algorithm for cryptocurrency trading, which the Knox Group has utilised to great success. Duncan is also the founder of the CasinoCoin Foundation, which, through its CasinoCoin (CSC) brand, is starting to gain traction into the casino and on line gambling industry. Duncan is involved in other blockchain applications, including the development of a superfast blockchain capable of high transactional processing speeds.

4.4 Advisory Team



Stephen Meade SERIAL ENTREPRENEUR

Stephen is an entrepreneur, executive and business founder who is passionate about creating companies that make a difference in the world. He has the ability to catapult an idea from pure concept to the creation of a functioning business. In the past 20 years, he has created, incubated and architected 9 successful technology-based companies. He founded Big Bamboo LLC in 2005 to serve as the incubator for ideas worth building a team around and bringing to market. He currently is CEO of MonetaPro.IO, which is a FinTech Blockchain company for Global Companies to participate in Corporate Trade. MonetaPro.IO recently competed in and won the Silicon Valley D10e Global ICO contest, which to date was the largest ICO competition in the World. In his earlier career, Stephen was CEO of Upper Street Marketing (Stock Symbol: UPPR); a boutique public company focused on technology around Media, Entertainment, and Influencers.



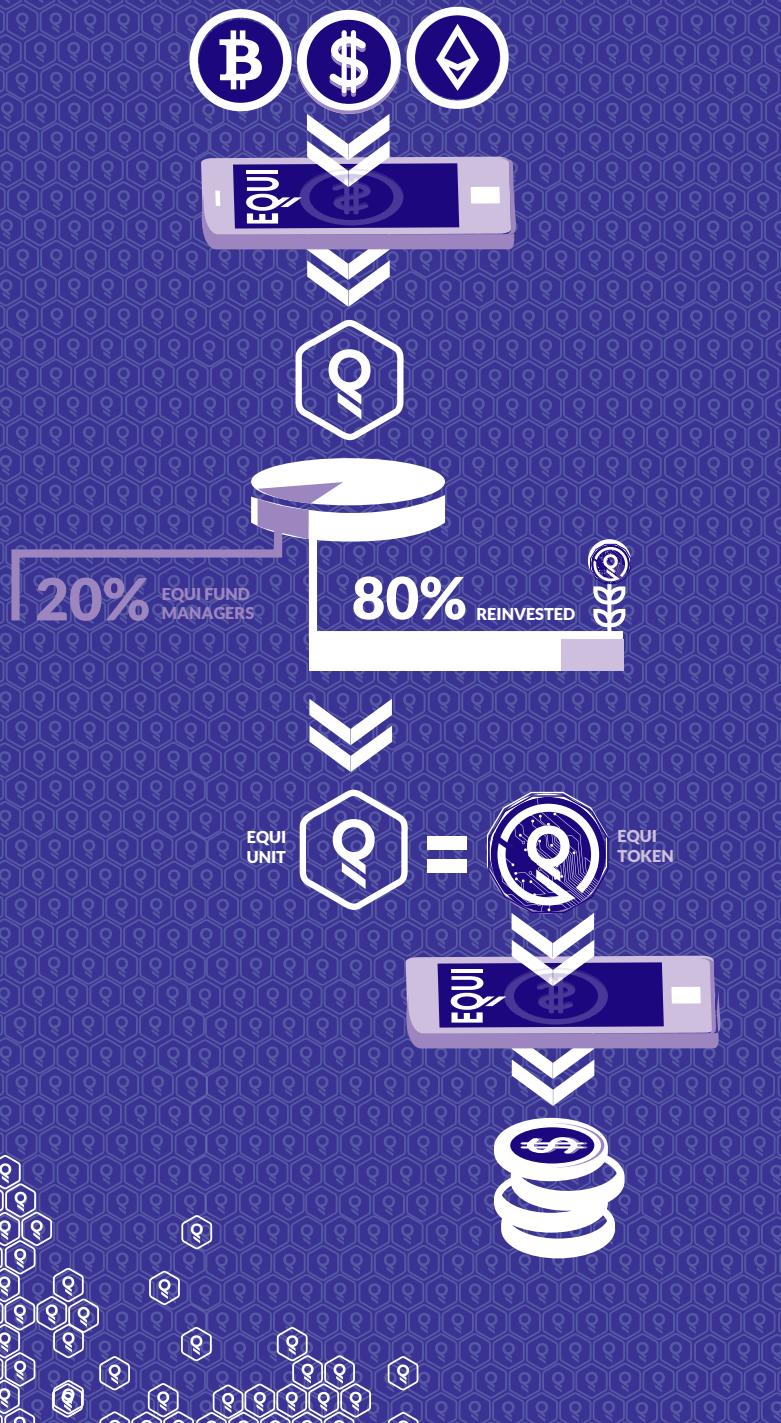
Mark Pearson SERIAL ENTREPRENEUR

Mark is an award winning digital entrepreneur having achieved multiple successful exits over the last decade. He established Fuel Ventures in early 2015 as an early-stage technology investment fund focusing on high growth businesses. Along with the Fund and his personal investments, Mark has 18 companies in his portfolio including fast growth Paddle; a platform for software companies and recently named the UK's #1 fastest growing software company by Deloitte and Moteefe. This company was awarded best Angel - VC scale up Investment at the recent UKBAA awards. Prior to Fuel Ventures, Mark built the European discount network, Markco Media, from a back-bedroom business to a multi-million-pound company which sold in 2014 for a reported £55 million, making it one of the largest UK exits that year.



Duncan MacInnes SERIAL ENTREPRENEUR

Duncan started out at an early age founding his first business at the age of 14 and exiting in his early twenties. A true entrepreneur at heart, Duncan has always been interested in technology from a young age, and it is no surprise most of his investments and exposure are in the technology sector. He has been an early stage backer of some of the greatest technology success stories including Facebook and Deliveroo. In 2004, he founded one of the largest financial arbitrage companies and continues to provide direction and innovation to that company. His 465 Investment vehicle now has 53 companies in its portfolio with a heavy weighting to technology but also covering the real estate, financial services, restaurant and crypto spaces.



5 INVESTORS

5.1 How to Get Involved

EQUI will be an inclusive Fund which is designed to open up investor participation to both institutions and Accredited individuals alike, regardless of whether they are from the conventional or the crypto investment world. Culturally, EQUI will be more akin to a Private Investors Club, whilst following the guidelines of a fully regulated Venture Capital Fund.

The Fund will accept both crypto and fiat Currency in return for EquiUnits. Cryptocurrencies accepted initially will be Ethereum and Bitcoin. Post receipt of any crypto funds, a conversion into fiat will be made at the exchange rate prevailing at the time of purchase. EQUI is not a cryptocurrency speculator and will require fiat to make investments in Fund opportunities.

The willingness of EQUI to embrace both blockchain and conventional world investors means that a wider participation in the token should occur. We also hope to encourage traditional investors into the EQUI investor pool, particularly those who have been reluctant to date to commit to crypto investing and the ICO market. EQUI is intended to be an easy to understand business model which will give non crypto investors the confidence to get involved.

On Issue 1 of the EquiUnit, we anticipate that 70% of the Fund profile of investors will consist of Institutions, Family Offices and Ultra High-Net-Worth Individuals. The balance of 30% will be aimed at informed members of the public, both conventional and crypto investors.

Initially on launch, EQUI will seek to attract Fund capital from the first category of investors by way of private sales or placements. In this way, the Fund will be fully seeded and operational before it fully engages with the public. Therefore EQUI will not be undertaking an ICO. However, we anticipate that tokens will be available to purchase on exchanges by the crypto community within six months of launch.

Investor Restrictions

EQUI can accept investment from all around the world including U.S. Investors. In accepting U.S. money, we will have to comply with the additional rules laid down by the SEC and detailed in Appendix IV of this document.

Accredited Investor

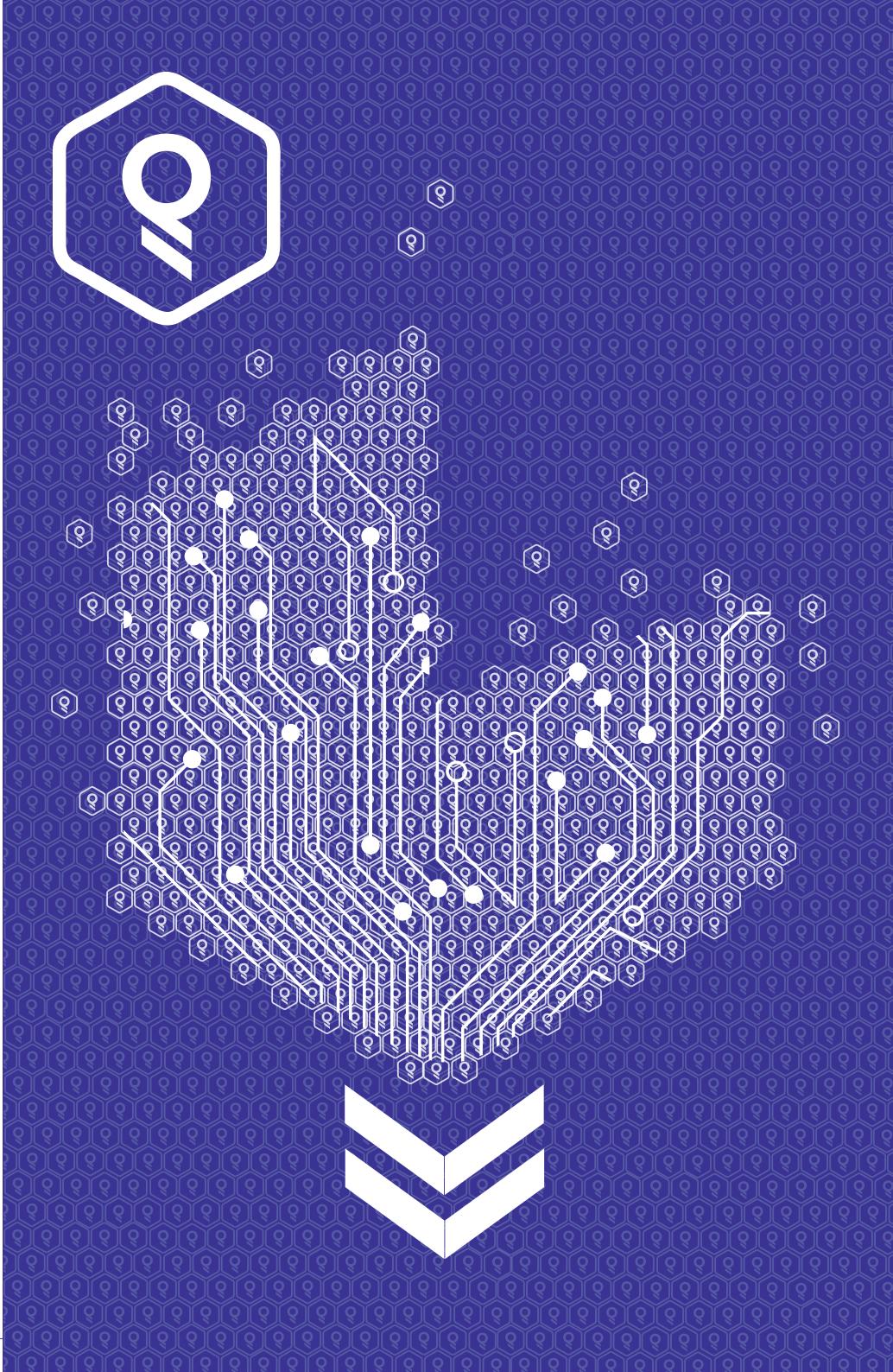
In order to invest in the EQUI Fund, investors will have to be an Accredited Investor. This involves two stages:

- 1** Firstly, investors will provide evidence of their identity (i.e. "Know Your Client" – KYC) and information on their source of funds (i.e. "Anti-Money Laundering" – AML).

- 2** Secondly, investors will also have to self-certify that they are a Sophisticated Investor prior to investment with EQUI. Appendix III gives clarity on the guidelines and definitions as to what constitutes a Sophisticated Investor.

The Sophisticated Investor rules will not pose a problem for the vast majority of EQUI Investors. Where potential investors feel unable to meet the Sophisticated Investor criteria, EQUI intends to run an Accreditation process over a 6 month period, using in-house produced videos and written educational materials.

Once Accredited, an investor is then eligible to subscribe for EquiUnits in the Fund. An electronic investor profile will be created for each investor on the Fund's internal ledger which records the EquiUnits purchased. EquiUnits can be converted into EquiTokens via a smart contract and held in an EQUI Wallet. The EquiTokens can then be transferred to any wallet or exchange of their owners choosing.





5.2 How to Achieve Returns

EQUI is unique in the venture capital world since it is both open-ended and allows liquidity for its investors at any point in time, with 24-7 access to crypto exchanges.*

Liquidity is achieved by investors selling their tokens on external exchanges where the EquiToken is listed. The price of the token should correlate to a strong degree with the underlying performance of the Fund and the projects that it backs. Therefore investors in the Token can decide both the timing of and the amount they wish to sell based on their own risk-reward preferences.

Perception of Fund value will be guided by regular updates from the EQUI Fund posted on its website. Speculators in the token may buy in when they perceive undervalue, and conversely may sell if the price is considered overvalued. Market forces will provide a balance, assisted by the underlying performance of the Fund and the real world assets that EQUI is invested in.

In time, we believe that the EquiToken will become a currency of perceived safety, particularly in periods of high market volatility in cryptocurrency markets.

On every project realised at profit, returns are split 80% to the Fund itself and 20% to the EQUI Investment Managers. Prior to being split in this ratio, 3% of profits realised will be deducted for charitable giving. EQUI as a company believes that we have a social responsibility to redistribute to the less fortunate, particularly where a profitable outcome has been achieved on an investment. An EQUI Charitable Foundation will be set up to Administer charitable giving. The Foundation will have independent trustees to the EQUI Fund.

By reinvesting 80% of project profits back into the Fund, this provides additional liquidity for EQUI to make further investments. Market forces should recognise these liquidity events and incorporate the news into the price of the EquiToken traded on external exchanges. In this way, there is no need to distribute project profits to individual EquiToken or EquiUnit holders, as they will benefit from the realisation proceeds in the form of an increase in value of the EquiToken, which they can immediately sell if they wish to crystallise their return.

For the avoidance of doubt, EQUI does not control or influence the price of the Token traded on independent exchanges. Any EquiUnits held on our internal platform can be converted to an EquiToken at any time. The transfer will be both seamless and transparent using blockchain technology.

* See section 6.3 for further information on these exchanges

॥ 5.3 Ongoing Participation and Updates

EQUI will be fully transparent in dealing with both prospective investors and in providing meaningful information to existing EquiUnit holders and the market. In this way, a balanced view can be taken on the price of an EquiToken at any point in time.

The principle means of communicating with the outside world will be through the EQUI website,
www.equiglobal.com

All of the investments made by the Fund will be showcased on the website, with detailed information on the business, covering sector, management, and financials as appropriate. Regular updates will be given on ongoing performance.

Details of successes and failures will be given including the likely impact of those outcomes on the EQUI Fund value.

The website will also give details of any new EquiUnit Issues and the pricing of those Units.

The use of video content and webinars will also be utilised to connect potential and Accredited Investors to both management teams of investee companies and the EQUI Investment team. In particular, regular access will be given to the Founders of EQUI, including memorable content from Woz.

Each year EQUI intends to hold a Conference in a prominent worldwide location, with the aim of going through the past year and discussing future plans for the growth of the Fund. All Accredited Investors will be entitled to attend. The highlight of the conference will be a key note speech from Woz.

॥ 5.4 Accredited Investor Ongoing Benefits

Since EQUI will be an Accredited Private Investor Fund, the Fund intends to operate a member benefit programme for those investors who have invested directly into the Fund. The benefit program will not apply to external traders of EquiToken, unless they have previously become an Accredited Investor.

The types of benefits EQUI are looking to include are:

- **Access to dedicated website content on EQUI and business topics generally**
- **Discounts to products and services of investee companies**
- **Priority invitation to attend EQUI events**
- **Direct investment opportunity into investee companies, independent of the EQUI investment**

Over time, the Investor Benefits Programme will be developed further. The aim is to bond investors with the Fund, thereby promoting a loyal and engaged investor base which shares our values and vision.

6 TOKENS

6.1 What are EquiTokens and EquiUnits?

EQUI is a Fund that operates as an effective Private Members Investment Network. In order to invest directly into the Fund, all investors have to become Accredited Investors. To become Accredited, investors will have to pass KYC/AML tests and self-certify that they are a Sophisticated Investor (refer to Appendix III).

Therefore EQUI is not automatically open to the general public to invest in. In recognition of this fact, the decision was taken to split the token into two parts, EquiUnits and EquiTokens.



EquiUnits are non-tradeable investment Fund units received on initial investment into the Fund. The Fund has direct control over the issue of new EquiUnits to Accredited Investors. The EquiUnit is the Fund's internal investment ledger.



EquiTokens are a blockchain powered crypto token that EquiUnits can be converted into. Once an EquiUnit is converted into an Equitoken, the EquiUnit is burnt and ceases to exist. Once converted to an EquiToken, the Token becomes external to the Fund. The Fund has no control over what price the Token trades at on external exchanges or who buys them. An EquiToken can never be converted back into an EquiUnit. Since the EquiToken is completely outside the control of the Fund, there is no need for Token holders to become Accredited Investors. EquiToken holders have no access to the Fund or entitlement to receive Accredited Investor rewards. However, in the event of the Fund being wound up, EquiToken holders are entitled to receive a share of the distributed proceeds of the Fund.

1 EquiUnit always equals 1 EquiToken.

At launch, 1 EquiUnit will be listed at \$1.

On subsequent Issues of EquiUnits, Issue price will be determined by the current price of the EquiToken traded on external crypto exchanges.

The function of the EquiToken is to provide a readily available exit mechanism for investors in the EQUI Fund. One EquiUnit is exchangeable for one EquiToken at any time. The subsequent sale of the EquiToken in the open market provides liquidity as well as creating a secondary market in EquiTokens. There is no secondary market in EquiUnits.

Only the exchange of existing EquiUnits for EquiTokens creates the supply of Tokens.



6.2 Security Token versus Utility Token

There is great uncertainty in the market as to what constitutes a security token. Each country has different tests. We have taken the prudent view that the EquiToken will be considered a security as there is an expectation that a return will be generated, and on any fund wind-up the Token holders will receive a distribution of their share of the final fund assets.

This is a complex and ever changing area, as individual jurisdictions try to legislate for and regularise the crypto world into old conventional models of investment. At EQUI, we will continue to implement best practice across multiple jurisdictions to ensure that we are always compliant.

6.3 Security Exchanges

As the Token is likely to be considered a security, it will be traded on compliant crypto exchanges called Security Exchanges. EQUI is in talks with some of the largest crypto exchanges in the world who are in the process of setting up a Security Exchange or alternatively converting their existing exchanges to be able to accept Security Tokens. In addition, Equi intends to have its own internal Security Exchange operational within 6 months of launch. Our Internal Exchange will be fully compliant with SEC Rules and Regulations relating to U.S. Investors.

One of the advantages of the Fund basing itself in Malta is that the Maltese Government has shown a willingness to legislate for these type of exchanges and provide support and guidance in this area. This is why a number of exchanges have changed their operating jurisdiction to Malta, including Binance (considered the world's largest by trading volume).

6.4 Technical Characteristics of EquiTokens

6.4.1 Blockchain Powered

EquiTokens will utilise the established Ethereum blockchain. In this way, blockchain technology is being correctly applied as a digital ledger to record transactions in EquiTokens.

The EquiToken will be a standard ERC20 token that is designed specifically for EQUI's use.

If the EquiToken holder wishes to retain the Token it can be stored securely in an EQUI Wallet or traded externally on crypto exchanges which list the Token. Individual EquiToken holders will have access to their own EQUI Wallet.

EQUI will have a web based application that is accessed through any compatible web browser. The platform is designed to be simple and intuitive, and provides all the relevant information for an investor to review on their own personal Dashboard.

6.4.2 EquiUnits Converted Into EquiTokens

The conversion process is simple and is initiated by the Accredited Investor. EquiUnits can be transferred into EquiTokens at any time. The transfer of EquiUnits into EquiTokens is done by way of a smart contract, which then places the Tokens into a dedicated EQUI Wallet for the Investor. Once the EquiUnit is transferred into a Token, the Unit is burnt since it is being replaced by a Token.

Once the Token is in the EQUI Wallet, the holder is then free to retain or trade the Token on crypto exchanges which list the Token.

The EquiToken is completely outside the Fund and the Fund has no control over who then owns the Token or at what price the Token is traded at.



6.4.3 Security

The EQUI platform will provide a secure and easy-to-use interface. Information is held confidentially in compliance with EU General Data Protection Regulation (GDPR). The standard ERC20 token on the Ethereum network uses military-grade cryptography to address security concerns. One of the fundamental advantages of using blockchain technology is that it provides an unalterable record of transactions due to its decentralised network and underlying architecture.

6.4.4 Auditing of the EQUI Platform and Blockchain Processes

Prior to the launch of the EQUI Platform, a full independent audit will be carried out by industry professionals to ensure compliance with best practice and recognised security protocols.

7 TOKENOMICS

7.1 General

The Tokenomics of the Fund consists of two components, EquiUnits and EquiTokens.



EquiUnits are non-tradeable investment Fund Units which investors receive on initial investment into the Fund. They represent the Fund's internal investment ledger.



EquiTokens provide external liquidity for the Fund and this is their sole purpose. When EquiUnits are required to be traded, they are converted into EquiTokens and transferred to an individual EQUI Wallet. They are then capable of being traded independently of the EQUI Fund on external exchanges. The Token can never be transferred back into the Fund.

1 EquiUnit always equals 1 EquiToken

When an EquiUnit is transferred into an EquiToken the EquiUnit is burnt and ceases to exist. In this way, there will never be duplication of the Unit and the Token.

EquiUnits are administered by the Fund. EquiTokens are controlled by a separate company. The sole function of the Token Company is to provide a mechanism for trading in EquiTokens. As well as external exchanges, the Token Company has plans to build an internal exchange within the first 6 months of launch. The internal exchange will provide additional liquidity for the EquiToken, as external Security Exchanges come on stream.

Founders, Management and Advisers (FMA) have no entitlement to any EquiUnits. Their reward relies solely on the 20% equity carry on realised investment projects.

FMA do however participate separately in the Token Company with an allocation of EquiTokens, as detailed in Section 7.3. This is a separate reward for creating a market making mechanism that facilitates liquidity in the EquiToken.

7.2 Fundraise Mechanics

7.2.1 Issue 1- 375,000,000 EquiUnits

The maximum fundraise on issue 1 is 375,000,000 Units. An initial tranche of 100 million EquiUnits will be made available on launch at \$1. This enables the Fund to start investing in projects. The minimum target (soft cap) for raising funds is \$10 million.

Once the initial tranche of 100 million EquiUnits is sold to investors, subsequent tranches will be made available in minimum quantities of 50 million EquiUnits. The price set for subsequent tranches will be the market price prevailing on the external exchanges at the time of issue.

7.2.2 Subsequent Issues

Once Issue 1 has been fully invested, Issue 2 of EquiUnits will be issued at the externally traded price of the EquiToken prevailing at the time of the Subsequent Issue. This enables the Fund to remain open-ended and also prevents dilution of the investor base in Issue 1.

7.2.3 Winding Up of the Fund

Although the Fund is intended to continue in perpetuity, in the event of a cessation of the Fund, assets will be disposed of in an orderly manner and will then be distributed to all individual EquiUnit and EquiToken holders. The EquiUnit holders will be paid out first and will receive a 25% uplift on pro rata entitlement over EquiToken holders. The balance will then be paid over to EquiToken holders. On any subsequent Issues of EquiTokes, the same 25% will be held back on each Issue, for FMA, Promo and Infrastructure.

7.3 EQUI Introductory Fee

As per the industry standard, the Fund will charge an introductory fee of 2% of committed capital on investing into the Fund. This will be used to fund set-up and administration costs.

7.4 EquiToken Allocation

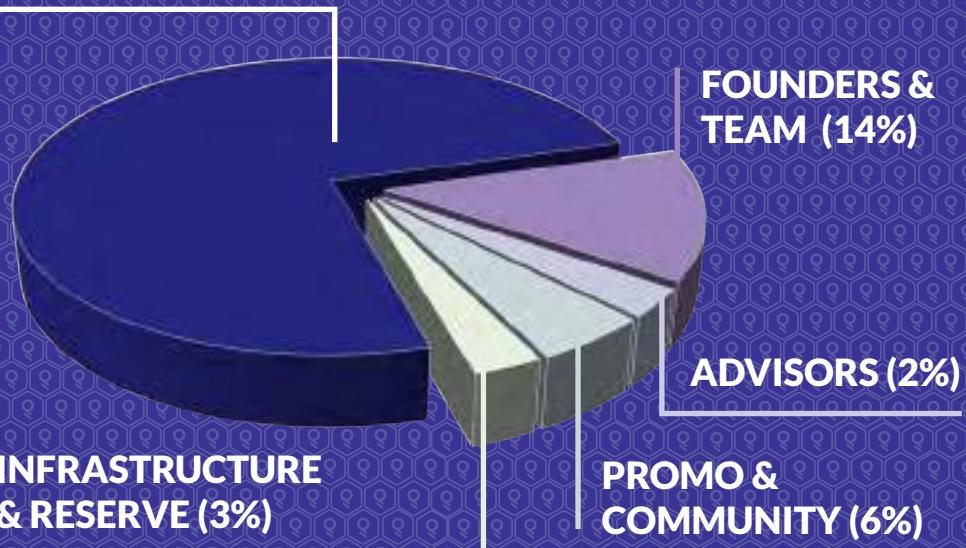
The Token Company is separate to the Fund and is the sole issuer of EquiTokens. Its only other function is to provide liquidity for the EquiToken, either through its own internal exchange or through listing on external security exchanges. It has no investment function.

Issue 1- Authorised Token Supply 500,000,000

The creation of additional EquiTokens can only occur when the Fund creates new Issues of EquiUnits.

EquiToken Allocation	% issued	Issue 1
Founders and Team	14%	70,000,000
Advisors	2%	10,000,000
Promo and Community	6%	30,000,000
Infrastructure and Reserve	3%	15,000,000
Available for Conversion	75%	375,000,000
TOTAL	100%	500,000,000

AVAILABLE FOR CONVERSION (75%)



7.4.1 Founders, Management & Advisors (FMA)

FMA receive their EquiTokens from Issue 1 at time of launch. However, these EquiTokens are subject to a 12 month lock in period and can only be sold if the externally traded price of the EquiToken is above \$1 in value at time of sale. On any subsequent Issues of EquiTokens, FMA can only sell their tokens providing the traded price of the EquiToken is at least equal to the issue price at time of intended sale.

7.4.2 Promo and Community

A 6% allocation of the Token supply has been made available to reward and incentivise investors and introducers alike who make successful introductions to the Fund. Success is defined as having raised money for the Fund. For the avoidance of doubt we are not running a bounty campaign or an ICO. This version of EQUI is a separate proposition to any previous White Paper baring the EQUI name, including the legal entities and agreements involved.

7.4.3 Infrastructure and Set up Reserve

A 3% Token Allocation has been created to allow for the building of the Token Company's business infrastructure including the creation of an internal trading exchange. This Reserve also covers provision for listing payments on external trading exchanges. The Tokens for this Reserve will be sold direct to Investors under the governance of a SAFT Agreement. This is quite separate to the sale of EquiUnits by the Fund. Allocated as follows:

Platform, Technology, Hardware	40%
HR, Operations, Fixed Costs	10%
Sales & Marketing, Outreach	30%
Legal, Due Diligence	10%
Compliance and Jurisdiction	10%
TOTAL	100%

≡ 7.5 Plans for Exchange Listing

The EquiToken will be listed on external Security Exchanges which are expected to come online in the next 3 to 6 months. We are in discussions with a number of leading exchanges that have well established user bases, high volumes and a strong history of customer relations and security audits. We will only work with exchanges that have open and transparent cold storage techniques and where owners are listed and publicly known. In addition to external exchanges, the Token Company will aim to build its own internal exchange within a 6 month period. The idea behind the internal exchange is to build it to a standard that can accept U.S. investor monies under SEC rules.

≡ 7.6 Accepted Payments

EQUI accepts payments in both fiat and selected cryptocurrencies.

Preferred fiat currency will be USD, GBP and EUR.

Accepted cryptocurrency will initially be restricted to Bitcoin (BTC) and Ether (ETH).

≡ 7.7 Fundraising Timescales

There is no defined timescale to fundraise. EQUI is an open-ended Fund that can take in funds at any time. EQUI will initially seed the Fund through a Private Sale to Individuals and Institutions, both from the crypto and conventional world. Since investor money is going directly into the Fund itself, this enables EQUI to start making investments once the soft cap of \$10 million has been reached. Investors receive EquiUnits that reflect the underlying value of the Fund at the time they invest.





8 REGULATION AND COMPLIANCE

8.1 The Fund: Structure, Jurisdiction and Applicable Regulations

The EQUI Fund will be a conventional investment fund limited liability company incorporated and registered under the laws of Malta, and subject to the regulations of the Malta Financial Services Authority (MFSA), the country's financial regulator.

The EquiUnit will be in the form of a share with no fixed nominal value and certain specific rights and entitlements. Subscription will be available only to qualifying Accredited Investor institutions and individuals.

The Fund board will appoint (a) an investment committee; and (b) the Investment Manager. The board will be responsible for the conduct of the company's business and will provide final authorisation for investments to be made by the Fund. The Investment Committee (which may contain members of the board as well as members who are not officers of the company) will act as an internal advisor to the board, recommending investments to be made by the Fund. The final decision to proceed with an investment and the terms thereof will be made by the board.

Malta is a jurisdiction that complies with and helps develop international best practice and is actively involved with the OECD, the EU and the Commonwealth in modelling global regulatory policy. The MFSA is a member of the European Banking Authority (EBA) and the European Securities and Markets Authority (ESMA). The MFSA forms part of the Single Supervisory Mechanism (SSM) within the European Central Bank (ECB) and participates in the SSM Supervisory Board decision making. The MFSA is also a member of the International Organisation of Securities Commissions (IOSCO) and a signatory of the Multilateral Memorandum of Understanding with other members of these Institutions.

As described in the section "The EquiToken: Structure, Jurisdiction and Applicable Regulations" Malta is also a jurisdiction which has positioned itself as a crypto and blockchain friendly hub in Europe.

॥ 8.2 The Investment Manager: Structure, Jurisdiction and Applicable Regulations

The Investment Manager will be an independent company appointed by the Fund board to advise the Fund (and the Investment Committee) on suitable investments, to propose and negotiate investment terms with third parties including potential investee entities, to manage the investment process before and after once investment approval has been given by the Fund board, to monitor performance and to assist the investee entity, as required, to achieve its objectives for the benefit of the Fund, including a realisation of the investment.

The Investment Manager will be a limited liability company incorporated and registered under the laws of Malta. Other than as a short-term measure and ancillary to an active transaction on behalf of the Fund, the Investment Manager will not hold Fund monies.

The Investment Manager will be remunerated through (a) fixed percentage fee of 2% per annum of the funds invested or held for investment by the Fund (which will be recoverable by the Fund as fees from the investee companies) and (b) a performance fee of 20% of the net profits from each investment realisation made by the Fund. Each investment realisation will be dealt with as a single case unconnected to other realisations or the general Fund performance. The Investment Manager will not contribute to losses incurred and there will not be a high watermark mechanism.

॥ 8.3 The EquiToken: Structure, Jurisdiction and Applicable Regulations

Operation of the EquiToken will be undertaken under Maltese regulations since that jurisdiction is a leading proponent of regulations related to crypto trading and positively encourages the crypto and block chain industry. There is a willingness on the part of the Maltese Government to develop and implement regulations and legislation that ensures the future of the industry in its jurisdiction. In June 2018, the Maltese government passed three cryptocurrency and blockchain laws that are designed to position Malta an international crypto business hub.

EQUI will take the best available legal advice from firms who specialise in the cryptocurrency and blockchain world. As legislation and best practice evolves, EQUI will take account of new developments and if appropriate will adapt its operational rules and procedures accordingly. EQUI is committed to remaining fully compliant with the regulatory obligations in force at all times.

EQUI will also maintain compliance with EU regulations regarding data protection, including the recent General Data Protection Regulations (GDPR (EU) 2016/679).

9 ROADMAP

EQUI is expected to launch in October 2018. The formative work required to become operational has already been undertaken.

The 2018 Roadmap looks as follows:

January through to 30th September:

Founders, Management and Advisors	Team Complete
White Paper and concept	Fully Developed
Blockchain and ERC20 Token work	First Phase Completed
Seed Capital and Investor White List	Ongoing process
Regulation and Compliance	Advanced stage
Jurisdiction and Office Location	Ongoing process
Legal Advice	Ongoing process
Terms and Conditions	Ongoing process
Website Design	Advanced stage

1st October through to 31 December:

Complete outstanding tasks
Announce Woz as a Co Founder of EQUI
Launch EQUI
Actively fundraise and complete minimum fundraise of \$10million for Fund soft cap
Build internal EquiUnit register
Complete Blockchain and ERC20 token work for the EquiToken
Legal sign off on all Regulation and Compliance, including jurisdictional advice on Malta

1st January 2019 Onwards:

Start making investments for the Fund
List EquiToken on external exchanges
Commence build of Internal EquiToken exchange
Ongoing fundraising for the EQUI Fund
Strong Promotional and PR Activity

10 RISK WARNINGS AND DISCLAIMER



PURPOSE:

This White Paper ("White Paper") is selectively and restrictively released as a commercially-sensitive and proprietary business concept and information ("White Paper Information") with the purpose of introducing the concept and receiving feedback from professional advisors, commentators and potentially interested parties.

NATURE OF DRAFT:

This White Paper will be amended and supplemented in the light of such feedback and subject also to further professional advice before any form of offering or prospectus is disseminated to potential investors in any part of the world. Only at that stage will an invitation to invest be made.

NO OFFER OF SECURITIES OR REGISTRATION:

Accordingly, for the avoidance of all doubt:

- This White Paper does not constitute a prospectus or offer or solicitation or offer to treat of any sort and specifically is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction.
- No person may be bound to enter into any contract or binding legal commitment in reliance on all or any part of this White Paper.
- Any agreement in relation to any subscription for EquiUnits is to be governed by the terms and conditions of a specific offer document and related agreement and no other document (including this White Paper).
- In the event of any inconsistencies between the terms and conditions of that agreement and this White Paper Information, the agreement terms and conditions shall prevail.
- No regulatory authority has examined or approved of any of the White Paper Information. The publication, distribution or dissemination of the White Paper Information does not imply that any applicable laws, regulatory requirements or rules have been complied with.

NO ADVICE:

No part of this White Paper should be considered to be investment, business, legal, financial or tax advice regarding EQUI, the Fund, the EquiUnits or the EquiTokens.

EXCLUSION OF LIABILITY:

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NO REPRESENTATION:

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11 FREQUENTLY ASKED QUESTIONS

What is EQUI?

EQUI will be a blockchain powered Venture Capital Fund which combines the conventional principles of investing in a fund with a tokenised back end that allows value to be determined and then traded in the market through the EquiToken. EQUI will be an open ended Fund that allows ongoing liquidity events for its investor base.

How Can I Buy EquiUnits?

New Issues of EquiUnits may be purchased direct from the Fund and paid for in both fiat and selected cryptocurrencies. In order to buy direct, investors must pass KYC tests and self-certify that they are a Sophisticated Investor. There are member benefits to being part of the EQUI Accredited Benefits Scheme.

What are EquiTokens?

The EquiToken will be an ERC20 token built using the established Ethereum blockchain. When held internally on the EQUI Platform, we will record investor funds received into EquiUnits. When EquiUnits are required to be traded, they are converted into EquiTokens and transferred to an Individual EQUI Wallet. They are then capable of being traded independently of the EQUI Fund on external exchanges. 1 EquiUnit always equals 1 EquiToken.

How is the Price of an EquiToken Derived?

The EquiToken price should correlate with the underlying value of the investments that EQUI makes. This correlation between Fund and Token should provide a mechanism for external market forces to determine the price of the Token. We believe this will bring stability to the Token price and we hope that one day EquiToken will be seen as a currency of safety, where periods of high volatility are being experienced in the crypto market.

What Happens to the Gains Realised on Fund Projects?

When a Fund backed project is sold at profit, gains will be distributed 80/20 in favour of the investors. However, 3% is first deducted from profits for charitable giving prior to applying the calculation. The 20% will go to the EQUI Fund managers as reward and is industry norm within the venture capital industry. The balance of 80% will be reinvested back into the Fund to enable further investments to be made and to perpetuate the lifecycle of the Fund. Since market forces will capture the enhanced Fund performance in terms of a price increase in the token, there will be no need to distribute individual profits to individual token holders.

What Will Happen if the Fund Decides to Wind Itself Up?

EQUI is expected to be a Fund that will continue in perpetuity with no need to ever close down or run out of funds to invest. However, if the decision was ever taken to close down the Fund and distribute value, the final cash balance of the Fund would be paid back to the EquiUnit and EquiToken holders in proportion to their holding in the Fund. The amount paid out to EquiUnit holders will attract a 25% premium over EquiToken holders. Once the EquiUnit holders are paid out, the balance will be distributed to EquiToken holders.

What Investments Will EQUI Back?

EQUI will primarily be a technology investing Fund at least 80% of funds being allocated to tech, biotech and blockchain investments. We will also look to back other innovative technology, services or product ideas in more traditional areas. The remaining 20% will be allocated to real estate and luxury assets. Here the opportunity exists to acquire at undervalue and provide liquidity events at premium for the Fund in a shorter timeframe compared to investments in technology companies.

Do You Actually Need to do an ICO (In Coin Offering)?

EQUI will initially raise its capital privately from syndicates of investors without specifically targeting the general public through a crowd sale funding process. This will allow the Fund to incubate itself and grow to a size where the wider public and crypto community will have the additional confidence to invest. Wider ownership of the token is good for liquidity on the exchanges that list EquiTokens.

Is the EquiToken Considered a Security?

Although there is no defined criteria for what is considered a Security Token, and it will likely vary by jurisdiction, we have taken the prudent view to consider the EquiToken a Security Token. As such the token will be tradable on compliant Security Exchanges, of which we are in discussions with a number of the largest. In addition, EQUI intends to build its own Internal Security Exchange, which will be U.S. Investor compliant.

How Will I Receive Updates on EQUI and the Fund?

Updates and relevant news will be posted on the websites, www.equiglobal.com, and social media channels. EQUI will operate with complete transparency and proactively work with investors and the community.



GLOSSARY OF TERMS

“Advisory Board”	A committee established by the Fund Board to advise on matters as might be described.
“AML”	Anti-money laundering. The set of procedures, laws, and regulations designed to stop the practice of generating income through illegal actions.
“Blockchain”	A digitized, decentralized, public ledger of all cryptocurrency transactions.
“Burnt (Units or Shares)”	The removal of Units from the Fund, and any associated right of redemption.
“Closed-ended Fund”	A Fund that issues a fixed number of non-redeemable shares.
“ERC20 Token”	A set of methods and functions that must be met in order for a smart contract to qualify as an ERC20 Token. They are designed and used solely on the Ethereum platform.
“Ethereum”	A cryptocurrency and decentralized network.
“Ethereum Virtual Machine”	An Ethereum-based system designed to serve as a runtime environment for smart contracts by providing security and executing untrusted code by computers all over the world.
“EquiUnit”	The internal unitized record of investments made into the Fund.
“EquiToken”	The EQUI-specific ERC20 token that will be traded on external exchanges. Its price will be underpinned by both demand and value of investments made.
“Fund” or “EQUI Fund”	The Investment Vehicle and Unit Issuer. A form of collective investment scheme.
Fund Capital	Total amount of investment available to the Fund.
“GDPR”	The General Data Protection Regulation (GDPR) (EU) 2016/679 is a regulation in EU law on data protection and privacy for all individuals within the European Union (EU) and the European Economic Area (EEA).
“Initial Coin Offering (ICO)”	A fundraising mechanism in which new projects sell their underlying crypto tokens in exchange for recognized cryptocurrencies or fiat currency.
“Investment Advisory Committee” or “IAC”	A committee established by the Fund’s Board to advise on EQUI’s pipeline of new potential investments, research investment opportunities, monitoring the performance of existing investments and determining the strategic focus of the EQUI Fund.





“IRR”	Internal rate of return. An estimate of the profitability of investments, taking into account NPV (described below).
“KYC”	Know your client/customer. A requirement to know and keep records on the essential facts of each client (in this case investors) as well as identify each person who has authority to act on the client’s behalf.
“Lock In (Lock-Up) Period”	Predetermined amount of time whereby holders of Units are restricted from selling them.
“MFSA”	The Malta Financial Services Authority (MFSA) is the single regulator for financial services in Malta.
“NAV”	The net asset value of the Fund. Calculated by estimating the value of all Fund assets minus any Fund liabilities.
“NPV”	Net present value. The expected net cash proceeds from a project taking into account the predicted time value of money.
“Open-ended Fund”	A Fund that can issue or redeem Units in the Fund at any time.
“ROI”	Return on Investment, usually expressed as a percentage. $ROI = (\text{Proceeds from the sale of Investment} - \text{Cost of Investment}) / \text{Cost of Investment}$.
“SAFT Agreement”	Simple Agreement for Future Tokens. A contract that sets out the terms for the purchase of crypto tokens that have not yet been minted.
“SEC”	U.S. Securities and Exchange Commission. An independent agency of the United States federal government. The SEC holds primary responsibility for enforcing the federal securities laws, proposing securities rules, and regulating the securities industry, the nation's stock and options exchanges, and other activities and organizations, including the electronic securities markets in the United States.
“Security Token”	Crypto tokens that are deemed as a ‘Security’ as per a relevant scheme of regulation whether in the U.S. (Securities Act 1933 or Securities Exchange Act 1934) as applied under the “Howey Test” or the UK (Financial Services and Markets Act 2000) or elsewhere. The definition and criteria of this token is constantly changing and evolving until press time.
“Smart Contract”	Self-executing contracts with the terms of the agreement between buyer and seller being written into lines of code that execute across a distributed and decentralized blockchain network.
“Ultra High-Net-Worth (UHNW)”	Individual with a net worth of at least \$30m USD in constant 2018 dollars.
“Utility Token”	Tokens that represent access to a company’s product or service and do not have the character of a security.
“Venture Capital”	Capital provided to a project in which there is normally a substantial element of risk associated. Typically to startup companies or small businesses that are believed to have long-term growth potential.
“VFAA”	The Virtual Financial Assets Act passed in Malta 2018 that regulates Distributed Ledger Technology.

EQUI

POWERED BY
BLOCKCHAIN

EQUI is an open-ended fund that can accept investment at any time in the form of either Fiat (GBP, USD, EUR) or Cryptocurrency (BTC, ETH). For the avoidance of doubt, EQUI is not running nor will be launching an ICO.

CONTACT US

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E: support@equiglobal.com or richard@equiglobal.com

W: www.equiglobal.com



APPENDICES

≡ I Blockchain Technology

A blockchain is a digital ledger of transactions or records. These 'blocks' of data are managed across an endless number of public computers (known as peers) that are connected to the network and store up to date versions of the blockchain.

A block is the 'current' part of a blockchain, which records some, or all, of the recent transactions. Once completed, a block goes into the blockchain as a permanent database. Each time a new record is completed, a new block is generated. There is a countless number of such blocks in the blockchain. The blocks are not randomly placed, but are linked to each other, like a chain, in proper linear, chronological order with every block containing a record of the previous block.

The database is ever growing; expanding in tandem with the amount of transactions made on the network. The decentralized nature of blockchain technology ensures that transactions are immutable and thus immune to change, offering full transparency for each and every transaction. Add to that the traits of increased security, higher efficiency, resistance to error and reduced transaction costs, it leaves no doubt as to why many are excited about blockchain's possible future uses. The utility of blockchain technology is endless, with an ever-growing list of companies, industries and governments looking to further explore its potential.

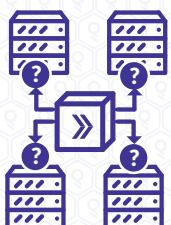
Mrs A requests a transaction to send coin to Mr B



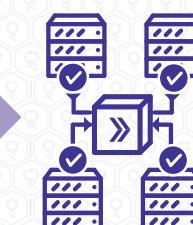
The transaction is represented as a 'block'



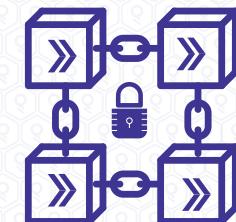
The block is broadcast to P2P network comprising of computers known as 'nodes'



The nodes in network validate and approve the transaction



The new block is then added to the existing blockchain and is a permanent and unalterable entry



The transaction is completed and coin moves from Mrs A to Mr B



II Venture Capital Explained

Venture capital is a form of financing that is provided by individuals, firms, or institutions to small, early-stage, emerging companies that are deemed to have high growth potential but don't have access to equity markets. Such investments are generally classified as higher risk as the companies are less developed, and capital invested is often illiquid. However, when the right ventures are selected, these companies are capable of providing impressive returns.

There are different stages of venture capital investment:



Seed Stage

The first external investment that helps get a company off the ground



Early Stage

Investment provided to a company that has successfully proven its concept, in order to accelerate their sales and marketing efforts



Growth stage/Series A/ B

Further rounds to provide additional financial support to grow the venture to its next stage of development usually through an enhanced sales and marketing strategy

Within the venture capital space, the two most typically used structures are equity and convertible debt:

Equity is the issuing of common stock or preferred stock. Once invested, equity is owned outright until some type of sale or liquidity event of the company. Unlike debt, equity does not require repayment but is invested in return for a percentage stake in the company.

Convertible debt is a loan which gives the holder an option to convert into equity. In the event this option is not exercised, the loan will become repayable at some stage. However, it is common practice for sophisticated investors to treat their loan investment akin to an equity stake.

III Accredited Investor Criteria

The process by which a potential investor can become Accredited is as follows:

The applicant must first of all pass all KYC and AML checks by providing details of their identity, address, and information regarding their source of funds.

They then must certify themselves as a Sophisticated Investor or High Net Worth Individual or fall within another available category of exemption.

This is jurisdiction dependent and the potential investor should seek their own guidance on whether they fall under any of the relevant criteria for their country on residence.

However, for the United Kingdom and the United States and by way of example, the criteria are as follows:

1. United Kingdom

The potential investor may, apart from other exempt categories, either certify as a High-Net-Worth Investor, or self-certify as a Sophisticated Investor as per the FCA (Financial Conduct Authority) handbook (COBS 4.12 Restrictions on the promotion of non-mainstream pooled investments).

In order to certify as a High-Net-Worth Investor one of the following criteria must apply:

Either - I had, throughout the financial year immediately preceding the date below, an annual income to the value of £100,000 or more. Annual income for these purposes does not include money withdrawn from my pension savings (except where the withdrawals are used directly for income in retirement).

Or - I held, throughout the financial year immediately preceding the date below, net assets to the value of £250,000 or more. Net assets for these purposes do not include:

- (a) the property which is my primary residence or any money raised through a loan secured on that property; or
- (b) any rights of mine under a qualifying contract of insurance; or
- (c) any benefits (in the form of pensions or otherwise) which are payable on the termination of my service or on my death or retirement and to which I am (or my dependants are), or may be, entitled; or
- (d) any withdrawals from my pension savings (except where the withdrawals are used directly for income in retirement).

To self-certify as a Sophisticated Investor one of the following must apply:

- (a) I am a member of a network or syndicate of business angels and have been so for at least the last six months prior to the date below;
- (b) I have made more than one investment in an unlisted company in the two years prior to the date below;
- (c) I am working, or have worked in the two years prior to the date below, in a professional capacity in the private equity sector, or in the provision of finance for small and medium enterprises;
- (d) I am currently, or have been in the two years prior to the date below, a director of a company with an annual turnover of at least £1 million.

2. United States

The potential investor must qualify as an Accredited Investor as defined in federal securities law (Rule 501 of Regulation D).

This requires falling under one of the following criteria:

- (1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- (2) Any private business development company as defined in section 202(a)(22) of the Investment Advisors Act of 1940;
- (3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- (4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
- (5) Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds \$1,000,000.
 - (i) Except as provided in paragraph (a)(5)(ii) of this section, for purposes of calculating net worth under this paragraph (a)(5):
 - (A) The person's primary residence shall not be included as an asset;
 - (B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and
 - (C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;
 - (ii) Paragraph (a)(5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:
 - (A) Such right was held by the person on July 20, 2010;
 - (B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and
 - (C) The person held securities of the same issuer, other than such right, on July 20, 2010.
- (6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in §230.506(b)(2)(ii); and
- (8) Any entity in which all of the equity owners are accredited investors.

IV Conditions attached to U.S. Investment

Following advice from our legal counsel, EQUI will initially have to place restrictions on the trading of EquiTokens by U.S. investors in order for EQUI to remain compliant and qualify under the exemptions relating to the rules for Offshore Exempt U.S. Funds. Best legal advice states that we can issue EquiUnits to U.S. investors providing they satisfy the U.S. specific Accreditation rules as detailed in Appendix III. Currently, we believe an issue arises on the conversion of an EquiUnit to an EquiToken and the subsequent sale of the Token by a U.S. Investor. Under U.S. rules, the buyer of the EquiToken from the U.S. Investor must be similarly sophisticated under the U.S. rules detailed in Appendix III. This means that U.S. investors will only be able to sell their EquiTokens on external Security Exchanges which are specifically U.S. Accredited. Alternatively, U.S. Investors should be able to sell on our own Internal Exchange, since this will be specifically U.S. compliant, following best practice under SEC rules and guidelines.

Since our Roadmap envisages a 6 month period from launch before EquiTokens can be traded on our internal or external Security Exchanges, in practice we do not see the U.S. restrictions as overly onerous providing we deal with U.S. compliant security exchanges.

EQUI will of course continue to work with the SEC, to remove these restrictions, hopefully as the regulator becomes more comfortable with the tokenisation of Funds generally; both U.S. direct Authorised Funds and Offshore Exempt Funds such as EQUI. We aim to be at the forefront of a change in U.S. regulators thinking, and we will continue to work with the top legal firms in the space to achieve this goal.



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