



M O B U

**The Smart Investment Bank**

**WHITE  
PAPER**

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## ABSTRACT LINE

**Throughout history, there have always been revolutionary ideas. But those who lack the vision to embrace the future invariably get left behind.**

Bitcoin is a globally fungible commodity with low transaction costs, near-zero transportation costs and low-to-zero storage cost. “Transfers are 388x faster and 127x cheaper than through traditional remittance channels” – Blockdata.

Cost of IPOs is estimated to be between 5% and 10% of the total amount raised, for an average amount of \$7M in the US. The costs of STO issuance, on the other hand, are expected to be about half of that.

The total costs of trading equities on secondary markets and exchanges are between 0.5% and 3% per trade, totalling \$250B in 2016. This is compared to 0.1-0.25% fees currently seen on crypto exchanges and expected to continue on security token exchanges.

Studies have shown that corporate actions in traditional markets (i.e. dividend payments, voting, stock splits, etc.) cost ~\$10B a year. The expectation is that most if not all of these could be automated through digital securities/security tokens and built into the protocols.

It is worth noting that equities have a huge market at nearly \$80T. For example, in 2016 alone, companies had a combined year-end market cap of \$800B IPO'd. Equities also offers a massive industry for service providers and middlemen, as equities generate \$27.6B of annual revenue for the top 5 US investment banks. Not only are digital assets clearly lower in fees but also allows for almost instantaneous settlement and more transparency. If we assume any penetration at all for security tokens in the traditional equities market, we are referring to potentially exceedingly large numbers.

***“As the world's assets become increasingly liquid, the concept of ownership will evolve in ways we cannot yet imagine”***

- Professor Stephen McKeon

# INTRODUCTION

The world is moving towards real-time, lower fees and more automation.

MOBU is building the complete infrastructure solution for the next generation of assets. MOBU is upgrading capital markets by transforming the landscape of the securities industry by leveraging modern technology and creating a vertical integration of three major financial services under one roof:

1. MOBU supports companies that wish to raise capital - like an investment bank - through its digital security issuance platform
2. MOBU provides secondary trading - like a stock exchange - through its regulated, institutional, almost instantaneous settlement, insured digital asset exchange
3. MOBU provides a digital cost-effective banking solution to everyday investors

This is all done by using distributed ledger technology to ensure corporate efficiency and interoperability. Although MOBU remains a global company it aims to become the trusted source of deal flow to Africa. The team believes that Africa will be the most logical place to start its operations since nobody is focussing on the second largest continent of the world and a market the team understand. MOBU – The SMART Investment Bank.

***“Digitization of private placement issuance has estimated cost savings of 40% over a five-year period.”***

– Novablock Capital

## TEAM VISION

MOBU is seen as the Smart Investment Bank for the African Market. MOBU is to become the trusted source of deal flow to Africa and the secure secondary market for global investors using distributed ledger technology (DLT) for corporate efficiency, ability to identify fraud, enhancing resilience to cyber threats, cutting costs, increasing transparency, streamlining processes and increasing automation.

Venture capital funding is gradually being replaced by a new trend in the market, namely security token offerings (STO's) or so-called digital securities offerings. STO's are currently disrupting the investment ecosystem as we know it! Start-ups issuing digital tokens have raised money at a faster pace than any other venture capital funding ever and is a cost-effective way of raising capital!

Blockchain is indeed where the value lies as it replaces clearing, settlement and assist with trading securities and effectively upgrades capital markets by automating bottleneck procedures.

***“10% of world GDP will be developed on blockchain applications by 2025”***

– Deloitte



# MARKET OPPORTUNITY

## Rise of Blockchain Technology and Digital Assets

One of the most important technological advancements in recent history is blockchain technology. Blockchain technology is an excellent example of financial technology (fintech), a new and exciting industry that uses technology to improve the quality of financial services and make it more accessible to all. Today's buzzwords in the financial digital world are undoubtedly "fintech, blockchain technology and digital securities". The digital asset class has boomed into a \$100 billion market.

Blockchain technology has the potential to revolutionize how transactions are accomplished in the business landscape, both domestically and internationally. A blockchain is a continuously growing list of records, called blocks, which are linked and secured using cryptography.

A blockchain can serve as an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way. For use as a distributed ledger, a blockchain is typically managed by a peer-to-peer network collectively adhering to a protocol for validating new blocks. Once recorded, the data in any given block cannot be altered retroactively without the alteration of all subsequent blocks, which requires collusion of the network majority. Blockchain technology allows for the elimination of fraud rates thereby enabling a whole host of potential applications. Ignoring blockchain technology today is like ignoring the internet 30 years ago!

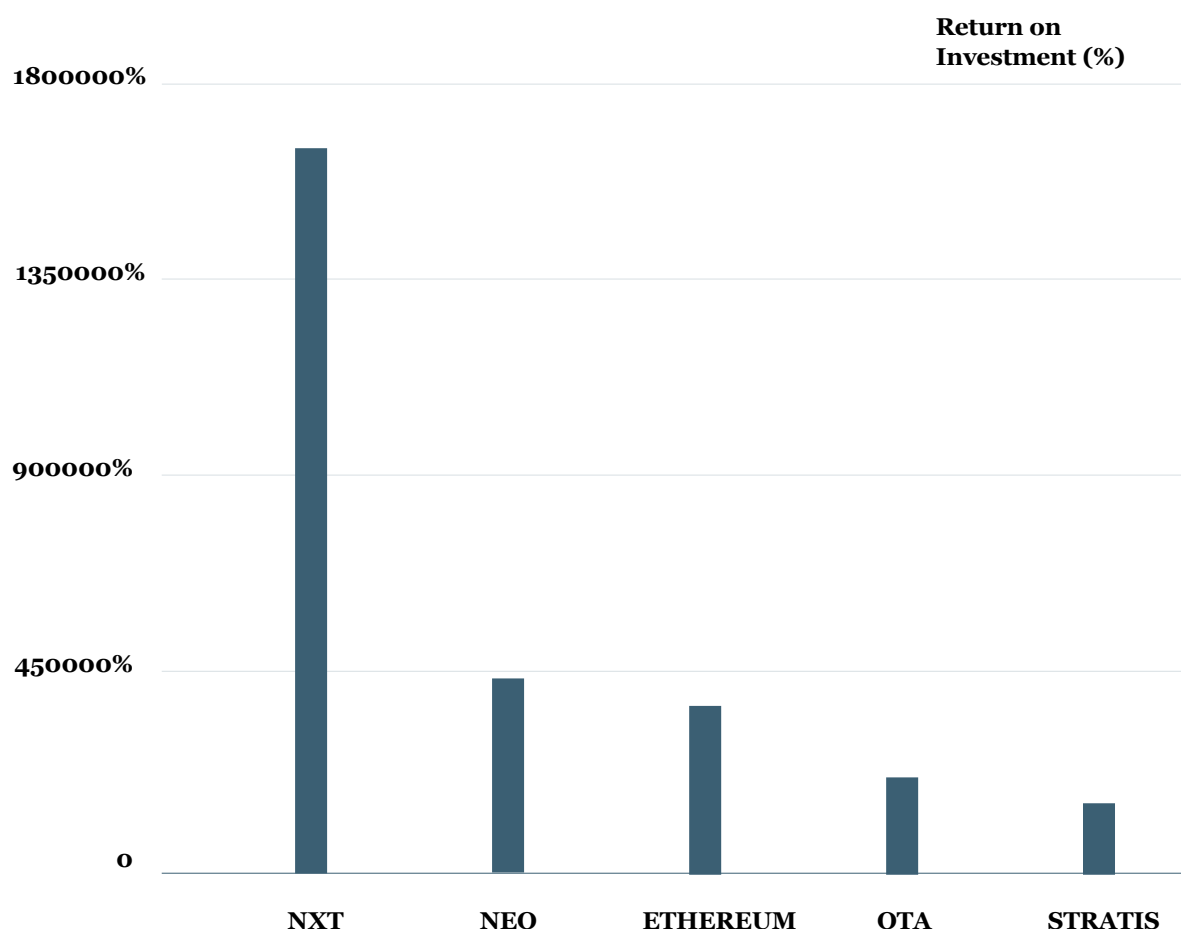
The 4th industrial revolution is unfolding before our very eyes! This is the first industrial revolution rooted in a new technological phenomenon—digitalization.

Blockchain technology and digital assets are here to stay and STO's have the potential to transform the way companies capitalize themselves. "The multi-trillion-dollar securities market remains virtually untouched in the blockchain space". MOBU allows for a whole new market of money to enter the cryptocurrency environment.

In 2017, there were over a thousand ICOs launched with an average amount raised of US \$13.5m. If a 1000 ICOs launch their tokens on the MOBU platform with an average amount raised of only US \$3m, there will be an inflow of US \$3Bn to the platform and subsequently increase the demand and price of the MOBU token dramatically. The global securities market has been constantly evolving over the years to serve the needs of traders.

Traders require markets that are liquid, with minimal transaction and delay costs, in addition to transparency and assured completion of the transaction. The global securities market is composed of three major instrument types: equities, debt, and derivatives. In 2016, these three markets had total notional values of US \$67 trillion, \$99 trillion, and \$1.2 quadrillion, respectively.

## Return of Investment of Top ICO's



## Recent Top ICO's

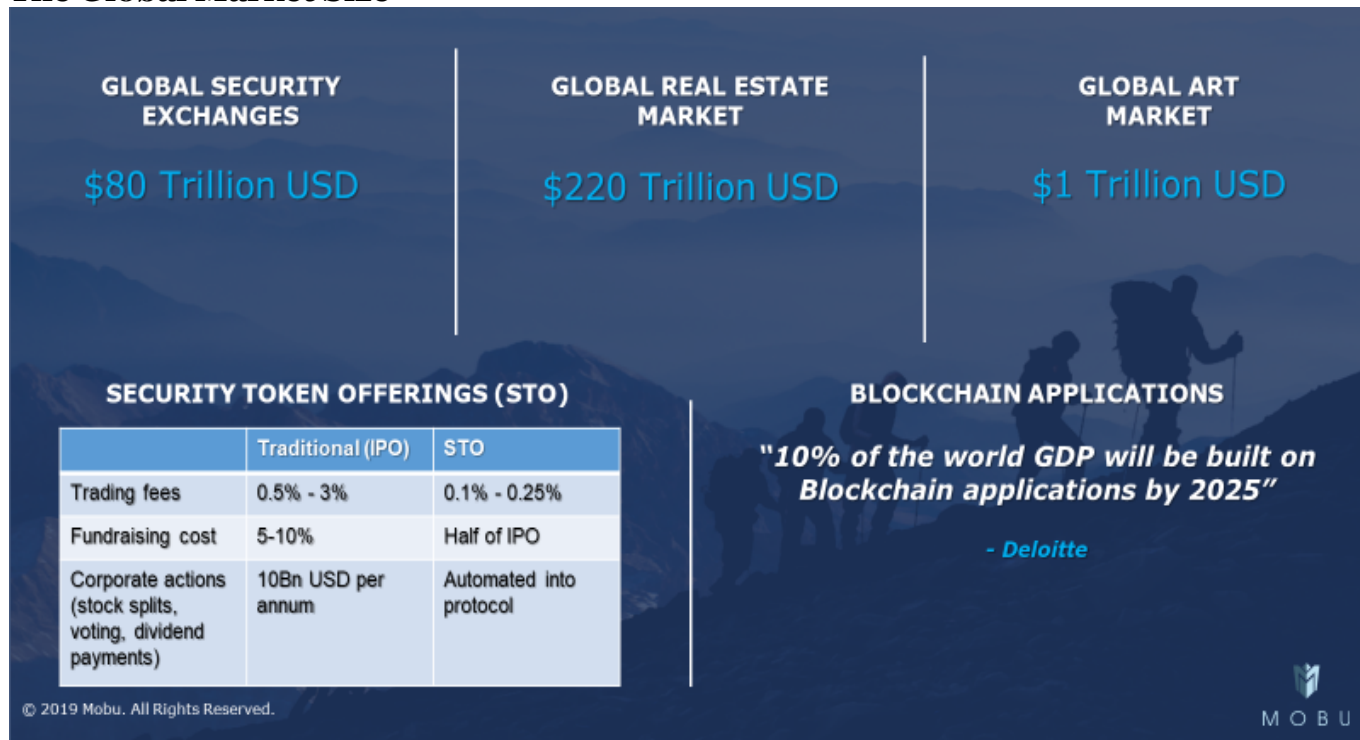
Coin name	ICO price per token (USD)	Current (date of publish) price per token (USD)	
NXT	0.0000168	0.28	1 666 567
NEO	0.032	145	453 025
ETHEREUM	0.311	1200	385 752
IOTA	0.001	2.25	224 900
STRATIS	0.007	11.75	167 757

The global adoption of ICO fundraising structures has led to an explosion of new capital formation that has outpaced both the seed and venture capital investment markets. ICOs have raised over US \$4 billion to date. In 2017 alone, ICO funding exceeded US \$1.2 billion. The 86 ICOs that were launched during the first term of 2018 were able to raise a mammoth amount of US \$3,4 billion in total.

There are a lot of costs to consider when “going public” with an IPO. For example, Goleta-based Inogen has raised US \$70.5 million in an IPO while their total direct costs amounted to US \$7.4 million or roughly 10,5% of its gross proceeds. In comparison, ICOs like Golem, Filecoin and Tezos raised astronomical amounts of 820,000 ETH, US \$258 million and US\$ 232 million respectively. The total costs (including legal fees) of launching a successful ICO that addresses a

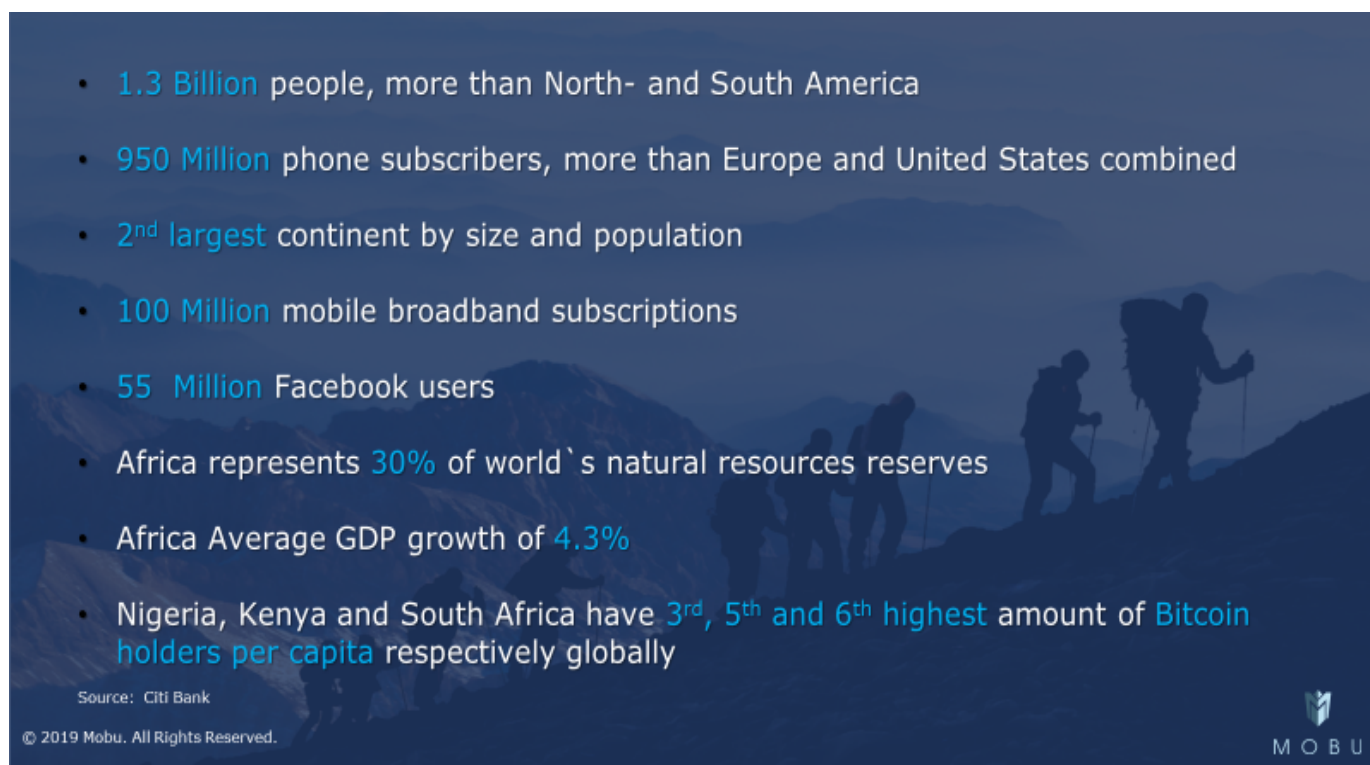
distinct industry problem usually range between only US \$250,000 and \$750,000. Thus, ICOs are a lot more cost effective in raising funds than IPOs. Private placements raise roughly 3 Trillion USD per annum, think if you can do it with less friction and less middlemen? The multi trillion USD debt, equity and real-estate markets can be converted to smart securities for corporate efficiency and greatly assist in creating liquidity in large assets.

## The Global Market Size



## Deal Flow to Africa

## The African Market Size



There are endless opportunities in Africa but African entrepreneurs tend to lack access to capital. MOBU is on the forefront to become the perfect channel for this deal flow, secondary market and

a few initiatives of its own using distributed ledger technology to solve a significant number of identified problems on the African continent. For example, after more than 50 years of banking on the continent, just about 34% of adults in sub-Saharan Africa have bank accounts or access to formal financial services. The global remittance industry is projected to hit 1 Trillion USD by 2022 according to Blockdata.

Every year the size of venture capital investments that take place around the world exceeds \$100 billion. Currently, Africa gets less than 1 percent of this global deal flow. For example, we find two major trends in the South African investment market namely:

1. Investment banking in South Africa is emerging and a lot of the market is untapped and underutilized. There is a huge opportunity for investment bankers to capitalize on this environment.
2. The market only deals with smaller funds and local investment banks do not offer their services to other continents. An excellent growth potential exists by linking all the markets together and deal with larger funds.

MOBU intends to become the trusted source of deal flow to Africa and the secure secondary market for global investors using distributed ledger technology for corporate efficiency, ability to identify fraud, enhanced resilience to cyber threats, cuts costs, increases transparency, streamline processes and increase automation.

***“100% of Stocks and Bonds trading on Wall Street today could be tokenized, and in five years, 100% of the stocks and bonds on Wall Street will be tokenized”***

– Robert Greifeld, Former Chairman & CEO of NASDAQ.

# THE PROBLEM

**Entrepreneurs** are limited in their ability to launch a compliant and legal Security Token Offering (STO).

**Individuals** have difficulty accessing secondary markets and banking services.

## ENTREPRENEURS

- Regulatory, legal and technical nightmare launching a compliant STO
- #1 problem for entrepreneurs is capital raising
- Legal process can be expensive and slow
- SEC will imprison and fine if STO is executed wrongfully
- Struggle to open corporate bank account for blockchain companies

## INDIVIDUALS

- No secondary trading environment
- Difficult to convert crypto to fiat in some jurisdictions
- 2 billion people remain unbanked
- Slow process to open a bank account
- Slow process to change ownership
- Illiquidity of some assets (VC's, large properties, etc.)

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**\$100B**

**Global venture capital investments.**

Source: PitchBook & KPMG International

**>1.7B**

**Total number of unbanked people in the world.**

Source: World Bank - Global Findex

**<1%**

**Percentage of global venture capital deal flow Africa receives.**

Source: WeeTracker's Venture Investments Report

**28M**

**Number of blockchain wallet users globally.**

Source: Statista - 2018

**34%**

**Percentage unbanked African adult population**

Source: Family Office Investment Summit

**43%**

**Percentage increase in blockchain technology to 2022.**

Source: SB Wire Report

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# THE SOLUTION



**MOBU** is the full infrastructure solution for smart securities/regulated digital securities. (**New generation of digital assets**)  
We are vertically integrating all major financial services under one roof with the use of digital ledger technology (DLT):

## SMART SECURITIES ISSUANCE PLATFORM (STO PLATFORM)

MOBU supports companies that want to raise capital such as an investment bank

## SMART SECURITIES EXCHANGE (STOCK EXCHANGE)

MOBU provides secondary trading like a stock exchange

## DIGITAL BANKING SOLUTION (MOBU CASH)

MOBU provides a banking solution to global investors

*And this is ALL done using blockchain technology/DLT to ensure more automation and less middlemen to support corporate efficiency.*

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## PAIN POINTS >>> SOLUTIONS

### DIGITAL SECURITIES ISSUANCE PLATFORM:

- ❑ MOBU creates a set of rules (the MOB20 protocol) that governs the issuance of compliant digital securities – offering peace of mind to both issuers and investor – supports Reg S, Reg D, and Reg A+ compliant STO's.
- ❑ MOBU selects only experienced legal counsel across multiple jurisdictions worldwide
- ❑ MOBU offers a convenient and secure marketplace to issuers and investors by applying vetted tender processes for legal providers, smart contract developers, escrow providers and KYC/AML providers.
- ❑ Blockchain-based raises more (12.7m USD avg 2017) – wider investor base to raise capital from

### DIGITAL SECURITIES EXCHANGE/STOCK EXCHANGE :

- ❑ MOBU will own equity stake in operational licensed stock exchange to provide a secure and cost-effective secondary market to global investors by cutting costs, increasing transparency, streamlining processes and increasing automation.
- ❑ Instant settlement and change of ownership. No credit risk in terms of settlement.
- ❑ Use blockchain for clearing, settlement and trading.

### BANKING/PAYMENT SERVICES (MOBU CASH):

- ❑ MOBU will own a payment/banking company to provide services to global investors (including the unbanked population) regarding crypto-fiat and fiat-crypto conversions, and fiat accounts in up to 21 currencies as well as offering worldwide accepted debit cards. A bank account can be opened within minutes.

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## ADDITIONAL KEY FEATURES OF MOBU

MOBU:

- **bridges the gap** between the securities marketplace and the blockchain
- facilitates the **release of compliant** digital securities/assets for all businesses that are backed by real assets wishing to raise capital on the blockchain
- creates an **abstract smart contract** from which all STOs will be extended. The MOBU abstract smart contract will contain the code that is required by the STOs to conform to the MOBU ERC20 platform and the MOB20 standard protocol to adapt to the ideas and requirements of MOBU. Digital securities/security tokens need more than an ERC 20 standard as regulators need to have the ability and “right to recall” as P2P currently cannot happen.
- restricts tokens to **verified users** and enforces a **trusted, regulated institutional grade ecosystem** with professional and registered third party insured **custodians, auditors** going forward and **market makers** to ensure liquidity.
- Formal **market surveillance tools** in place that help detect market manipulations such as spoofing and wash trading through the real-time and historical analysis of trades, order books, and other market information. (Examples, Irisium Market surveillance, NICE actimize & Nasdaq SMARTS)
- provides an **ecosystem/marketplace** with a vetted tender process with strict criteria (rating system) for service providers in terms of track record, pricing, capital requirements, etc. Service providers will not be able to generate income without the use of the MOBU utility token.
- deploys a network of authorization centers for **KYC/AML compliance**
- deploys a network of authorisation centres for **SEC compliance** for securities
- deploys a network of authorization centres for a new standard “**Know Your Supplier**” (KYS) for due diligence (DD) compliance for legal providers, smart contract developers, KYC/AML providers and escrow providers
- introduces unique method of **escrow services** to STOs - investors are protected by enabling them to exit the STO after fundraising on a pro-rata basis if the STO issuers do not adhere to their targets and goals. Hereby STO issuers will not have immediate access to the full amount raised - the funds will be released to them on a pro-rata basis
- introduces a “**lockup**” **utility** for service providers using the MOBU platform to access services, rather than spend the tokens. All the STO service providers on the MOBU platform will stake x amount of MOBU tokens to receive the right to operate in the ecosystem/marketplace. These tokens will be locked up for as long as that company remains a service provider on the MOBU platform. This creates scarcity of supply in the market and increases the demand for the MOBU token. Lockups can be used by investors to determine the intrinsic value of the MOBU token. MOBU considers several ways to apply this “lockup” utility for STO’s, for example:
  - ❖ Service providers (KYC/AML, escrow, legal, developers) will be required to stake a certain amount of MOBU tokens to earn the right to work in the ecosystem
  - ❖ The MOBU platform includes “premium” features desirable to secondary markets. This will be accessible by staking a certain amount of MOBU tokens

- ❖ MOBU Issuers will also have the benefit of bulk marketing power which offers lower STO PR services in the market, STO advisors and better exchange pricing listings. This will form part of the support MOBU will offer STO issuers on MOBU. MOBU may offer financial support to promising STO's on the platform
- strengthens **investor protection** by limiting certain sales to accredited investors and providing bank support in safe-keeping the proceeds of STO funds in a decentralized escrow account creating trust and confidence in MOBU
- implements technical specifications and applications like private **investor portals/accounts**
- provides **legal support**
- creates a regulated environment where **transaction costs** are managed and kept market related
- ensures continuous **liquidity** and exchangeability for investors



# REASONS WHY MOBU USES BLOCKCHAIN TECHNOLOGY

Digital securities equally benefit the traditional finance sector and the blockchain. The enforcement initiatives put in place by the SEC do not only reduce the legal risk but they also provide protection for both the issuer and the investors. Apart from being a 24/7 marketplace, the blockchain securities market offers many other benefits:

## **Fees are lower**

The total costs of launching successful ICOs are a lot more cost effective in raising funds than IPOs. Most IPO costs originate from payments owed to middlemen like bank institutions. Security Tokens remove the need for most bankers which lower fees while smart contracts may decrease the reliance on lawyers in future. Smart contracts decrease the complexity, costs and paperwork with managing securities (collecting signatures, wiring of funds, mailing of distribution checks, etc.).

## **Deals are executed faster**

The more individuals involved in a transaction, the longer it usually takes to conclude. When tokenized securities remove middlemen from investment transactions, they enable quicker timelines for issuers to successfully offer their security. Instant and prompt trade settlement on the secondary market for Security Tokens will become an attractive advantage for issuers and investors as well.

## **Exposure to the free market**

The more individuals involved in a transaction, the longer it usually takes to conclude. When tokenized securities remove middlemen from investment transactions, they enable quicker timelines for issuers to successfully offer their security. Instant and prompt trade settlement on the secondary market for Security Tokens will become an attractive advantage for issuers and investors as well.

## **Larger investor base**

The potential investor base is drastically increased when asset owners can present deals to anyone with an internet connection. It is obvious that asset owners prefer to show his/her investment opportunity to every potential investor in the world and not be restricted to only US accredited investors and institutions. Competition is healthy and beneficial for financial markets on long-term.

## **Automated service functions**

With tokenized securities, issuers will start to use smart contracts to automate the service provider function through software. In most transactions lawyers are less middlemen and more service providers. This does not necessarily indicate that lawyers will cease to exist, but rather that their function will be more advisory based.

## **Decreased manipulation by financial institutions**

The likelihood for corruption and manipulation by financial institutions is decreased if those institutions are removed from the investment transaction process. Tokenized securities therefore increase company transparency.

# MOBU ASSETS

## **The MOBU Token**

*The MOBU token is the core utility token that powers the entire MOBU ecosystem/marketplace.*

None of the service providers utilizing the MOBU platform will be able to generate income without the use of the MOBU token. The MOBU token conforms to a MOBU ERC20 platform and a MOB20 standard. MOBU is an open protocol which means that MOBU token holders can visit any supporting exchange to buy and sell their tokens. Most future projects will be quoted in MOBU which ensures additional buying and selling of the MOBU token.

## **MOBU Chain code**

At the heart of the MOBU platform are a set of smart contracts. These serve to coordinate interactions between participants. MOBU smart contracts are deployed on Ethereum but could be linked to other platforms.

## **MOBU.js**

MOBU.js is a JavaScript library that makes interaction with the MOBU chain code easier, as well as a set of tools for encrypting documents using Ethereum's addressing scheme and generating cryptographic proof of process artefacts (see Appendix A Encryption). Opensource (GitHub) wrapper class exposing functions which encapsulate an interface to interact with MOBU blockchain for all MOBU STO issuers and developers to consume data.

# THE MOBU TOKEN

The document audit trail and data from the utility token creation and compliance processes are uploaded to the transparent and fully auditable Ethereum blockchain. To power this new MOBU ERC20 platform for the issuance and trading of regulatory compliant securities on the blockchain, a MOB20 standard token is created and distributed to network participants.

*The MOBU utility token is the underlying economic unit and driving force behind the entire MOBU ecosystem/marketplace. Service providers will not be able to earn an income without the use of the MOBU token.*

The MOBU token includes the following features:

## **MOBU rewards programme**

To improve user involvement and exchange energy, MOBU is going to initiate a rewards programme, which equals to 75-100% of the total trading fees charged by the utility exchange to users who hold MOBU in their accounts. Please note that this reward proportion could be adjusted based on the actual situation in the future.

## **Trading fee discount**

When placing orders to trade, holding a certain amount of MOBU in your MOBU account can lower the trading fee. Details will be published through announcements. MOBU aims to have a low standard fee of only 0.25%.

## **Buy-back mechanism**

After the MOBU platform opened for use, at least 10% of the net profit will be applied to the buy-back of MOBU every quarter. The MOBU retrieved through buy-back will be destroyed immediately. The buy-back record shall be released to the public at the first time, so that users can review via blockchain explorer, to ensure the open and transparent nature of the whole process. We will continue our efforts in this regard, until only 75 million MOBU tokens remain. This will furthermore increase scarcity and demand for the MOBU token and ensure a stable price for all users and service providers.

## **Service provider lock-up**

All KYC/escrow/legal/custodian and auditors going forward need to stake x amount of MOBU tokens to receive the right to operate in the MOBU ecosystem and ability to generate revenue. The MOBU team tokens will also be locked-up for 1 year.

The MOBU token allows value created in the system to be captured by the system itself. Just as almost all countries have their own currency, requiring these transactions to be in MOBU sets up incentives to remain in the system. If all transactions were in Ether (the native currency of Ethereum), then participants wouldn't be storing value on the MOBU platform. By requiring that people hold (and transact) in MOBU, participants become claim holders on the system, which should generate the same forces of incentivization that have helped ecosystems like Ethereum (and many so called "alt-coins") explode into active and diverse communities. Meanwhile, systems without their own native coin or with a "pegged" coin (e.g. Master coin) have struggled to develop growing or even sustainable communities or all-important network effects.

Compared with current centralized and vulnerable storage systems for STO's such as the SEC's EDGAR database, MOBU prevents high-profile hacks occurring by isolating the storage of each STO. This all-digital approach allows for a much more efficient and scalable system, which is

important given that the EDGAR system is currently processing 50 million document requests and over 1.7 million electronic filings per year.

### **Practical Use Case for Digital Securities**

- Imagine if Apple allows discount to you if you held 10 shares for longer than 1 year
- Or if you hold shares in a REIT, you receive discounted rent. This is not possible in the current paradigm but could create substantial value
- By tokenizing venture capital funds, instant liquidity is created and the typical 7 – 10 year waiting period is bypassed
- Digital securities/security tokens offer more efficient BONDS/debt instruments

# PROJECT IMPLEMENTATION

## MOBU details

Token name	MOBU
Standard Price	0.15 USD
Type of Token	Utility token
Platform	MOBU ERC20
Standard	MOB20

The maximum supply of 150 million tokens will be available including an IEO (Initial Exchange Offering) of 20-35m tokens, keeping 20 tokens as reserve for MOBU Cash referral rewards to boost growth. The majority and difference of tokens will be sold through private placement.

*Referral concept for MOBU Cash:* Every user who refers three friends (and passed the KYC) that deposit 50 USD gets 50 USD worth of MOBU tokens.

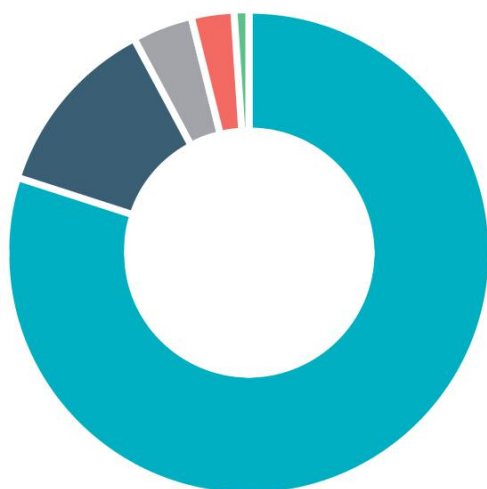
## MOBU Abstract Smart Contract

Real businesses wishing to raise capital by issuing security tokens will build their STO's on the MOBU platform. MOBU creates an abstract smart contract from which all STO's will be extended. The MOBU abstract smart contract will contain the code that is required by the STO's to conform to the MOBU ERC20 platform and the MOB20 standard in order to adapt to the ideas and requirements of MOBU.

## Smart Contract Interfaces

By means of smart contract interfaces STO's will be enforced to conform to certain functionality requirements of MOBU. MOBU will be able to validate whether the interface has indeed been implemented.

### Token Distribution



80% Fundraising

12% Team Tokens (frozen for 1 year)

4% Advisors

3% Bounty

1% Airdrop

## Use of Proceeds

Use of Funds	Value
Issuance Platform	\$1m USD development of STO issuance platform & global STO protocol (quote of \$2m Euro from third party available)
Stock Exchange	\$1.5m USD to purchase equity in Stock exchange (500m ZAR turnover expected for 2019 already)
Licenses	\$1m USD digital bank & licenses
Legal	\$500k USD for additional legal expenses
Marketing	\$1m USD marketing, maintenance and global roll-out
Software	\$700k USD crowd farming software & farm – (soft commitment of Family office to purchase remaining equity)
Operations	\$500k USD community building, travel, ad hoc expenses
Consumer Education	Any additional funds will be used to promote adoption of STO's

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## FUNDRAISING Public Sale

Minimum pay	0.1 ETH
Accepted payment methods	ETH, BTC, BCH, LTC, DASH and FIAT (USD)
Bonus	20% – 0%
Duration	90 days
From	1 February 2019 11:00:00 UTC
To	30 April 2019 11:00:00 UTC
Soft cap	US \$1 000 000 in ETH equivalent (total for all currencies)
Hard cap	US \$9 500 000 in ETH equivalent (total for all currencies)

## Fundraising Security

The fundraising is hosted by Cryptob2b.io by Dmitrii Borodin from the ICO rating team. The team adds much value to the security of project sites for the whole period of the fundraising by offering the following services and solutions to potential challenges:

- Isolation of hosting from other companies of the client company
- Shadow copy of the site and constant monitoring of the immutability of the original site
- A personal algorithm of protection against the substitution of payment details is written for each customer by analogy with the “secret launch” of the engine in cars
- System administrators check the STO client's site for standard threats and server configuration error
- Individual methods used for monitoring the site and blocking its work in case of hacking

# THE MOBU ECOSYSTEM

## 1. THE SMART DIGITAL SECURITIES ISSUANCE PLATFORM

The MOBU token is a utility token which directly impacts on future liquidity and interacts with the project ecosystem in both the short and long term.

### *MARKETPLACES*

The management of escrowing and releasing fees is performed by a MOBU smart contract and all amounts in the marketplaces are denominated in MOBU.

#### **KYC Provider Marketplace**

The management of escrowing and releasing fees is performed by a MOBU smart contract and all amounts in the marketplaces are denominated in MOBU.

#### **Legal Representative Marketplace**

All securities must go through the legal representative compliance process. Legal representatives support issuers completing this process successfully and give their stamp of approval on an issuance. For each new potential security token, representatives tender on the cost of assisting that issuer through the compliance process. The platform assumes no knowledge about the representatives, and it is up to the issuer to do their own due diligence about the legal representative's claims and credentials. Legal representatives are also required to go through KYC validation. By the very nature of blockchain being transparent and open, third parties will be able to track the number of issuances done by a legal representative which makes the choice of which representative to use much easier.

#### **Developer Marketplace**

An issuer may prefer their STO contract created or reviewed by one or more smart contract developer. Approved developers tender on these positions.

### *MOBU USERS*

#### **Issuers**

Issuers are entities that wish to sell security tokens. Issuers can post bounties in MOBU tokens, to encourage legal representatives and developers to tender for the provision of services towards the issuance. The size of bounty posted is at the discretion of the issuer. Highly complex STO's will likely require a greater amount of MOBU tokens. Factors that will determine the complexity include issuer jurisdiction, investor jurisdiction(s), accreditation requirements, and token transferability limits. The higher a bounty the issuer places, the more likely is that a wider variety of tenders from legal representatives and developers will be received.

#### **Developers**

Developers are software engineers who create or review STO contracts for security tokens. Developers will earn MOBU tokens for creating STO contracts. To incentivize developers to create these contracts, they will be required to have these MOBU fees locked up for a minimum of 3 months after the end date of the STO.

#### **KYC Providers**

A KYC provider validates the real identities of participants and performs due diligence to accredit them. To participate in the system, Ethereum addresses need to be matched with individuals. These individuals may also wish to be accredited in their jurisdiction to remove investment restrictions. KYC providers pay a MOBU fee to join the network. This fee is to prevent fake KYC providers from spamming the network. It is expected that legitimate KYC providers will easily make this back in fees earned from a few hundred investor verifications. Furthermore, they can specify a fee to be paid by each investor requesting verifications (i.e. 10 MOBU), and it is expected that legitimate KYC providers will easily recoup their initial capital cost of joining the platform potentially even after a single successful issuance.

## **Investors**

Investors are individual consumers or institutions wishing to buy or trade security tokens. Investors seeking to buy security tokens will be required to pay a MOBU fee to KYC providers for verification. Verified investors then have the right to buy and trade security tokens. Additionally, they may be required to buy security tokens using MOBU, but this is left up to the issuer to enforce.

## **Legal Representatives**

Legal representatives place tenders, including proposals with compellable on-chain restrictions. They can also support issuers off-chain through the compliance process. Legal representatives can earn MOBU tokens by proposing tenders on security token issuances and being selected by the issuer to take responsibility for the issuance. Along with their tenders, they can specify how long they are willing to lock up their bounty.

## **Escrow Providers**

Escrow providers can earn MOBU tokens by proposing tenders for their services and the terms of such an account can be determined by issuers and disclosed to investors. Issuers of STO's on MOBU will not have access to all the funds after successful fundraise, instead it will be spread over a certain percentage of a 2-3-year period to protect investors further. Investors will have the option to request their investment back, calculated pro-rata at any given time to ensure STO issuers keep to their roadmap goals and protect investors.

## **Custodians**

### **How custody works in terms of digital assets**

- Bitcoin is a cryptographically secured digital asset. It uses “public key cryptography” to keep track of who owns what
- Public key cryptography revolves around the creation of two related “keys”: a public key and a private key
- These “keys” are digital codes: strings of letters and numbers
- A public key is almost like a P.O. Box address. Everyone is able to see it, and anyone in this case is able to send bitcoin to it
- The private key on the other hand is like the key to that P.O. Box. Only the owner has access to the “private key” and only the owner is able to open the P.O. Box and access what is inside
- If you hold the private key, you own the bitcoin at the corresponding public key address
- Protection or “custodying” bitcoin, therefore, means safeguarding the private key
- The primary challenge to safely provide custody to bitcoin, is to change custody from a “digital” challenge to a “physical” one
- You do this by creating private keys on a device that has never been connected to the internet and storing them offline. The crypto community refers to this as “cold storage.” There are multiple professional regulated, insured, third-party crypto custodians which include Voit,



Coinbase, Kingdom Trust, Gemini, Fidelity digital assets. Etc. Insurance is mostly underwritten by AON, AIG, Allianz, Chubb, etc. for digital assets

## **Auditors (going forward)**

### **Audit is simpler and more specific than most other asset classes**

- Audit is simplified for crypto by the very nature of public/private key cryptography
- The amount of bitcoin held at a particular public key address is accessible to all. It is therefore “public”
- The verification that the custodian holds the private key that controls a given public key address is the real challenge
- As a verification/testing method, an auditor can ask the custodian to sign at least one encoded message using the private key
- If the auditor can unlock the message using the public key, it proves that the custodian is in possession of the private key
- The process is well-understood by established auditors. Auditing firms such as Deloitte, KPMG, BDO (USA), and Cohen & Co. are all currently auditing private crypto funds

### **Ways to prove exclusive ownership of a private key**

- The biggest challenge in the audit process is to prove that the custodian has exclusive ownership of a private key. This process is approached in two ways
- Firstly, through provenance/place of origin: From the thoroughly audited and auditable key signing ceremony/formalities to the present moment, there are established processes designed to ensure exclusive control of a private key
- Secondly, through “cycling”: Custodians can periodically move assets to a new public/private key pair, re-setting custody of the private key. This provides an extra level of protection by reducing the length of the provenance chain
- These auditing processes are the same ones used to ensure exclusive key ownership in other settings. ICANN, for instance, cycles key ownership/generation on a quarterly basis
- This is therefore a well-established problem with well-established solutions

## **MOBU PROCESSES (HYPOTHETICAL ILLUSTRATION)**

The MOBU system consists of a collection of processes for managing the interactions between users. There are processes in place for the following user activities:

### ***When an investor gets onboard***

Daniela is interested to buy a security token on the MOBU platform. Before doing that, she is required to have her identity and accreditation status validated by a KYC provider. Daniela uses a web interface to view data, stored in a MOBU smart contract, about KYC providers. Daniela lives in Argentina, so she begins by limiting her search to only those providers who offer KYC services in her country. To review providers, she ranks them by price and by the number of individuals they have successfully validated. Since the smart contract stores URLs for these providers, Daniela can review their web page and do a web search for the company or contact them directly if she requires additional clarification.

Once Daniela chooses a KYC provider, she sends a transaction with the required amount of MOBU tokens to the smart contract which manages the KYC marketplace. These tokens will be held in escrow until successful completion of the process. The smart contract records the Ethereum address of Daniela and chosen provider, but no personal details.

The KYC process starts when documents are uploaded and reviewed and when Daniela and the provider work through the KYC provider's checklist. MOBU provides a library MOBU.js to power secure, auditable document sharing, but does not have access to view the documents themselves (see Appendix A: Encryption).

When Daniela's identity has been successfully validated, they post a transaction to the MOBU smart contract specifying Daniela's jurisdiction. If Daniela requested to be accredited, this will then also be noted. Along with details relating to Daniela's jurisdiction and accreditation status, the KYC provider uses MOBU.js to produce a final hash to record to blockchain. In this way, the identity validation process can be audited later, so long as the auditor is given access to the documents by Daniela or the KYC provider. (see Appendix B: Proof of Process). Daniela is now able to buy and sell security tokens on the MOBU platform. MOBU's smart contracts apply any of the limits on her investing and establish that she can only trade her tokens to other investors with validated identities.

### ***When an issuer launches a digital security/asset***

CryptoGuys wants to sell security tokens to raise capital for their venture. They begin with an Ethereum transaction to propose a new security token. CryptoGuys' name, ticker, and other public information is stored on the blockchain. CryptoGuys has a choice to use a multiple signature digital wallet for all its transactions to make sure that the correct combination of officers is signing. From a technical point of view, the issuer starts this process that results into the following actions:

- making a call to the MOBU create-New-Security-Token function
- specifying the desired security token details (i.e. desired amount to raise, company name, ticker, etc.)
- creating and storing their new MOB20 standard security token in a registrar contract on the Ethereum blockchain

The total supply is owned by the issuer. Security tokens are non-transferrable until the legal representative signs off and approves the token for issuance. At this point, any of the legal representatives on the MOBU platform are notified of this proposed issuance in real time using the event logging functionality built into Ethereum. They can propose legal details for the offering (e.g. jurisdictions of investors, type of offering, hold time) as well as the legal representatives' bounty (see Appendix C: Successful Issuances). CryptoGuys reviews the tender details and ensures that enough MOBU is sent for the STO contract to cover the costs of the chosen tender. Thereafter CryptoGuys and the legal representative work together through the compliance process. MOBU provides a web interface for sharing documents in a structured way and generating Merkle hash trees from the documents. CryptoGuys selects which of these documents they share with the public. This allows MOBU to get the same level of life-expectancy of digital documents in a faster, easier, and more secure format than previously possible – i.e., if a STO is questioned or audited, the legal representative can provide documents that are cryptographically signed and timestamped on the blockchain and can explain the process which was taken (see Appendix B: Proof of Process).

After the compliance process has been successfully completed and verified by the legal representative, the representative will set the investor requirements (jurisdictions and accreditation flags) for this STO. The investor requirements will limit who can hold tokens to residents of certain jurisdictions, and/or set limits on how much can be raised to non-accredited investors. At this stage of the issuance process, a bounty is assigned to the legal representative, but locked until successful issuance (see Appendix C: Successful Issuances). Each STO has its own smart contract. This contract ensures that all security tokens related to that contract are traded in accordance with any rules that result from the compliance process. These contracts use the KYC registry contract as an authority on identity/address pairs. This allows investors to participate in

multiple offerings without going through the KYC process multiple times and tracks that investor's limitations.

### ***When an investor buys a digital security/asset***

Daniela wants to buy security tokens in the STO of CryptoGuys. Although she already completed the KYC process, she is still required to check if she can participate in the offering. Because her KYC provider was not blocked by the issuer, or people from Argentina, and because Daniela has the correct level of accreditation, she can buy the security tokens.

CryptoGuys posted a hash of all required documents related to the offering to the blockchain and made the documents available online. It is required that all purchase transactions come in with a hash of the documents. Token exchanges wanting to participate in STO's should ensure that buyers are advised of the existence of these documents. By including the hash of the documents, investors like Daniela are affirming their understanding of the contents. MOBU.js includes a tool to validate that the document has not been altered (any alteration would change the associated hash).

### ***When a STO contract is created***

Legal representatives work with smart contract developers to create new STO contracts. For example, if a security token requires that all investor tokens be locked up for one year after the initial offering, the STO contract can compel this. STO contracts allow the legal representative control the offering while minimizing time and cost to market by the re-use of existing contracts that have already undergone security audits and have been used without issue by others. Developers who create STO contracts on MOBU will receive pay-outs from the issuers (which might be locked until successful issuance, see Appendix C: Successful Issuances). Since there is a record on the blockchain of previous STO's the contract has been used for, there is an incentive to build reputation for associated contract developers.

The legal representative can approve the STO for initial offering by calling the set STO function with a contract address, start time, and end date of the offering. The issuer can decide to execute independent reviews of the STO contract and once satisfied, can transfer the security tokens they own to the STO contract, making them available for sale (after the start time).

### ***When a KYC/AML provider gets onboard***

A KYC provider can join the MOBU network by calling the new-Provider function with their desired fee per verification and a URL that points to a page explaining their services for MOBU users. KYC providers are notified when an investor requests verification or runs an algorithm to determine jurisdiction and accreditation status and calls the verify-Customer function to set the investor's verifications. The investor will also include a sufficient fee specified by the KYC provider that is held in escrow until a successful issuance.

### ***When a legal representative gets onboard***

A legal representative joins the MOBU platform by sending in a transaction with their base MOBU fee and details about their company. They include a URL that points to a page on their website with information about their services for issuers on the platform. This web page should also include the Ethereum address of the provider to prove that the firm is claiming this legal representative as their own. Once on the MOBU platform, legal representatives can receive notifications when new posts for new issuances arrive and tender on them.

Legal representatives can also post a bond in MOBU. This bond indicates to the issuer that the legal representative is willing to ensure the quality of their work up to some limit. The legal representative would set an amount of MOBU, how long the bond would be in force (from the

time the security sales begin), and a “burn” threshold. To destroy the bond of the legal representative, a percentage of the total security tokens greater than this threshold would have to vote to burn the representative’s tokens. If the votes to burn exceed the threshold within the bond period, all MOBU tokens in the bond are destroyed. If not, the MOBU token is moved back into the main account of the representatives and can be used for any other purpose. As the security token holders have no built-in incentive to burn the MOBU of the representatives and would have to take positive steps to do so, it is expected that voting to burn would only happen if fraudulent activity made token holders want to strip the representative of their bond.

### ***When digital securities/assets are resold***

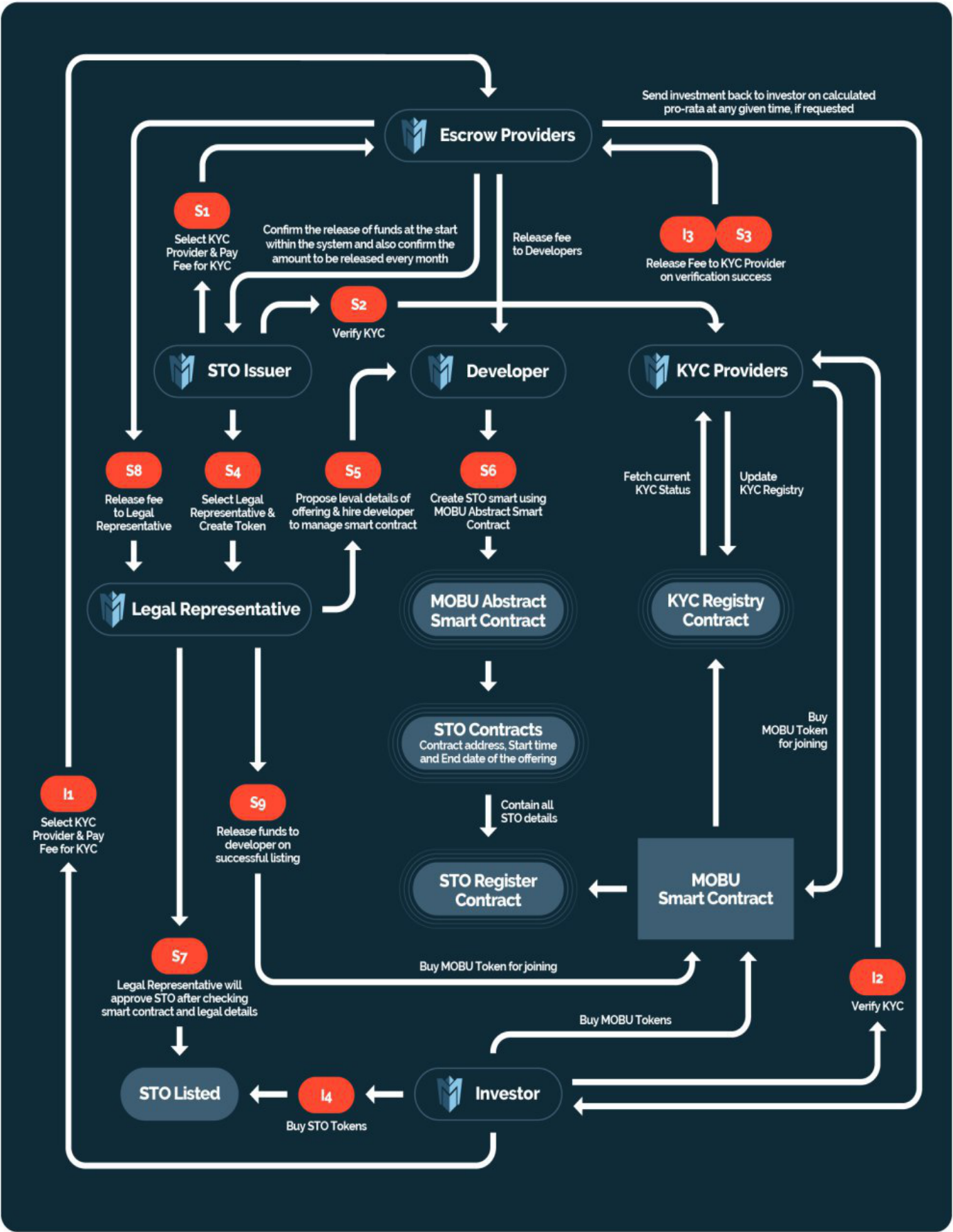
A legal representative joins the MOBU platform by sending in a transaction with their base MOBU fee and details about their company. They include a URL that points to a page on their website with information about their services for issuers on the platform. This web page should also include the Ethereum address of the provider to prove that the firm is claiming this legal representative as their own. Once on the MOBU platform, legal representatives can receive notifications when new posts for new issuances arrive and tender on them.

Legal representatives can also post a bond in MOBU. This bond indicates to the issuer that the legal representative is willing to ensure the quality of their work up to some limit. The legal representative would set an amount of MOBU, how long the bond would be in force (from the time the security sales begin), and a “burn” threshold. To destroy the bond of the legal representative, a percentage of the total security tokens greater than this threshold would have to vote to burn the representative’s tokens. If the votes to burn exceed the threshold within the bond period, all MOBU tokens in the bond are destroyed. If not, the MOBU token is moved back into the main account of the representatives and can be used for any other purpose.

As the security token holders have no built-in incentive to burn the MOBU of the representatives and would have to take positive steps to do so, it is expected that voting to burn would only happen if fraudulent activity made token holders want to strip the representative of their bond. MOBU will support Reg S, Reg D and Reg A+ compliant security token offerings, and with the incorporated ability to select experienced legal counsel across multiple jurisdictions within the platform, token issuers can be sure they can create a compliant digital asset within their local jurisdiction. MOBU will furthermore implement traditional IPO methods during STO and listing to protect investors and ensure investor satisfaction like stabilising bids during listing, first aiming to oversell securities to ensure stable prices, volatility auctions and informing digital asset holders, vetting projects, bookbuild, escrow, licensed digital custodianship of assets, KYC/AML, Sanctions, greenshoe’s, etc. to allow institutional funds to the blockchain space.

Technical Illustration of Workflow: The Smart Digital Securities Issuance Platform

STO Issuance Platform



## 2. THE SMART DIGITAL SECURITIES EXCHANGE

MOBU have received the option to obtain a 15% equity stake in an operational licensed stock exchange in South Africa as well as a board seat. MOBU will be the sole broker for all security tokens. Other shareholders in this exchange include very prominent listed companies like Investec, Peresec and Lagae Securities also based in South Africa.

The stock exchange has a T+0 settlement and is in the process of applying for a bond exchange license. The stock exchange listing fees are half of the fees of the Johannesburg Stock Exchange (JSE) with very low listing requirements. Local as well as global listings are granted. The attainment of an equity stake in a digital securities exchange is a great break-through and achievement for MOBU and is perceived as a significant value-added benefit to the investor. The CEO of the exchange expects a turnover of 500m ZAR for 2020 alone. The MOBU team has many years of experience in both the finance and crypto industry. By working on and operating in a number of exchanges, MOBU successfully accumulated a large network of partners in this space. These partners will be key in bootstrapping the exchange, ensuring liquidity in the market.

MOBU will develop the front-end of digital asset exchange and have rights to 100% of its revenue. The digital asset exchange will consist of two sections – a Top30 utility token by market capitalisation and a regulated, licensed fully compliant security exchange. MOBU token holders will be incentivised and rewarded with 50% of all fees generated from the utility exchange based on their holdings. Also, all Top30 tokens will be paired with MOBU, boosting usage even further. As the change from traditional to digital listing takes place many listings still come in the form of ownership represented by shares as we know it today and the token with the rights to dividends. With MOBU owning the stock exchange we can accommodate all types of listings and ensure maximum revenue from this market. This will effectively become a passive income to MOBU token holders.

Security is always paramount. This is the reason why MOBU will follow the industry best practices at all times, especially when it comes to securing infrastructure and data including ISO/IEC 27001:2013 and the Cryptocurrency Security Standard (CCSS). The MOBU digital securities exchange will be built to high standards, audited, and penetration tested. MOBU gained knowledge and experience in building financial systems to the highest security standards and always strives to ensure security first. Each digital security issued on the MOBU platform represents a physical right to ownership, dividends and rights to assets in case of liquidation of the holding company as any conventional share, just with the new age benefits of digital securities! STO issuers using the MOB20 protocol will receive discount on listing fees on the exchange and investors paying in MOBU tokens will receive discount on trading fees.



## STOCK EXCHANGE

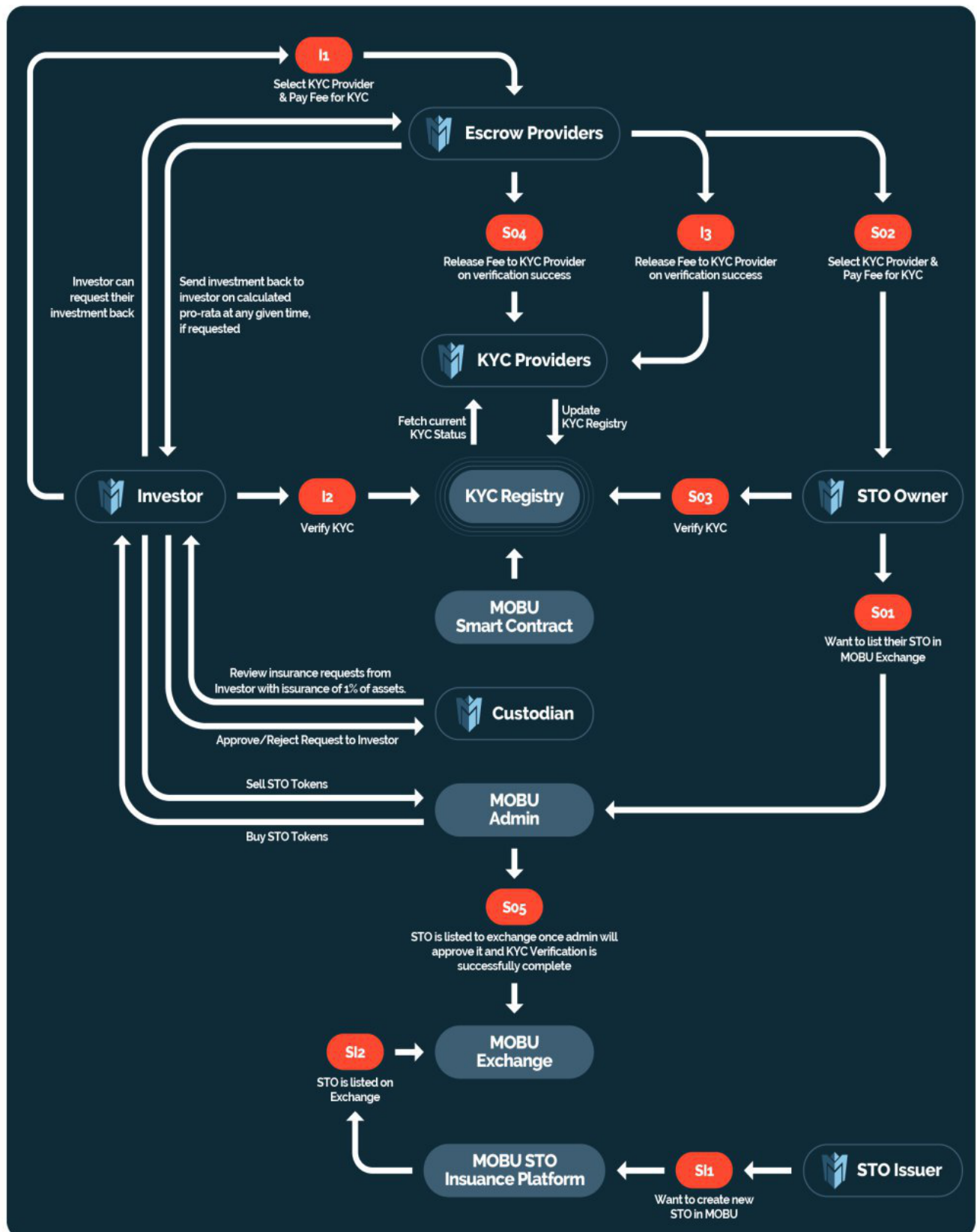
**MOBU** is building a digital, global, licensed smart security exchange.



### What are the key problems of some of the current crypto exchanges?

- They claim to list security tokens but do it without the required regulatory licenses and custodian infrastructure which is not viable over the long-term
- Exchange systems are not properly engineered to ensure efficiency, speed, scalability and security. These insecure platforms have been hacked in the past which caused them to go out of business. These inferior systems are also not able to handle the increased transaction load going forward that inevitably leads to exchanges missing the mark of long-term success
- The team lacks industry resources and this leads to poor market liquidity. Getting miners, institutional investors and large traders into a new exchange can be very challenging if the team is not well connected in the crypto industry
- Customers (traders) do not receive a good service. This is very important because money is literally on-the-line and if traders' complaints or enquiries are not attended to immediately this will unavoidably lead to consequences for the exchange on the long-term
- Lack of international multi-lingual support which leads to inferior and even total lack of support to some language speakers in the global market
- Lack of institutional grade qualities like volatility auctions, stabilizing bids, licensed third party digital custodians, escrow, compliant KYC/AML, consideration of sanctions, proper market making, reasonable steps to determine accredited/sophisticated/professional investor qualities and applicable security laws, needs to be marketed and sold by licensed broker dealers/stockbrokers/FSP 1 etc. depending on jurisdiction.
- Current exchanges are open to spoofing, wash trading, fake volume and market manipulation and require stronger analytic tools.

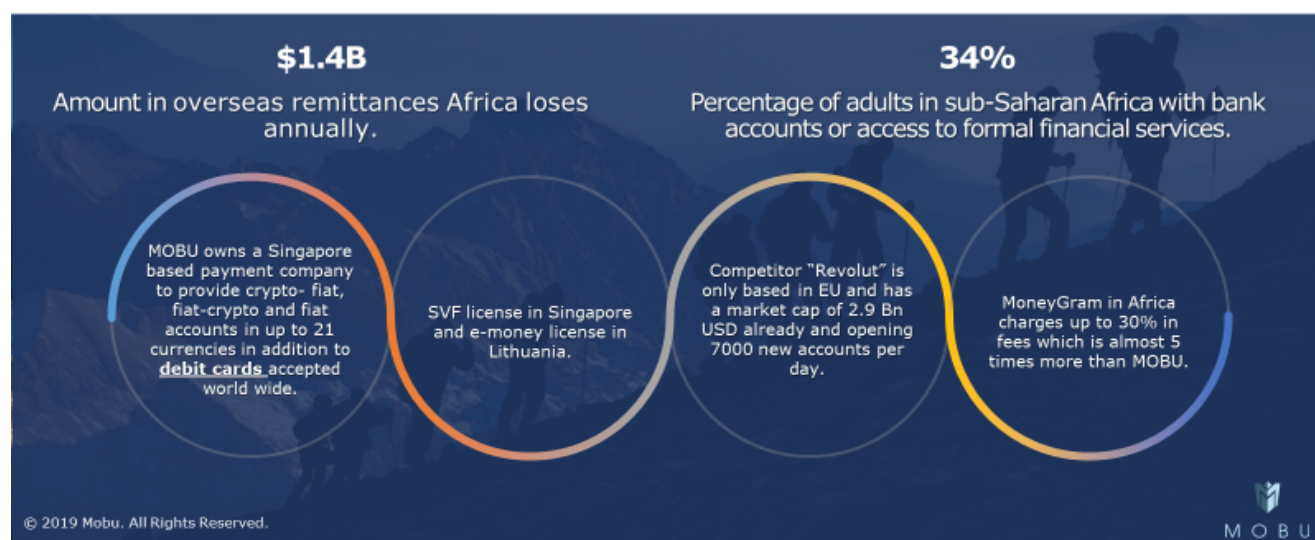
### Technical Illustration of Workflow: The Smart Digital Securities Exchange



### 3. THE DIGITAL BANKING SOLUTION – MOBU CASH



**MOBU** is building a digital, cost-effective banking solution to provide services for the under-banked African adult population.



MOBU Cash, a Singapore-based payment company is to provide crypto- fiat, fiat-crypto and fiat accounts in up to 21 currencies, in addition to debit cards accepted world-wide. MOBU Cash will be 100% owned by the MOBU Holding Company. This unique MOBU feature ensures easy access of fiat to crypto conversions all around the world and enhances liquidity in capital markets. The main competitor in this space will be Revolut with a valuation of 2.9 bn USD which was started in 2017 and only operates in EU.

MOBU Cash will be a fully operated, turn-key solution, for managing incoming settlements from users. Whether individuals, or companies, to assign to them dedicated, and unique, EU IBAN's for EURO SEPA clearing which streamlines, and simplifies, the purchase of assets deriving from blockchain activities. Furthermore, to participate in an ICO and buy the relevant tokens deriving from it.

The solution includes self-hosted desktop, and mobile app, "banking software" which can be used to manage users' balances, the clearance of incoming wires, and the settlement of outgoing wires. Included is the KYC processes, and boarding of new users. We also provide dedicated Account Managers to supervise and monitor all wires, both outgoing and incoming, and chase up where required with intermediary banks. Our Account Managers will also be available to users to answer queries as they arise, and ensure the all users are familiar with the software, as well as creating realistic expectations regarding processes.

As part of the required legal framework, this solution includes the incorporation and management of a Singaporean company holding an SVF (Stored Value Facility) and the relevant, mandatory, AML and KYC programmes. This will also include all obligatory filings, tax returns, and the general fulfilment of regulations with the Monetary Authority of Singapore (MAS), and the Inland Revenue Authority of Singapore (IRAS).

The turn-key ancillary services would include email, and live chat support through the Telegram platform.

A broad overview of the product available within this solution include:

1. Licensed Singaporean company.
2. AML/KYC programme.
3. Self-hosted “banking software” (desktop and mobile app).
4. Dedicated and unique EU IBAN’s for EURO SEPA clearing.
5. Comprehensive customer services.

The timeline for the creation of this solution, from time off acceptance of proposal to the ability to board clients, would be up to four weeks. The details of this process are as follows:

1. Licensed Singaporean company with relevant AML/KYC programme—up to four weeks.
2. Full set up of “banking software”—up to three weeks.
3. Allocation of pool of IBAN’s for EURO SEPA clearing, with assignable beneficiaries—up to two weeks.
4. Set-up of customer service software, operators, processes and procedures—up to three weeks.

### **The Singapore SVF**

The Singapore Stored Value Facility (SVF) is a Business Vehicle used for holding and managing online accounts, virtual currencies and/or prepaid debit cards. The SVF can be compared to E-Money institutions in other jurisdictions.

An SVF may be of single purpose or multi-purpose. A single purpose SVF is an SVF that is used for payment only of goods or services provided by the holder of that SVF (the merchant/service provider). Single purpose SVFs are exempt from certain sections of the Payment Systems Oversight Act 2006 (PSOA). A multi-purpose SVF is not limited to payments of goods or services provided by the holder of the SVF.

When the stored value outstanding in a multi-purpose SVF exceeds a prescribed threshold limit set in the PSOA, the SVF is regarded as a widely accepted SVF. The threshold limit stands at SGD 30 million (Approximately EUR 20 million). Approval from the Monetary Authority of Singapore (MAS) is required for the continued operation of this type of SVF. Consequently, an SVF offering accounts and payment services as a multi-purpose SVF, but that is not holding more than SGD 30 million (or equivalent in any other currency) in total deposits at any time, does not require MAS approval.

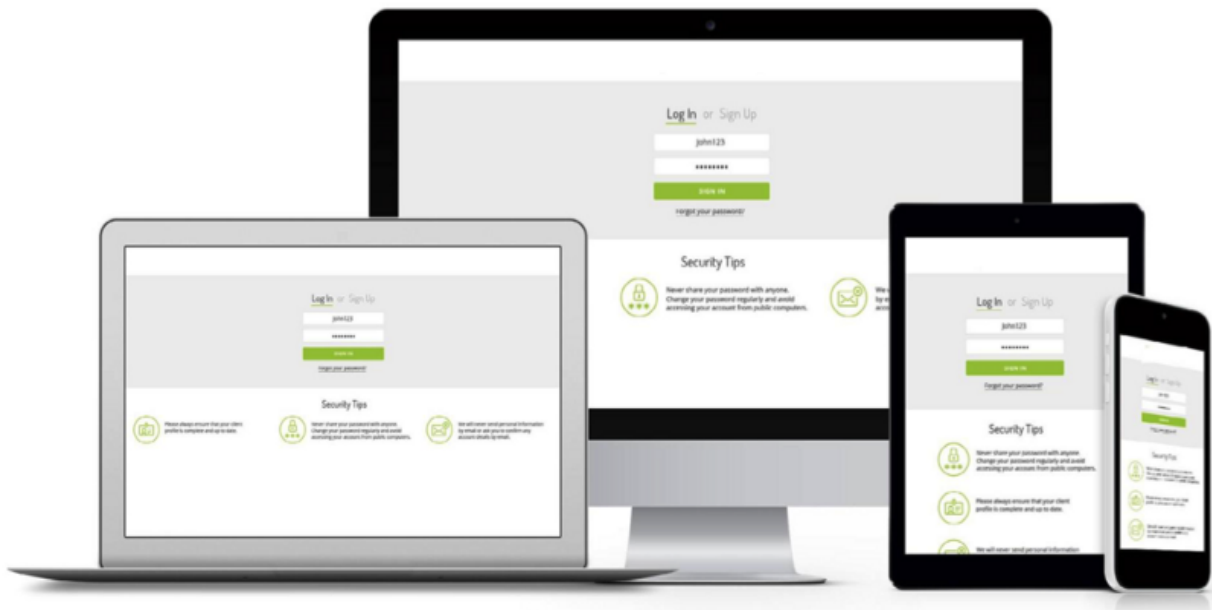
The Singapore SVF is the perfect vehicle for offering online accounts and payment services to clients worldwide. The SVF is well suited for offshore operations (for offering services to non-Singapore residents). As an example, PayPal offers services in the US through various entities licensed as Money Service Businesses (MSBs). In Europe PayPal operates its own bank licensed in Luxembourg. Most clients located outside these regions, are served by the PayPal multi-purpose SVF (outside the MAS approval requirement).

### **Who Said Online Banking Cannot be Beautiful?**

Our Online Banking Software will be designed to be the most user-friendly “out-of-the-box” online banking software in the world, not only for the end-users, but also for us, the bank administrators. We will use our Online Banking Software to create and maintain customer profiles, accounts, manage fee structures and track revenues. The platform is 100% web based, and encrypted using bank-grade SSL encryption. Our current users include banks, e-wallets, finance companies, trust companies, savings & loan associations, credit unions, forex companies, asset managers and others managing customer accounts in one way or the other.

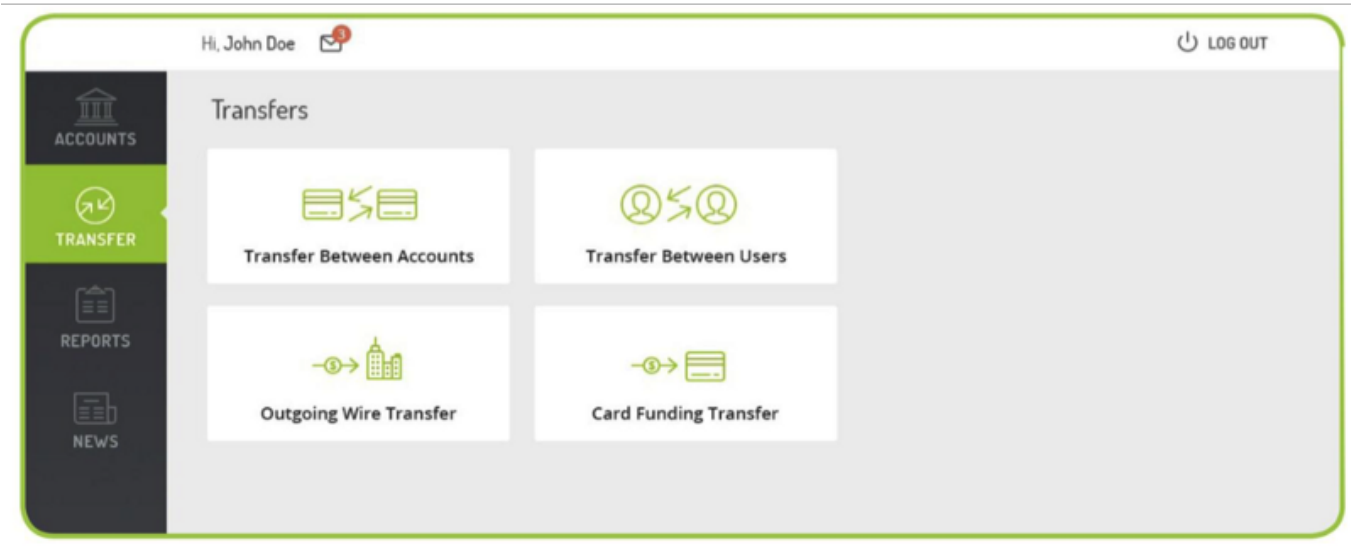
Our Online Banking Software allows the users to communicate securely with the administrators through the secure encrypted messaging interface, to perform instantaneous transfers of funds between accounts and users, or by wire transfer to any other bank in the world. Unlike any other “out-of-the-box” banking systems available on the market, our Online Banking Software detects and adjusts automatically to the device, screen, and browser used, ensuring a perfect layout and functionality on all devices, including phones and tablets.

Below is the login screen for both end-users and administrators. The colour scheme, custom logo, as well as the text blocks (security tips etc) can be edited through the standard administrator settings. You can achieve your own look and feel in seconds.

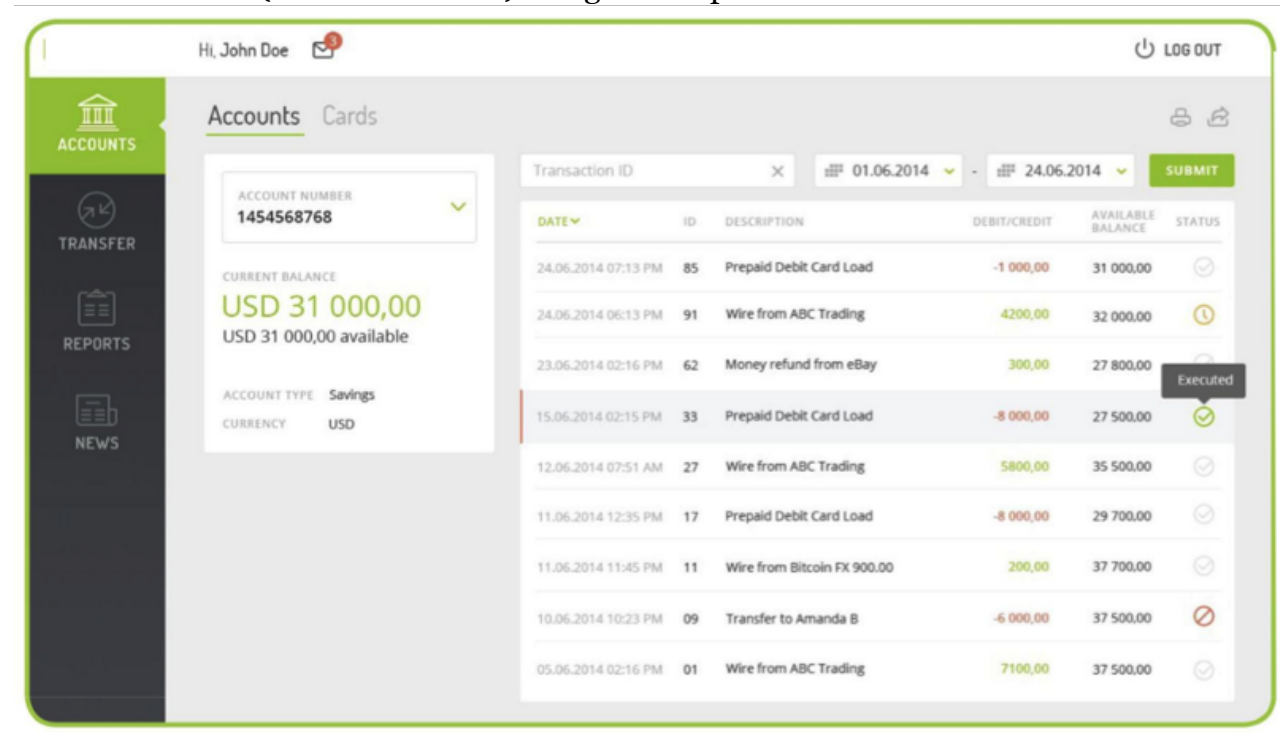


Below is the landing page after end-user login. The screen displays the latest transactions, current balance, and secure message notifications, as well as the main menu with additional options. The user can easily switch between accounts (if more than one) using the drop-down menu.

The screen below is displayed when an end-user clicks on the “Transfer” option in the main menu. The user can choose from transfers between own accounts, transfer to another user within the same institution, or to an external account at any bank in the world, by wire transfer.



The colour scheme, custom logo, as well as the text blocks (security tips etc) can be edited through the standard administrator settings. You can achieve your own look and feel in seconds. The screen displays the latest transactions, current balance, and secure message notifications, as well as the main menu with additional options. The user can easily switch between accounts (if more than one) using the drop-down menu.



The card funding option only appears if the card feature has been enabled in the admin interface. The card funding request feature is provider independent and not restricted to any specific card program. It simply generates a request for the administrator to debit an account

and to load a specific card pre-associated with a user profile. We can also customize a batch file generator for volume card loads, to be used with the card program of your choice. Another option would be live integration for instantaneous loads by end-users, and with card transactions and balances available in real time within the Online Banking Software interface.

Yet another solution, the most advanced one, is to integrate the card program so that card transactions (POS/ATM) are authorised as long as there are sufficient funds in the relevant account on the Online Banking Software platform, eliminating the need for loading cards altogether. The customers would then use the card as a debit card linked to their account rather than as a prepaid card.

The screens below display the forms used for transfers between accounts and transfers between users:

The screenshot shows a web application interface for an online bank. At the top, a header bar displays 'Hi, John Doe' and a 'LOG OUT' button. A left sidebar contains navigation links: 'ACCOUNTS', 'TRANSFER' (highlighted in green), 'REPORTS', and 'NEWS'. The main content area is titled 'Transfer Between Users' and includes a 'Choose Template' dropdown. The form itself is divided into sections: 'DEBIT FROM' with a dropdown showing '1454568768 Savings, USD'; 'CREDIT TO' with fields for 'Username' (containing '200') and 'ACCOUNT #'; a section for 'Amount to Transfer' (containing '200') and 'Transfer Fee' (a dropdown showing 'TBA Fee USD 20,00'); a 'Description' text area; and a 'Transfer TAN' field (containing '874458') with a 'CONFIRM' button. At the bottom of the form are a 'Save as Template' checkbox and two buttons: 'CONTINUE' and 'CANCEL'.

The screen below displays the outgoing wire transfer form:

Hi, John Doe 1 LOG OUT

ACCOUNTS

TRANSFER

REPORTS

NEWS

## Outgoing Wire Transfer

EBQ NYC

DEBIT FROM  
DEMO555001  
Checking, USD

SPECIFY BENEFICIARY BANK

SWIFT / BIC \* CITIUS33XXX

Name \* CITIBANK

Address \* New York

Location \* New York

Country \* USA

ABA/RTN 0000000

SPECIFY BENEFICIARY CUSTOMER

Name \* EBQ Brokers

Address \* Wall Street

Acc#/IBAN \* 000555000444

ADDITIONAL INFORMATION

Ref message \* Credit to 555-555

SPECIFY REMEDIARY BANK

TRANSFER DETAILS

Amount to transfer \* 1200 USD

Description Invoice 554433

☐ Save as template Template name

CONTINUE

https://demo.ebank.com

Transfer requests submitted will appear in the admin interface, after having been properly authorized by the end-users.

An additional security feature can be used for authenticating outgoing payment orders, in the form of a Transaction Authentication Number (TAN). A list of TANs is automatically generated and delivered to the user when a new account is activated. Each TAN is used only once to authorize a transaction. The system will automatically generate and deliver a fresh list of TANs to the user, prior to all numbers in the previous list having being used. This two-factor authentication feature is optional, and can be disabled in the admin settings if required. We also offer an optional secure TAN by SMS feature, whereas a TAN is sent to the user's mobile phone when required, for example when an outgoing wire transfer is requested. With TAN by SMS enabled, there is no need for the user to keep a list of TANs.

Admin decides whether to execute or to decline transfer requests. Requests can also be exported in a batch file for volume processing by correspondent banks, or international payment clearing providers such as [www.world-clear.com](http://www.world-clear.com). Batch files can also be imported for automatic updating of transaction status, e.g. from pending to executed.

We can also provide live integrations with the bank or payment processor of your choice, if possible in their end. Our programmers are here to help and we often provide customization work at no charge or at very reasonable rates, depending on the scope of the work involved. The screen below displays the Admin landing page listing pending and recently executed requests:

Hi, John Banker
LOG OUT

REQUESTS

ACCOUNTS

PROFILES

MESSAGES

NEWS

SYSTEM LOG

SETTINGS

REPORTS

Transfer Requests

Registration requests

Request ID

From

To

All types

All statuses

SUBMIT

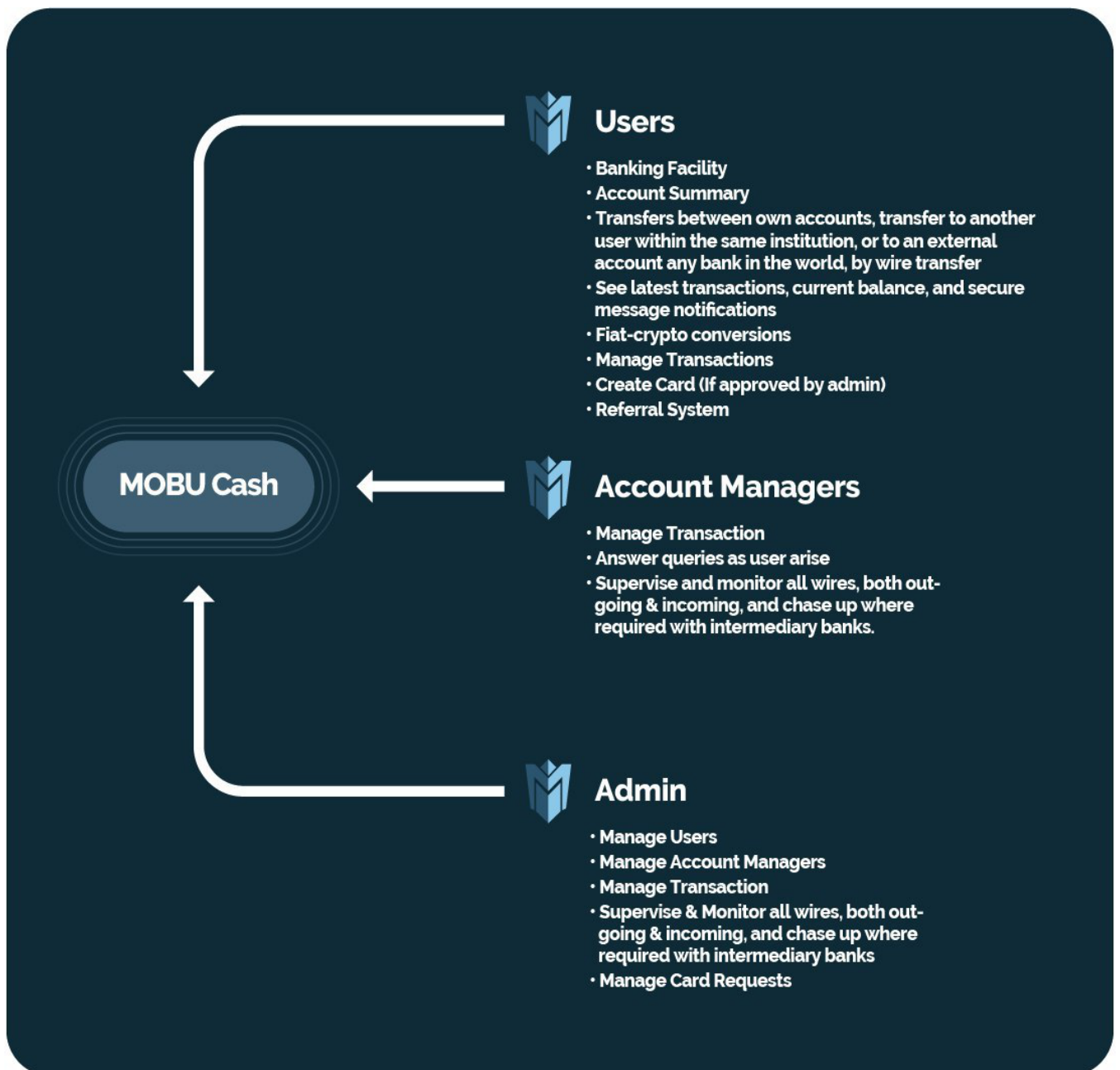
ID	DATE	NAME	SUBJECT	STATUS
124	20/05/2016 - 04:16 PM	demo-user	Outgoing wire transfer	
123	20/05/2016 - 04:15 PM	demo-user	Card funding request	
122	20/05/2016 - 04:14 PM	demo-user	Card funding request	
121	20/05/2016 - 04:13 PM	demo-user	Outgoing wire transfer	
120	20/05/2016 - 04:13 PM	demo-user	Outgoing wire transfer	
118	30/03/2015 - 02:27 PM	demo-user	Card funding request	
117	30/03/2015 - 02:26 PM	demo-user	Outgoing wire transfer	

10

**Technical Illustration of Workflow: The Digital Banking Solution (MOBU Cash)**



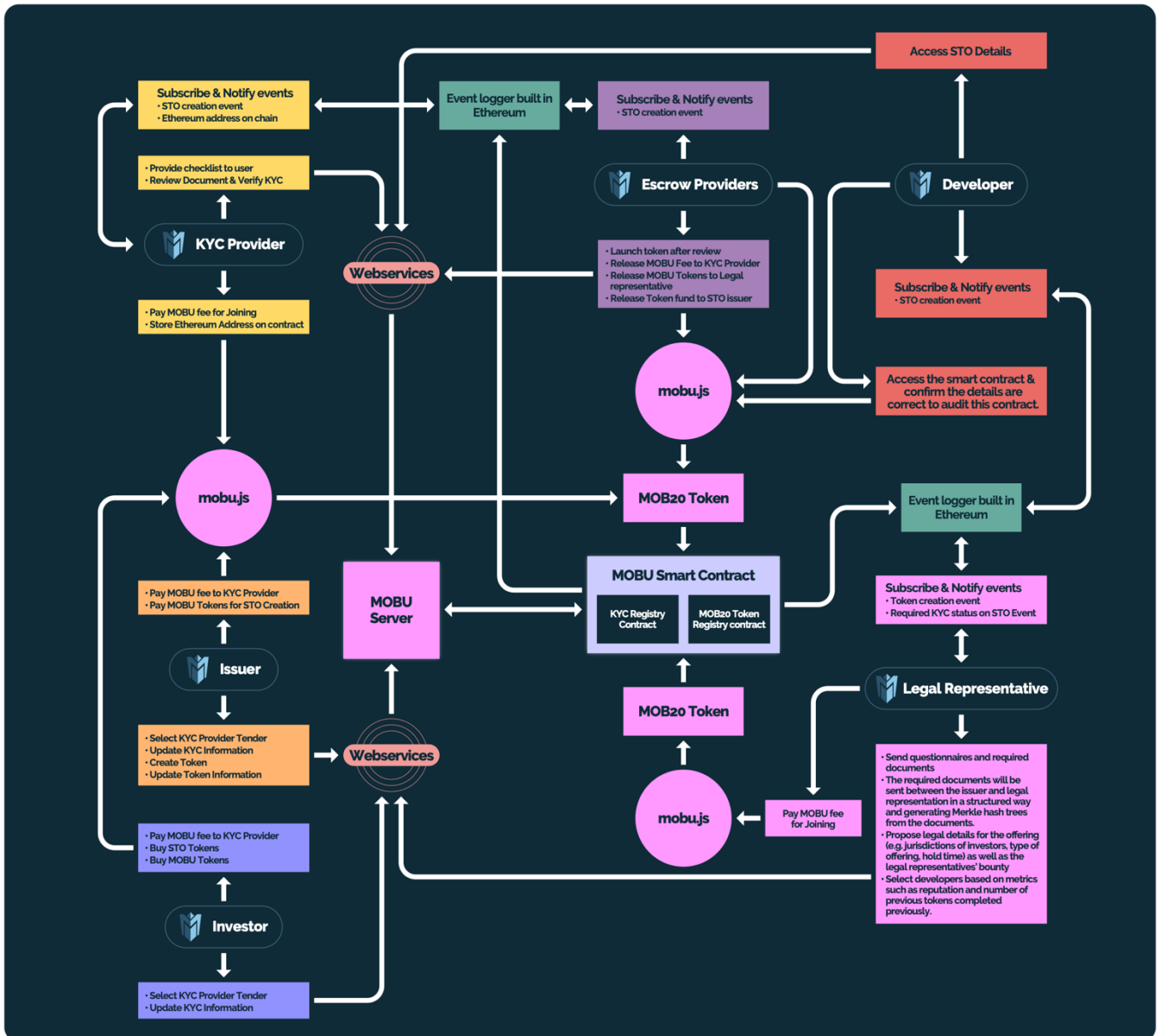
## Digital Banking Solution - MOBU Cash





# MOBU TECHNICAL OVERVIEW

## Mobu Technical Overview



## THE BUSINESS MODEL

**MOBU** will drive the business into profitability focusing on  
THREE revenue channels:



### STO ISSUANCE PLATFORM

5% of all companies and  
small percentage in  
marketplace  
(KYC/Legal/Escrow)



### STOCK EXCHANGE

Listing and Trading Fees  
  
Broker Fees 0.7% per trade



### MOBU CASH

4.5% profit per  
liquidation

Future revenue channels include MOBU Initiatives, STO tax structure, M&A and advisory fees.

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## MOBU LICENSES

### *CURRENT LICENSES*

### *FUTURE LICENSES*

Stock Exchange License	Lithuania E-Money FSP1 License
Security Broker License	Debit Notes and Bond Exchange Licenses pending approval at FSCA
FSP 2 Asset Management License	ATS License in discussion
Singapore SVF (Storage Value Facility) License	Bit license (A bit license is needed for exchanges doing business in New York and must register with the New York State Department of Financial Services)
Partnerships with various Broker Dealers globally	FINCEN registration as Money service business

# COMPETITIVE ADVANTAGES OF MOBU ABOVE ITS COMPETITORS

**MOBU is the only market solution encompassing the following:**

1. *Unique Escrow Services:*

MOBU introduces a new innovative and unique method of escrow services to STO's. Investors are able to exit the STO after the fundraising on a pro-rata basis if the STO issuers do not adhere to their roadmap or goals. This ensures a higher overall ROI for investors.

2. *Lockup Utility to Tokens:*

A "lockup" utility to MOBU tokens for service providers will be introduced. Each service provider will submit a certain number of MOBU tokens that will not be accessible for as long as that company remains a service provider on the MOBU platform. This creates scarcity of supply in the market and increases the demand and intrinsic value of the MOBU token. Kindly refer to the section on Revenue and Sustainability in the Whitepaper for more details.

3. *Investor Account Portals*

4. *Digital Banking Solution*

5. *Digital Securities Exchange License*

**Confirmed Issuers on MOBU Issuance Platform:**

The below represent prominent issuers that are either confirmed or are in discussion to become part of the MOBU platform.

*Confirmed:*

- **Mike Prinsloo** was the former CEO of DRD Gold, Ashanti Gold and Goldfields and it is said to be the man that has moved the most physical gold in the world ever under his watch. He sold Mutanda Mining in Congo to Glencore for \$2.1 billion USD
- **Tumelo Ramaphosa** is the son of a South African billionaire who wishes to launch a wildlife STO on the MOBU platform
- **Wayne van den Burgh** was the founder of the billion-dollar Van den Burgh Coal Mining Company Group with an asset value of over 1 billion USD. He wishes to tokenize at least five coal mining sites on the MOBU platform
- **Ettiene Pretorius** obtained a Master's degree in property development in 2017 and wrote his thesis on Green energy. Ettiene is one of the largest and most successful property developers in South Africa and is a close business associate of Richard Branson. He received the Entrepreneur of the year award from Absa, one of the largest

banks in South Africa. Ettiene wishes to tokenize a property development on the MOBU platform.

<https://www.sa-cp.com/> <http://www.ettienepretorius.co.za/>

*In discussion:*

- Talks with **Jannie Ackerman** – just discovered the largest diamond pipe in Africa
- Talks with **Johan Smit** – largest Juviline diamond miner in South Africa. He requires liquidity

## Competitive Advantage of the MOBU STO Issuance Platform

		Ethereum	Polymath
<b>[ COMPETITIVE ADVANTAGE ]</b>			
Decentralised token	✓	✓	✓
Application layer	✓	✓	✓
Smart contract development	✓	✓	✓
Organized platform for security tokens	✓	✗	✓
No technical expertise needed	✓	✗	✓
KYC/AML guaranteed protocol	✓	✗	✓
Exchangeability support	✓	✗	✓
Technical support	✓	✗	✓
Legal support	✓	✗	✓
Investor account portals	✓	✗	✗
Unique Escrow Services to STOs	✓	✗	✗
"Lockup" Utility to Tokens	✓	✗	✗
MOBU Cash - Crypto Payment Solution (fiat-crypto conversions)	✓	✗	✗
Digital Securities Exchange License	✓	✗	✗

## Future Projects/Initiatives of MOBU:

The MOBU Future Projects/Initiatives will be executed as separate STO's (Security Token Offerings) on the MOBU Platform. This will add to the further development of the MOBU Ecosystem and improve the usage of and demand for MOBU tokens.

### Method to create adoption of digital securities

- **Crowdfarming:** "Africa's agribusiness industry is expected to be worth \$1 trillion by 2030." – United Nations
- Africa has a huge domestic market, owns 60 percent of the world's unused arable land and spends over 30Bn USD annually on food imports
- Aerobotics is a South African business that uses its drones to provide bird's eye surveillance for farmers that provides critical information that can boost crop yields by up to 10 percent.
- MOBU intends to use drone technology for more efficient crowdfarming, lowering import bill and boost production.
- **Other initiatives:** include low cost housing (Nigeria alone has a 20 million housing shortage), renewable energy, fuel station, etc. – These will be separate STO's on platform and exchange.

Core business will remain Investment banking for Africa and separate entrepreneurs will be vetted for these projects. MOBU will obtain high equity stake.

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MOBU will develop the first crowdfarming STO on its digital issuance platform and will retain 20% of the authorised tokens to ensure that MOBU increases in value and that more resources are put into place to develop MOBU to its full potential. The concept is actually quite simple: MOBU gives individuals without the required capital resources the opportunity to become farmers in full right and earn a good passive income. These individuals will enjoy lucrative returns created by cattle feedlots, sheep feedlots, buffalo and crop investing on pooled assets by providing the infrastructure and managing on their behalf for a fee. Although MOBU will take limited risk in the entire process, excellent service will be provided to individuals by giving them the opportunity to invest via MOBU Cash. The majority of the administration will be automated via blockchain technology. The assets will be quoted in MOBU value and their dividends will also be paid in MOBU.

A beautiful 1400 ha farm for 7 million ZAR in one of the most expensive farming areas in South Africa has been identified by MOBU as an excellent future prospect. Three years ago, the same farm had a price tag of 20 million ZAR. Going forward MOBU plans to give vetted entrepreneurs the opportunity to utilize MOBU's software/proven model at a fee and profit sharing and renting the farming land to them across the whole of the African continent. Cattle and game farming in South Africa and in the whole of Africa are very lucrative businesses. For example, a super buffalo called Horizon in South Africa is considered the most expensive buffalo in the country after it was valued at over 176 million ZAR (roughly 12m USD). Currently a cattle calf is purchased for R5000 on average and sold for R11,000 only 3 months later when a feedlot structure is used. There is an average of R3000 (can be lower if plant

own corn, slaughterhouse, etc.) in costs and clearly a lucrative profit. Crop farming has a lucrative business model as well. Both fractional crop farming and urban entrepreneur farming are excellent examples of how MOBU will roll out this business venture.


MOBU is considering a lucrative fee of 10% on all profits earned by the farmers for its provision of infrastructure, resources and services. Apart from offering lucrative returns to the farmers, this will inevitably also lead to higher returns to the retail investors in this space. In order to deliver valuable products and services for the market, the value chain will be expanded and developed even further. For example, a slaughterhouse or mill come to mind. South Africa is a net importer of Soy cake which ensures a massive opportunity for a mill. The key advantage for MOBU to ensure ultimate success in this lucrative business venture is the fact that the majority of MOBU team members come from strong farming backgrounds with practical experience and strong farming relationships.

The blockchain is used for information that needs to be exposed. MOBU will effectively provide detailed information and statistics to the blockchain about land around the globe with technology like <https://what3words.com>. This will be a method to allocate physical crop farming land to smaller investors in fractional ownership of land/crops.

***“Africa’s agribusiness industry is expected to be worth \$1 trillion by 2030”.*** – United Nations



# COMPARABLE COMPANIES

	VALUATION	SIMILARITIES
	\$139 Million Raised	<b>STO Issuance platform</b> MOBU has reason for token appreciation with its lock-up utility function. Additional: unique escrow, banking solution for clients and strong confirmed clients
	\$250 Million Raised	<b>Global digital asset exchange</b> MOBU clients that use its issuance platform immediately obtain discount on listing fees
	\$3 Billion	<b>Digital banking solution</b> (operates only in EU) MOBU offers a global banking solution (except for USA)

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# THE MOBU TEAM

The strong and dynamic MOBU team is experienced in the fields of business, IT, economics, law and blockchain space and very committed to the project. The team believes that investment in people is of inestimable value when the credentials of any start-up project is considered. The MOBU team can produce long term value, adapt to changing market conditions and inspire confidence among investors to ensure continued success.

<i><b>NAME OF TEAM MEMBER</b></i>	<i><b>PORTFOLIO</b></i>
Juan Engelbrecht	Founder & CEO
Paul Pelser	Chief Financial Officer (CFO)
Brian Golding	Chief Investment Officer (CIO)
Frikkie van Biljon	Chief Technology Officer (CTO)
Paresh Masani	Blockchain and Security Engineer
Ettiene Pretorius	Head Business Development
June Engelbrecht	Business Analyst (MBA)
Braam Kruger	Head Marketing
Petri van Zyl	Legal Advisor
Izak Viljoen	Legal Advisor
Manan Jobanputra	Senior Blockchain Developer
Roman Golovay	Blockchain Developer

## **Juan Engelbrecht**

### **Portfolio: Founder & CEO**



- Former CEO of Evolve Fund Managers
- Bcom.CA, Hons.Cost & Management Accounting, Stockbroker, completed RE & RPE trader exams
- Former CEO of largest crypto mine in southern hemisphere
- Extensive experience in equity trading, fund and financial management

## **Paul Pelser**

### **Portfolio: Chief Financial Officer (CFO)**



- Chartered Accountant (CA)
- Registered Auditor & Chief Audit Executive
- Experienced businessman

## **Brian Golding**

**Portfolio: Chief Investment Officer (CIO)**



- Former CEO of largest proprietary stockbroking firm in South Africa (SA)
- Financial Markets Professional
- Member of the SA Institute of Stockbrokers

## **Frikkie van Biljon**

**Portfolio: Chief Technology Officer (CTO)**



- Former Head Technical Developer of Momentum, one of South Africa`s listed companies
- IT Specialist
- Researcher of ways how to incorporate new technologies within a business

## **Paresh Masani**

**Portfolio: Blockchain and Security Engineer**



- Former VP of Goldman Sachs
- Expert in blockchain technology and end-to-end system development
- Experienced businessman

## **Ettiene Pretorius**

**Portfolio: Head Business Development**



- Experienced businessman and close business associate of Richard Branson
- Large property developer
- Founder of South African Capital Partnering

## **June Engelbrecht**

### **Portfolio: Business Analyst (MBA)**



- Former business owner and Director
- Former Senior Manager at SA National Education
- Author of Business Management books in South Africa

## **Braam Kruger**

### **Portfolio: Head PR & Marketing**



- One of the pioneers of blockchain technology in South Africa
- Sales & Marketing expert
- Experienced in both local and international business ventures



## **Petri van Zyl**

### **Portfolio: Legal Advisor**



- Experienced legal professional
- Admitted Attorney in South Africa
- Solicitor in England and Wales

## **Izak Viljoen**

### **Portfolio: Legal Advisor**



- Partner at Barnard Inc law firm in SA
- Access to large number of large mining assets to be tokenized – no middlemen involved
- Vast experience in compliance and contracts

## **Manan Jobanputra**

**Portfolio: Senior Developer – Blockchain Technology**



- Blockchain technology specialist
- Specializes in Web and Software Development and Internet Marketing
- Applies innovative strategies to upgrade any business

## **Roman Golovay**

**Portfolio: Developer – Blockchain Technology**



- Experienced blockchain developer
- Vast experience in crypto e-commerce ecosystems
- Provides end-to-end solutions for online crypto payments

## BOARD OF ADVISORS

The Company has established a Board of Advisors, which includes highly qualified business and industry professionals. The Board of Advisors will advise the Management team in making appropriate decisions and taking effective action. However, the Board of Advisors will not be responsible for Management decisions and has no legal or fiduciary responsibility to the Company.

### NAME OF ADVISOR

<b>Bobir Akilhanov</b>	<b>CEO of Blockcrunch Capital</b>
<b>Dmitrii Sunka</b>	<b>Creative Director of XCompanies</b>
<b>Vladimir Nikitin</b>	<b>Lawyer specializing in blockchain technology</b>
<b>Nikolay Shkilev</b>	<b>Top5 Blockchain Specialist</b>
<b>Phillip Nunn</b>	<b>Founder of Blackmore Group</b>
<b>Sydney Ifergan</b>	<b>Former CMO of FX Brokerage firm</b>
<b>James Peters</b>	<b>Family Office Networks</b>
<b>James A. Butler, (PhD)</b>	<b>Founder &amp; CEO of Luna Labs</b>
<b>Lewis Barber</b>	<b>Technology Expert</b>
<b>Ali Ömer Horzum</b>	<b>Founder &amp; CEO of TokenSuite</b>
<b>Timo Tripler</b>	<b>Global Fundraising</b>
<b>Darrel Emmanuel</b>	<b>CEO of DE Asset Management</b>

## **Bobir Akilhanov**

### **CEO of Blockcrunch Capital**



- Raised \$1m at age of 20 and created a Facebook-like website in Australia
- “Young Entrepreneur of the Year” in Australia
- Co-organizer of Synergy Global Forum for renowned businessmen

## **Dmitrii Sunka**

### **Creative Director of XCompanies**



- Specialist in blockchain technology and web development
- Read, write and speak English, Russian and Ukrainian
- Played a key role in successful execution of several fundraising projects in the past

## **Vladimir Nikitin**

### **Blockchain Lawyer**



- More than 10 years' experience in the legal, finance, retail, and IT industries
- Provides consultancy services and advice to selected projects only
- Strong blockchain knowledge and start-up experience

## **Nikolay Shkilev**

### **Top 5 Blockchain Specialist**



- Rated as one of the Top 5 experts of blockchain technology
- Excellent business and marketing skills
- Founder and CEO of Private Business Club that received 'Enterprise of the Year' award in the Kremlin

## **Phillip Nunn**

### **Founder of Blackmore Group**



- More than 15 years' experience in financial services
- Specializes in wealth management and financial technology
- Board Advisor for several start-up companies in the past

## **Sydney Ifergan**

### **Former CMO of FX Brokerage firm**



- Very experienced in management and marketing strategies and techniques
- Extensive experience in search engine optimization
- Utilizes technology to improve business results

## **James Peters**

### **Family Office Networks**



- Integrates business strategies in competitive environments
- International working experience in more than 120 countries
- Expertise in venture capital and private equity

## **James A. Butler, (PhD)**

### **Founder & CEO of Luna Labs**



- CEO of Sharp Capital
- Technology expert
- Research Fellow at University of Oxford



## **Lewis Barber**

### **Technology Expert**



- Senior Software Engineer
- Co-Founder of Sharpe, the world's first decentralised marketplace for financial data
- Founding partner of Luna Labs

## **Ali Ömer Horzum**

### **Founder & CEO of TokenSuite**



- CEO of TokenDrops
- Excellent knowledge and experience in marketing especially in terms of blockchain projects
- Experienced bounty program manager for various start-up companies

## **Timo Trippler**

### **Global Fundraising**



- More than 12 years' experience in financial markets and risk management
- Experience in the FinTech and InsurTech industries
- Global fundraising expert

## **Darrel Emmanuel**

### **CEO of DE Asset Management**



- More than 10 years' experience in the financial industry
- Former Associate for Brooklyn Capital
- Former district manager of Global Maxfin Investments

## PARTNERS

1	Amazix	<a href="https://www.amazix.com/">https://www.amazix.com/</a>	
2	Luna Labs	<a href="http://lunalabs.tech/">http://lunalabs.tech/</a>	
3	TokenSuite	<a href="https://tokensuite.io/">https://tokensuite.io/</a>	
4	Cryptob2b	<a href="https://cryptob2b.io/">https://cryptob2b.io/</a>	
5	AXIS Legal Counsel	<a href="https://axislegalca.com/">https://axislegalca.com/</a>	
6	Barnard INC Attorneys	<a href="https://www.barnardinc.co.za/">https://www.barnardinc.co.za/</a>	
7	The Currency Analytics	<a href="https://thecurrencyanalytics.com/">https://thecurrencyanalytics.com/</a>	
8	Renowned & Co	<a href="https://www.renownedandco.com/">https://www.renownedandco.com/</a>	
9	FusionICO.pro	<a href="https://www.fusionico.pro/">https://www.fusionico.pro/</a>	
12	Entoro Capital	<a href="https://www.entoro.com/">https://www.entoro.com/</a>	
13	DE Asset Management	<a href="https://deasset.ca/">https://deasset.ca/</a>	
14	EthAum Venture Partners	<a href="http://www.ethaum.com/">http://www.ethaum.com/</a>	

## CONCLUSION

*“10% of the world GDP will be built on Blockchain application by 2025” – Deloitte*

MOBU effectively uses modern technology to increase liquidity in capital markets. The MOBU token powers the STO issuance platform, digital securities exchange and crypto payment solution and will have real-world usage.

The new wave of entrepreneurs, including MOBU is primarily interested in the problems that the world faces. MOBU and the new generation of entrepreneurs are focusing on the world's problems because solving these problems will unlock massive streams of wealth, jobs and prosperity globally. A lot of these opportunities fall under impact entrepreneurship which is the new way of making money and doing good, at the same time.

MOBU is taking on one of the largest markets in the world and it is a proven fact that digital assets are simply more efficient than traditional markets which allows tremendous upside potential.

Furthermore, MOBU has a very experienced team and the necessary licenses to create structure and creditability to the multi-billion digital asset market. MOBU remains a global company but Africa is the logical place to start as the company will have a monopoly market for the 2<sup>nd</sup> largest continent of the world. As previously mentioned global venture capital deal flow amount for roughly 100Bn USD per annum of which Africa receives less than 1% and MOBU aims to become the trusted source of deal flow to strong vetted projects as well as the trusted secondary market for global investors.

MOBU uses distributed ledger technology to increase corporate efficiency, cut costs, increase transparency, streamline processes and adopt more automation.

**MOBU – The Smart Investment Bank.**

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## APPENDIX A: ENCRYPTION

The MOBU ERC20 platform can be leveraged to send encrypted messages. Ethereum addresses are based on public keys, and these public keys can be recovered from the signature of a transaction from that address (e.g. using the `ecrecover_to_pub` function). Several tools (bitcore-lib, bitcore-ecies) can then be used to encrypt messages directly in the web browser, without sending private information over the network.

## APPENDIX B: PROOF OF PROCESS

Digital documents are generated by the legal process outlined in this paper. At times digital documents may need to be audited. The function of the Merkle hash tree is to verify that these documents have not been altered or fabricated.

The diagram below illustrates how one or more participants create a chain of documents related to the process by creating a SHA-256 hash of each document (see example of documents A – F) as they publish the root hash of their tree to a smart contract every time it changes. The hash of Document A is the initial root hash shown in the diagram, the next one is the hash of the combination of the hash of Document A with the hash of Document B, etc. It is most likely that these digital documents have been encrypted first using the function and tools from Appendix

Encryption. However, even when the original documents have never been shared by the participants themselves, the timestamped root hashes are an audit trail which provides cryptographic proof that documents A – F (in this example) were in existence at the time their related hashes were sent to the smart contract, and that the documents have not been altered.

It is important to note that this process applies for a single document as well as a set of related documents. Hashing is a useful tool for recording an unchangeable and permanent witness of a public digital document. When this hash is stored on the blockchain, any person who receives a copy of the document can hash it themselves and verify that it is not altered since its hash was recorded to the chain.

## **APPENDIX C: SUCCESSFUL ISSUANCES**

Bounty payments in MOBU may be held until a successful issuance takes place to discourage fraudulent activity from legal representatives and/or developers of STOs. When the quality of work of legal representatives and/or developers is open to question, if the bounty payments are still vesting, original token holders can vote to freeze the funds of the legal representatives and/or developers.

This vote is calculated at the end of a STO: A snapshot of the balance of each security token holder is taken, and votes are weighted based in accordance toon those balances. The starting point required to freeze funds would have to be specified in advance in the tenders of the legal representative and developer. Economic incentive to attempt fraud on the network is hereby reduced.