



## Multichain Ventures

A Portfolio of Financial Technology and Blockchain Solutions



# Table of Contents



## Multichain Ventures, Inc.

- Introduction
- Corporate Structure

3  
4

## Digital Currency Payment Processing

- Opportunity
- Barriers to Adoption
- Features & Services Overview

5  
6  
7

### Merchant Processing Software Suite - **Cubed**

- Product Overview
- Dollar on-ramping into Token Ecosystem
- Payment Workflow Diagram - Transaction Lifecycle
- White Label & Licensing Opportunities

8  
12  
13  
14

### Cannabis Industry Deployment - **Tokes Platform**

- Problem/Solution
- Product Screens
- Regulatory & Legislative Efforts
- Token Ecosystem Incentives - Integration/Use
- Cannabis Hemp Exchange (CHEX)

16  
17  
19  
20  
21  
22  
23

In the Press

## Supply Chain Visibility Solutions

- Blockchain Deployment following GS1 Standards - **EDEN**
- Problem/Solution
- Blockchain Benefits to Supply Chain
- Product & Services
- Tokes Platform implementation for Seed to Sale

24  
25  
26  
27  
28

## Token Economics

### Financials

### Meet the Team

29  
30  
32



# Multichain Ventures, Inc.



## Introduction

We are a FinTech company building blockchain focused software solutions for:

- **Merchant adoption of digital currency**
- **Data provenance of supply chains**

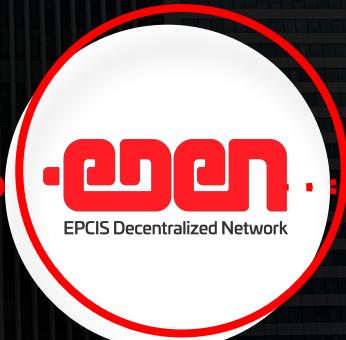
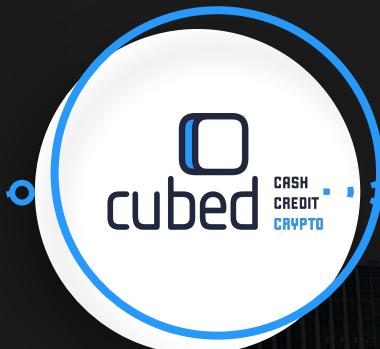
This includes merchant tools (point of sale, ecommerce, and mobile/hardware solutions), Platform as a Service (PaaS), and Blockchain as a Service (BaaS).

Initially, the platform was developed for the legal cannabis industry as a solution to the cash-only problem caused by federal prohibition resulting in banking restrictions. To solve this issue, the company created a tokenized payment solution known as Tokes (TKS). Our services then expanded to providing blockchain utility beyond payments, to ensure provenance and transparency of cannabis production data from seed-to-sale to benefit consumers and regulator visibility. In building the robust infrastructure for both solutions, we now have an ecosystem of offerings that extend well beyond the cannabis space and can be utilized to serve businesses and regulators in any industry vertical.

As a byproduct of building scalable software and blockchain infrastructure, Reli Cloud (<https://reli.cloud>) was born. A sister company to Multichain Ventures, Reli - representing Reliable - is a managed devops and app deployment service utilized by all of Multichain's software solutions, but also accessible to the world.

# Multichain Ventures, Inc.

## Introduction



# ■ Opportunity

## Digital Currency Payment Processing



**Global Adoption** of digital (crypto) currency is rapidly increasing



Represents an **Alternative Method** of payment with unique benefits (below)



Provides payment access & **Financial Independence** to unbanked demographic

### Benefits vs traditional money

- Retail businesses - eliminate cash handling risks and expenses
- Online businesses - universal payment option for international customers
- Lower transaction fees
- No chargebacks
- Faster transaction settlement on domestic and international payments (on P2P alternative to Wires)
- Fewer restrictions on how and when payments can be sent
  - Digital currency transactions process 24 hours/day
  - Censorship free money transfers
- Self-sovereignty provides asset seizure protection
- Multi signature escrow ability for securing assets and sending payments

# Barriers to Adoption

## Digital Currency Payment Processing

### Merchants

- Digital currency received from sales is subject to risk
  - Price volatility risk
  - Friction converting to USD
- New payment processing software/integration requires education and effort
- Insufficient awareness of complete benefits
- Small (but growing) consumer demand

### Consumers

- Onboarding friction to obtain digital currency
- Minimal knowledge of the benefits of self sovereign ownership of digital assets

### Both

- Unfriendly software user experiences (transaction process learning curve)
- Lack of financial incentive vs traditional payment methods
- Individual responsibility to store and secure digital assets





# Digital Currency Payment Processing



## Features & Services Overview

### Technology Products

- Point of Sale
- eCommerce
- CRM
- Merchant API tools
- Consumer wallet (B2C, P2P)
- Block explorer (Tokes, etc)
- ATM

### Technology Services

- Custom development for clients
- PaaS white labeling / licensing by Cubed - [cubedpay.io](https://cubedpay.io)
- Scalable hosting & DevOps infrastructure by [reli.cloud](https://reli.cloud)

### FinTech Services

- **Accept multiple digital currencies**
  - Tokes (merchant incentives, fast transactions)
  - Bitcoin, Litecoin, Dash, Waves (more coming)
  - Stable tokens
- **Financial services**
  - Global accounts for all industries
  - KYC/AML compliance
- **Financial management**
  - Complete custody backend
  - Stable conversion of payments to fiat (USD)
  - Conversion of payments to desired ‘portfolio allocation’ of crypto assets & fiat (USD)\*

\*provisional patent filed



# Digital Currency Payment Processing

Merchant Software Suite

## Complete Point of Sale (POS) Solution

- Digital currency payment checkout via QR scan by mobile wallet
  - Accept multiple digital currencies
  - Price conversion (from USD cost to digital currency equivalent)
  - Trade processing into desired allocation of digital currencies & USD
    - Including USD backed stable assets
- Credit/debit & cash payment checkout (coming soon)
- Product & inventory management
- Sales performance analytics
- Employee sales management
- Accounting & reporting
- Integration with business & regulatory systems



# Digital Currency Payment Processing

Merchant Software Suite

## Complete eCommerce Solution

- Integration with existing eCommerce websites (general CMS support)
- Shopify, WordPress plugins
- Vue Storefront ecommerce framework (roadmap)



WORDPRESS



# Digital Currency Payment Processing

Merchant Software Suite

## Complete Mobile Wallet Solution

- Send/receive multiple digital currencies
- Search vendors using POS to accept digital currency
- Transaction history activity
- Digital currency market rates
- Push notifications
- Biometric ID security
- Backup ‘seed’ phrase to secure digital assets



Download on the  
**App Store**



GET IT ON  
**Google Play**





# Cubed Default App Suite

Point-Of-Sale



Wallet



ATM

eCommerce



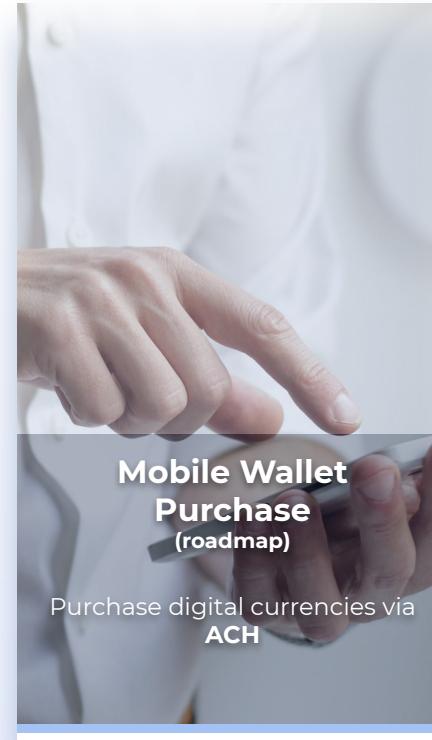
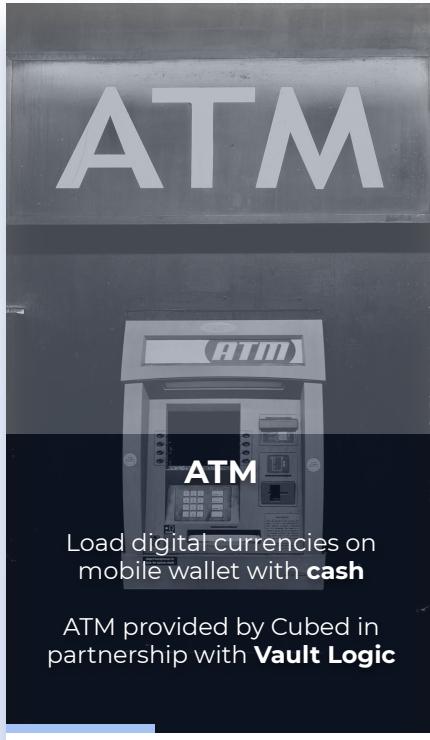
**cubed**  
CASH  
CREDIT  
CRYPTO



# Digital Currency Payment Processing

Dollar On-ramping Into Token Ecosystem

O  
cubed



# Digital Currency Payment Processing

Payment Workflow Diagram - Transaction Lifecycle

O  
cubed



## Online Financial Management for Merchants

- Withdraw
  - Digital currency
  - ACH/Wire (USD)
- Convert between digital assets
- *Optional setting:* automatic conversion of digital currency received from sales to desired 'portfolio allocation' among multiple digital assets & USD

# Merchant Software Suite

## White Label Opportunity

### Opportunity for Cryptocurrency Exchanges

- Provide merchant solutions as a business diversifier
- Collect transaction & subscription fees as percentage of merchant sales
- Increased trading volume via trade processing engine (asset conversion)
- Drive user registration (registrants have accounts on exchange)
- Attract institutional clients interested in sophisticated tools
- Compete with Coinbase Commerce, Gemini FlexaPay, etc.

### Opportunity for other businesses

- Software providers, financial service companies



# Merchant Software Suite

## Licensing Opportunity

Provide API integration with  
**Cubed** digital currency payment gateway

### Opportunity for various businesses

- **Merchant Processors**
  - Offer digital currency payment processing alongside credit card processing
- **Point of Sale, ERP, Accounting and other software**
  - Connect digital currency orders to product inventory and business management



# Digital Currency Payment Processing

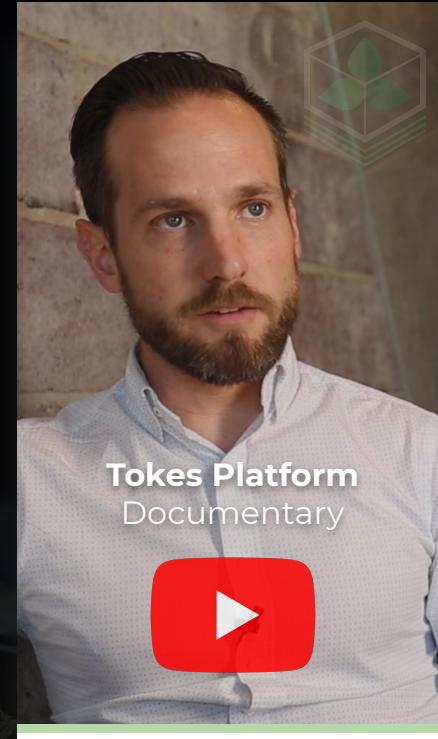
Cannabis Industry Deployment



**Launched in 2016**

Tokes Platform was founded to demonstrate how blockchain technology can help the hurdles of the legal Cannabis industry, where federal prohibition has resulted in lack of banking options for licensed businesses. Our hope is to provide a means to fulfill the regulatory and financial needs of this budding industry.

@TokesPlatform



**Tokes Platform**  
Documentary

# Digital Currency Payment Processing

Cannabis Industry Deployment

## Problem

### Cash business

- Limited U.S. banking for producers, distributors, retailers (federally illegal market)
- Few forms of electronic payments (i.e. credit cards)
  - When available, categorized as high risk (with high risk compliance fees)
- High security risk and expenses
- Tax payment burden



**TOKES**  
PLATFORM

# Digital Currency Payment Processing

Cannabis Industry Deployment

## Solution

Software product suite provided by **Cubed**

- Eliminate cash handling risk/expense
  - Electronic payments for mobile delivery of cannabis
  - Stable conversion of digital currency payments to USD
  - Tax payment via digital currency
  - Retain business assets electronically, replacing the need for traditional banking

**Merchant/consumer incentives for Tokes digital currency adoption**



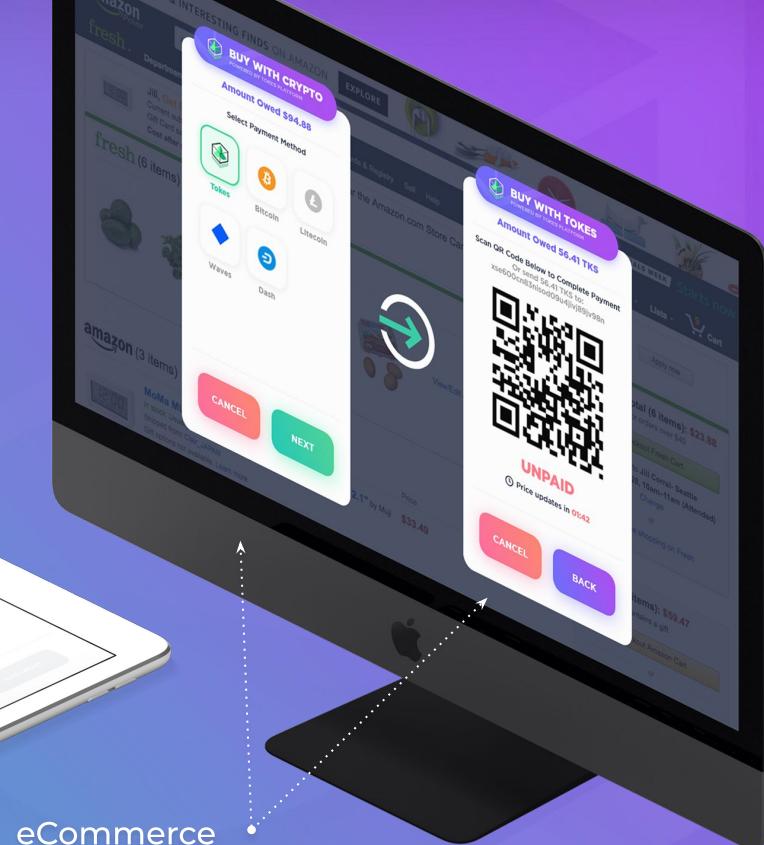
**TOKES**  
PLATFORM

# Tokes Platform

## Cannabis Vertical

Powered by Cubed

Point-Of-Sale





# Cannabis Industry Deployment

## Regulatory & Legislative Efforts



### Nevada

**Tokes Platform** aided the passage of a bill ([AB466](#)) to provide a pilot program for a “closed-loop payment processing” system for cannabis in Nevada. Tokes helped shape of the bill language proposed by Treasurer, Zach Conine, and will be a likely candidate in the pilot, facilitating payments from consumer, to business, to state.



### Rhode Island

**Multichain Ventures** applied for Rhode Island’s RFP #7598824 - an exploratory search for blockchain solutions within the state. Tokes aims to provide one of two services to the state. The first, is a closed loop payment system for cannabis dispensaries within the state similar to Nevada’s. The second is a supply chain visibility tool (EDEN Blockchain) for the state to have better visibility over its cannabis supply chains.

# Cannabis Industry Deployment

Token Ecosystem Incentives - Integration/Use



## CHEX Platform adopting Tokes

Software developers and platforms are incentivized to adopt Tokes (TKS) as their native digital currency, in exchange for ecosystem vesting and support from our team.



## Reli.cloud Hosting

Support includes providing scalable managed DevOps services by sister company [reli.cloud]



# Cannabis Industry Deployment



Token Ecosystem Incentives - Integration/Use



## Cannabis Hemp Exchange (CHEX)

CHEX develops tailored software and blockchain technology solutions to power B2B marketplace platforms, with a focus on commodity exchange.

The image shows a smartphone displaying the CHEX mobile application. The app interface includes a user profile for Barry Smith from Denver, CO, with a photo and a count of 49 contacts. Below the profile, there's a section for 'SLHZ' (Super Lemon Haze) with the following details:

- Plant Material • Harvest • Finished Flower**
- 1,300.00** PER LB.
- Bid: 1290.00 (260)
- Ask: 1350.00 (800)
- ▲ 8.33% Vol 455
- 1200.00 - 1420.00 7d
- 1200.00 - 1420.00 90d

Below the product details are two large buttons: **SELL** (green) and **BUY** (purple). Underneath these buttons are sections for **Buyer List** and **Seller List**, each showing a list of companies with their names, contact counts, and locations.



# Cannabis Industry Deployment

In The Press



LAS VEGAS  
REVIEW-JOURNAL

GREEN / Entrepreneur

NEWS 88.9  
**knpr**  
NEVADA PUBLIC RADIO

Forbes

Marijuana  
Business  
Daily®

KTNV  
LAS VEGAS

"Tokes Platform and Cannabis Hemp Exchange (CHEX)  
Announce Strategic [Token] Partnership"

L.A. CANNABIS NEWS

MARKETS  
INSIDER

# Supply Chain Visibility Tools

EPCIS Decentralized Network (EDEN)



EPCIS Decentralized Network

REGION 248 – TURKEY

What When Where Why

Home My Events Login

EDEN

Region 248 Rhode Island

VIEWING – MAY 5th, 2019

All Locations in this Region

REFRESH LIST TURN ON STREAMING

High Freq, Inc. 17:27:25 US/Eastern – MAY 05, 2019 GERMINATION EVENT 06

High Freq, Inc. 17:27:25 US/Eastern – MAY 05, 2019 GERMINATION EVENT 05

High Freq, Inc. 17:27:25 US/Eastern – MAY 05, 2019 GERMINATION EVENT 06

Mom & Pot Shoppe 17:27:25 US/Eastern – MAY 05, 2019 HARVEST EVENT 12

Mom & Pot Shoppe 17:27:25 US/Eastern – MAY 05, 2019

GERMINATION EVENT 05

event type

Object event type Observe action

what

Sativa Seeds product 336 quantity

when

MAR 20 1029 record date 10:22 am record time

where

Providence city USA country

why

Processing step

# Supply Chain Visibility

## Supply Chain Visibility Tools

### Problem

Modern supply chains, built on centralized systems, face incredible strain from increased demand in the digital ecosystem (online sales surpass retail), furthering exposing concern about item originality, security, and integrity, as well as diversion into illicit channels.

*"Many of today's retail supply chains are simply not set up to handle this demand for speed and convenience in a cost-effective way, and are already breaking under the strain of the new multichannel world."*

– McKinsey & Co

### Solution

Decentralization of supply chain management produces incredible efficiencies at scale that provide **trustless data provenance** to track the physical movement of goods as well as procurement of services. Combining these benefits with the GS1.org global business language establishes **the future of supply chain standards**.



# Supply Chain Visibility

## Blockchain Benefits to Supply Chain

Decentralization of servers creates an immutable distributed ledger for trustless recording and visibility of event data, both within and across enterprises. This enables stakeholders to gain a shared view of physical (or digital) objects, as they travel throughout the supply chain, from business to business and ultimately to consumers.

- Transparency
- Traceability
- Security

Blockchain innovation further enhances governance

- **Permissioned data access (regulatory agencies, trusted partners)**

Decentralizing supply chains while supporting a single global standard for trade communication creates trusted business interaction within markets and governments to facilitate optimal management of resources.



# Supply Chain Visibility Tools

## Products & Services

We develop “front end” agnostic solutions to integrate with existing business systems, to provide an additional provenance layer with blockchain technology in order to decentralize the recording of supply chain activity, based on the GS1 global standard.

### Target Client Systems

- Enterprise Resource Planning (ERP)
- Point of Sale (POS)
- Government

### EPCIS Standardization

- Electronic Product Code Information Services (EPCIS) is a GS1 standard that enables trading partners to share information about the physical movement and status of products in the supply chain. It helps answer the “what, where, when and why” to meet consumer and regulatory demand for accurate and complete product information.

### EPCIS Standardization

- Supplier, Warehouse, Manufacturer, Distributor, Retail Store
- Regulatory Agencies

### EPCIS Standardization

- Ethereum (via [OriginTrail.io](https://origintrail.io))
- Or private network deployment
- Adaptive to client needs



# Supply Chain Visibility Tools

Tokes Platform implementation for ‘Seed to Sale’



The first client for EDEN is the TheraCann International platform, which provides systems to track ‘seed to sale’ supply chain information within the Cannabis industry, to help businesses and regulatory compliance.

Theracann has produced a spray system known as ETCH, which tags cannabis at a fundamental level with molecular biomarkers. The purpose here is to ensure the origin of cannabis products within a supply chain - preventing grey market goods from introduction into a supply chain.

By combining this innovation with the EDEN Blockchain, there now exists a solution to the “garbage in, garbage out” (GIGO) problem inherent to supply chain tracking. Issues relating to diversion, corporate and product insurance, quality assurance, law enforcement, fraud detection, and consumer protection are ever prevalent in many current licensed countries.



**TheraCann**  
International

# Token Economics

## Native Digital Currency

Tokes (TKS) digital currency is a fixed-issuance free-floating transfer of value unit, comparable to nationally issued currencies (fiat), native to the Cubed ecosystem. Similar to bitcoin, it primarily derives its value from economic forces of supply and demand. Users are incentivized to pay with tokes, and merchants incentivized to accept it. As our network of merchant acceptance widens and user-base grows, we anticipate additional demand for the currency. As demand for the unit outstrips market availability, markets adjust to reflect the imbalance.

Additional economic variables are in development surrounding adoption, utility, and benefits built in to retention. The following mechanisms are conceptual, though are desirable following a more thorough legal assessment:

### **Merchant Staking**

Vendors retaining a minimum number of tokes (quantity to-be-determined) will receive discounts or elimination of fees associated with utilizing the platform. This includes transaction fees, trade processing fees, and recurring subscription fees. In addition, premium tier vendors, as demonstrated by holding the highest balances of staked tokens, will receive additional benefits in the form of marketing assistance from Cubed, higher visibility with a global consumer base, rebates, and access to exclusive features on the platform.

### **Proof of Tokes (PoT) Staking**

Consumers will also be provided the opportunity to stake their tokens. Benefits will include discounts subsidized by Cubed, exclusive offers from merchants, and access to special events.

### **Merchant Revenue Burn**

Merchants will be provided optionality in total fee structure they pay to the platform. Incentives will be implemented for merchants electing to burn a portion of the total revenue generated by sending Tokes to a permanent, ir retrievable, smart contract address. Merchants electing to destroy a portion of their revenue, will see a greater than 1:1 reduction in fees; a net positive for the vendor. This dynamic will exist until such a time as 50% of total token supply has been removed from circulation.

# Financials

## Revenue Model with Revenue Estimates



<b>Multichain Ventures</b> 	<b>\$80,000</b> ICO [2016]	<b>\$3,000,000</b> <b>Private Placements &amp; Exchange Operations</b> [2017-2019]	<b>TBD</b> Intent to distribute 70% of token supply during IEO event	<b>IEO [TBD]</b> <b>Holds 95%</b> <b>Token Sales</b> Company presently holds 95% of token supply in corporate treasury
<b>Cubed</b> 	<b>\$25,000-50,000</b> <b>White Labeling</b> per brand Integration	<b>\$25,000-\$100,000</b> <b>Licensing</b> per year based on geographical or industry specific licensing agreement.  Cubed retains a minimum residual on all White Label and Licensing transaction and trade processing fees through the platform (e.g. 0.25%)	<b>Transaction Fee</b> <b>Transaction &amp; Trade processing</b> ~1.0% fee on transaction volume and an additional 1.0% fee on all trade volume	<b>Subscription Fee</b> <b>Individual Retail Fee</b> \$1,200 - \$5,000 per year per merchant
<b>EDEN</b>  EPCIS Decentralized Network	<b>Revenue Share</b> Percentage of all revenue from object data recorded on chain	<b>eCommerce</b> Leverages transaction, trade processing, and subscription fee model Shopify, etc	<b>Pay Per Item</b> Pay per item recorded to blockchain ledger	<b>Integration</b> <b>FinTech Services Integration</b>

# Financials

## Use of Proceeds

Total Ask (including IEO proceeds)

**\$3,000,000 - \$5,000,000 at Mezzanine Valuation of \$20,000,000**



Multichain Ventures

Current Burn Rate  
**\$1,200,000 (\$100,000/mo)**

Current Assets  
**\$2,100,000**  
**21 month runway**

Post-Raise Burn Rate  
**\$3,408,000 (\$284,000/mo)**

Post Raise Runway  
**18 months @ \$3,000,000 or**  
**25 months @ \$5,000,000**  
without revenue

Development & Operations: Expansion of Human Resources

Management & Engineering Team: New Hires  
**\$701,000**

Sales and Marketing Team: Director of Marketing and Two Account Representatives  
**\$270,000**

Support Staff Outsourced  
**\$50,000 - \$100,000**  
based on software adoption

Marketing & Business Development

General Advertising  
**\$300,000**

Events & Promotions (Tokes.io POC, Popups/Concerts, Sponsorships)  
**\$240,000**

Conference Attendance & Sponsorships  
**\$250,000**

Lobbying  
**\$100,000**

Crypto Kiosk Deployments (Vault Logic)  
**\$240,000**

\*All figures annualized

# Multichain Ventures

Meet The Team



**Michael Wagner, CFA**  
CEO & Cofounder



**Gabriel Allred, PhD.**  
CCO & Cofounder



**Jacob Floyd**  
CTO



**Michal Mikolajczyk**  
CIO



**Danny Floyd**  
CXO



**Eugene Lopin**  
Project Management &  
Business Development



**Deb Lucas**  
COO



**Thomas Diab**  
Business Development



**Rafael Aguirre Jimenez**  
Development Lead



**Joseph Floyd**  
Project Management



**Asia Kuzniacka**  
Project Management



Multichain Ventures

Operations

Development

Management