TRADECLOUD

global trading solutions

Revolutionising the way you trade commodities.
Simple, Trusted, Smart.

PROJECT SUMMARY

Up to now, no one has produced an effective platform to bring commodity buyers and sellers together. The current method of checking availability and price discovering is conducted via email, phone, and chat, often using traders or brokers as intermediaries.

Designed by people who really understand the business, the platform works in a unique and subtle way. TradeCloud can build well-organised market places for differentiated, but similar products. The result is that TradeCloud brings all interested parties together to facilitate the most optimal trade. It does this in an efficient, secure and compliant way.

Live since October 2017, TradeCloud has more than 240 member companies in 39 countries. Over US$ 1bn worth of trades have been initiated on the platform.

The initial launch has focused on refined metals and recycled products, but TradeCloud will grow into a multi-commodity platform covering energy and agricultural products.

Tradecloud aims to build the Commodities Web on the blockchain whereby connected services such as freight, finance and insurance can drive a digital change across the commodities industry.

THE GLOBAL COMMODITIES TRADING MARKET

The commodities trading market is the biggest trade market on the globe, but still lacking in digitalisation

$5.4 Tr **$1.9 Tr** **$0.5 Tr**

The commodities market represents a huge opportunity for digital transformation. Massive amounts of oil, metals, agricultural products and other materials are changing hands every day. Commodities demand is rising, with much of this driven by increasing population. TradeCloud is focused on bringing commodities trading into the digital age.

Global oil demand will top 100mn barrels per day by 2019, according to analysts. This translates to $8bn of trade daily, or $2.9 trillion annually. Looking at the energy complex as a whole, in 2017 total output had a market value of $5.4 trillion.

The agricultural products market (anything from grains to meat to milk) is another high-volume business. Total production stood at 4.5bn metric tonnes in 2017, reflecting a market value of $1.9 trillion. The future of commodities production, demand and trade is very bright. All that remains is for more market participants to enter a digital environment where counterparties can be found, prices can be discovered and deals can be concluded efficiently and securely.

The non-ferrous metals market (aluminium, copper, nickel, zinc and recycled materials) could grow by as much as 6% annually in the medium term, according to industry insiders. Total production in 2017 was reported by Bloomberg at around 114mn metric tonnes, giving a market value of around $427.5bn.

Figures mentioned are per annum

THE BENEFIT OF USING TRADECLOUD?

- Producer, consumer or trader? TradeCloud is a powerful connector
- Reduce costs and expand markets
- A continually growing community - making it the easiest way to find people to do business with
- Simple to use, fully supported and available 24/7
- Mobile, Tablet, Desktop; keeping everyone informed everywhere
- All communications recorded and monitorable

KEY FEATURES OF TRADECLOUD

Generate proposals in a quick, accurate and efficient manner.

Generate contracts automatically.

Monitor replies to bids, offers and tenders.

Share documents across the platform to streamline the compliance process.

Chat with your team and customers on a single application in a secure and compliant environment.

Search for deals in the market and be invited to participate.

THE FUTURE

Multi-commodity

TradeCloud launched as a platform for the metals industry and has already built a strong membership. It will soon expand to include energy and agricultural products. We expect to launch TradeCloud's energy offering in 2019, followed by agricultural products in 2020.

Growing network

The TradeCloud community is growing and will continue to grow, creating more opportunity to find counterparties and do business. This network-building aspect of the platform has been key since the design phase and will continue to be so as TradeCloud develops.
A peer-to-peer platform has significant implications for the trust-building process. The more participants, the more activity. The number of trusted connections grows, increasing opportunity as activity builds.

Data

Trade activity will result in valuable price and volume data.
There is a real opportunity to create commodity price indexes far superior to the current market price assessments. Many industries have chosen to use spot indexes to price their long-term contracts. Having an accurate and representative reference price is extremely important.

Post-trade

Other developments in the pipeline are access to post-trade services, as well as peripheral services including freight and insurance. This will make TradeCloud a one-stop shop for everything.

Blockchain / smart contracts

TradeCloud already offers templates for deal making, including contract forms that can be signed electronically and securely archived.
Connecting customers across a platform using smart contracts is not a trivial matter. A contract is only the beginning – the smooth execution of deals is vital and involves multiple parties working in unison. Smart contracts on the blockchain will allow parties to pass and validate key information relating to origin, quality, shipment, title and ownership.

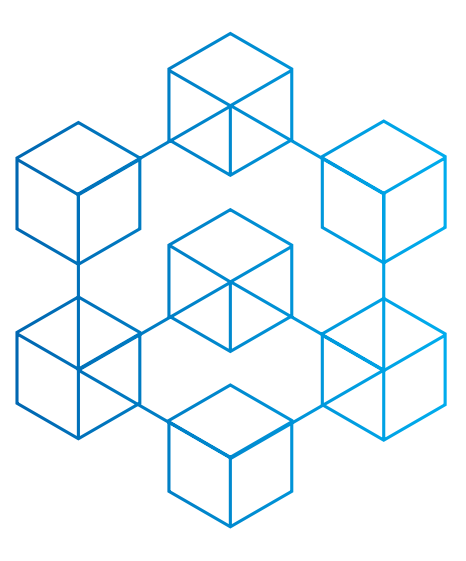
THE BLOCKCHAIN AS THE ENABLER FOR TRADECLOUD

Blockchain will play a crucial role in moving commodities into the digital space.
It facilitates greater trust, simplifies identity and makes it easier to connect to new businesses and services.
It makes doing business simpler for everyone.
By reducing friction and solving seldom-addressed problems, more trading will be done at lower cost and risk to counterparties.

TradeCloud is working with others to create a Commodities Web - a trusted ecosystem where business is simpler and new solutions can flourish. TradeCloud members get the benefits of blockchain technology at the same time as helping move the industry into the digital age. We will use this digital advantage to give members better services, including some - such as smart contracts - that are not currently possible.

Distributed ledger technology ('blockchain') is particularly well suited to commodities trade - the markets involve many participants that need to establish mutual trust before doing business. However, the greatest benefits will only be achieved by companies working together to create shared ecosystems.

Radical change



The interface between blockchain and commodities trade is going to change radically over the next 12 months. Enterprise versions of the technology are now available, providing important features such as monitoring tools for live platforms.
The right kind of IT know-how is also becoming more widespread. It is easier to find developers with the relevant skills, and to get existing developers up the learning curve.

Various types of organisation in the commodities space are experimenting with blockchain technology. As these solutions start to work together, we will create a Commodities Web.

Co-operation and the network effect

Once the Commodities Web is in place, new solutions can readily connect, enhancing or competing with existing solutions.
Many of the barriers to rolling out systems to new users will be reduced.
It will be easier for systems to work together, extending the functionality through novel means.

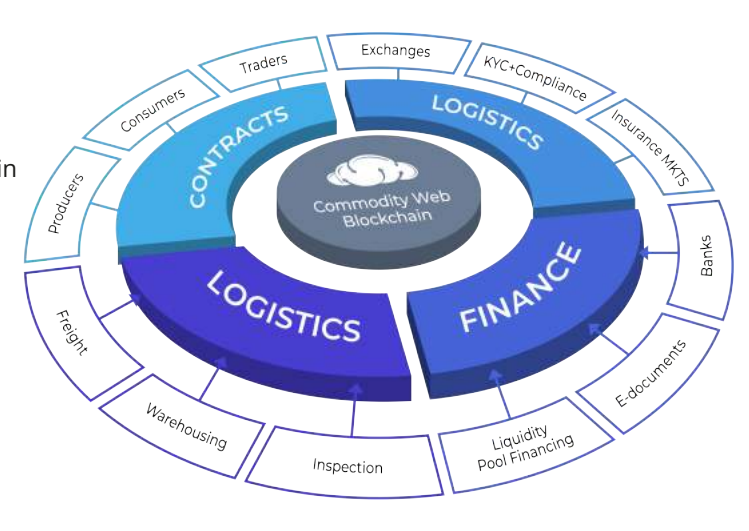
Connecting companies in a reliable and trusted way with blockchain will make it much easier for innovation to be delivered.
We intend to be at the heart of this innovation.

We will make it easy for companies to connect to TradeCloud, via the blockchain. They will be able to control their identities and will be copied on transactions that affect them. They will also be able to choose when to share data with other parties in a trusted way.

Other solution providers in the commodities space will soon follow suit. There are initiatives under development in post-trade spaces such as trade finance. Cooperating in key areas including identity and interfacing standards and demonstrating value to our respective users, we will create a Commodities Web. It will have de-facto standards that remove many of the barriers that would otherwise stand in the way of linking solutions and platforms.

There are developments in related areas that will be important to the process. For example, the legal community is making advances with features including: electronic signatures; electronic bills of lading; electronic contracts where data files are part of a contract rather than printed text; international legal entity identifiers; and compliance.

Bringing the benefits of blockchain



TradeCloud members get seamless access to blockchain, but we will help them make the most of the technology. The data in the TradeCloud blockchain will be held privately on Corda. It will hold auditable details of all important transactions, such as contracts and other binding agreements.

TradeCloud members will be able to put their own content onto the blockchain – for example, by uploading digital documents. This means that members will have access to many of the benefits of Corda and of private enterprise blockchains, without having to run their own nodes.

Smart contracts

We believe that smart contracts are best used in environments with strong governance, where the data involved is already in a reliable, shared and trusted digital format. Smart contracts have found acceptance in areas such as crypto-currency transactions - particularly where governance issues are simple to put in place and manage, whether through code or another mechanism.

By actively using TradeCloud, members will have the building blocks to use smart contracts.
Information will be available in a trusted, shared and private digital format, with reliable identity.
Smart contracts can relate to a number of things along the trade cycle.

Examples are likely to include:

1. Commercial contracts
2. Freight agreements
3. Inventory assets
4. Receivable assets
5. Digital shipping documents
6. Insurance agreements
7. Letter of Credit and other payment mechanisms

In the commodities world these contracts are interdependent. Not only will there be considerable time savings achieved in no longer having to input the data into various systems, the interoperability of the contracts will trigger actionable events, allow supply chain tracking, validation, title transfer and settlement.

We are particularly excited about the potential for smart contracts to offer solutions that lower the barriers to doing business. Smart contracts will allow TradeCloud to offer additional services to our members – both directly and via partners - with ease. These will include services that members can offer to each other, either directly or by pooling community resources.

Examples are likely to include:

1. Freight and Storage services
2. Financing requirements
3. Digital documentary services
4. Custodian arrangements
5. Community pooling of cargos to reduce transportation costs

OUR ROADMAP

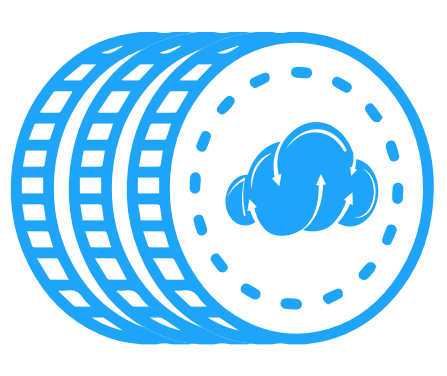
- **Aug, 2016** TradeCloud established
- **Feb, 2017** Platform build starts
- **Oct, 2017** Platform goes live
- **Aug, 2018** STO project started
- **Nov, 2018** $500,000M of transactions initiated on TradeCloud. 200 customers, 36 countries
- **Jan, 2019** Pre-Sale process starts
- **May, 2019** $1Bn of transactions initiated on TradeCloud. 245 customers, 39 countries
- **May, 2019** Regulatory clearance obtained for STO
- **Jun, 2019** Private sale
- **Jul-Sep, 2019** Public sale

TRADECLOUD SECURITY TOKEN OFFERING

The TradeCloud STO is a means of raising funds for the future development of the platform.
So far, all expenditure has been funded by TradeCloud's co-founders.
This has involved the original market analysis, platform build, platform launch and marketing.
TradeCloud's enormous potential has led the founders to seek additional resources to accelerate the company's growth.

The TradeCloud Token (TC Token) is a means for investors to purchase future services on the platform and to share in its success. TC Token will have the unique feature of being an exchange of value for services provided by the platform, as well as being an opportunity to benefit from the future profitability of TradeCloud.

Unique benefits of TC Tokens



- TC Tokens represent a true store of value, as they can be exchanged for TradeCloud internal credits.
- Initial investors will receive a discounted price.
- We forecast significant growth in revenue and anticipate that we will be able to reduce the unit costs of our services. TC Tokens will therefore increase in value, representing more services than at the time of purchase.
- By being connected to the Commodities Web, Token owners will be able to access an increasing number of digital services
- Tokens can also be used as loyalty tokens to promote increased use of the platform

Profit-sharing model

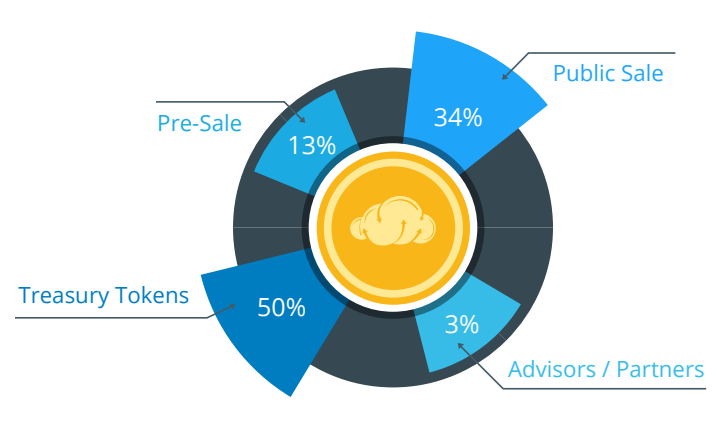
TradeCloud will pay TC Token holders a material share in the net annual profit of the company, for a period of 10 years from issuance. This is to reward investors for retaining their TC Tokens. The payment will take the form of a distribution of mainstream Crypto Assets to the investor - such as BTC and ETH.

TOKEN METRICS

Token distribution

We intend to raise up to US$ 42 million via TC Tokens which will be issued through our Swiss Subsidiary, TradeCloud Commodities Web Services AG.
TC Tokens will be convertible into internal payment credits.

The TC Tokens will be distributed as follows:



Use of funds

The funds raised will be used to accelerate the growth of TradeCloud. The TradeCloud management team expects the funds to be applied in the following manner.

Marketing of the platform	40%
Debt repayment	6%
Acquisition	19%
Software development	25%
Early adopter incentives	10%

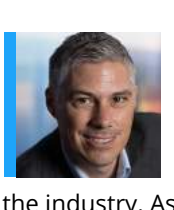
Unlike many other Technology start-ups, TradeCloud has been funded by its Founders. This has led to a strict budgetary process and all expenditure has only been made after rigorous cost/benefit analysis. This discipline will continue going forwards.

Based on the current budget, it is anticipated that a successful STO will raise enough funds to allow TradeCloud to aggressively develop and promote the product for at least the next three years, irrespective of revenue. This gives the company sufficient head room to grow in the most logical way

FOUNDERS

Simon Collins - CEO

Simon has more than 25 years of experience in commodities business. With a focus on origination and the building of trading teams, he has in-depth knowledge of both the physical and derivatives sides of the business. Before co-founding TradeCloud, he was on the management board at Trafigura, with specific responsibility for Metals & Minerals. Global business development has been the key theme of Simon's career.
He lived in China for 10 years and has travelled tirelessly across Russia, Africa and the Americas, seeking new business opportunities. Armed with a roller index of senior contacts, Simon is a hands-on promoter fully involved in making TradeCloud the enormous success it deserves to be.



Matthew Botell - COO

Matthew has 20 years of experience in the commodities business. Working his way up the ranks, he gained invaluable knowledge of the industry. As Chief Operating Officer for Trafigura's Metals & Minerals Division, he oversaw IT development for 10 years. Matthew has covered it all – from logistics to documentation, finance and risk. This, combined with front-line trading roles, makes him unique in the business.
A logical and structured thinker, Matthew has worked through all detailed requirements for the IT build of TradeCloud, allowing us to put a first-class product in place, on time and on budget. As we digitalise more commodities and services, Matthew's know-how and ability to deliver will remain central to the company.

Justin Wilson - CTO

Justin has more than 25 years of experience in IT and consulting. Having worked for PwC, The European Commission and Goldman Sachs, he has helped financial-services firms to clearly define and implement their digital strategies. Most recently, he was a co-founder of UK/German consulting firm Alpheus Solutions, which is now part of Endava.
Justin has been highly successful in building front and back office systems that not only work, but also deliver efficiency, transparency and cost savings.
He can effortlessly move between subjects such as security, networking, data management, UI/UX and blockchain technology with clarity and authority. Justin joined TradeCloud because of his firm belief in the company's vision and his ability to contribute to its success.

Mark Cheong - CFO

Mark is a seasoned financial executive in the commodities industry. He started his career at Standard Chartered Bank in Singapore as an FX trader, but soon decided to expand his activities by moving on to work for Volvo. As Chinese demand for all raw materials grew rapidly in the 2000s, Mark seized the opportunity to become part of the China success story. He moved to major agricultural trading firm Bunge in Singapore, where he helped implement the company's China strategy. This involved on-and off-shore trading, trade finance, structured finance and M&A.
As an experienced Chief Financial Officer, Mark has exceptional know-how in finance, legal and compliance. Mark's expertise not only gives TradeCloud a steady hand on corporate governance but also helps us to find innovative solutions to questions relating to finance and compliance for our customers.

PARTNERS & ADVISORS

STO

Blockchain Platform Provider: Inacta AG

Inacta, located in Zug have developed an integrated blockchain solution to seamlessly and securely onboard investors, allow KYC and AML checks to be performed efficiently and generate tokens.

KYC Partner: Intrum AG

Intrum is Europe's undisputed, leading credit management company. Intrum will use state of the art "id now" software to ensure the identity of our investors.

AML Partner and Escrow Agent: CMP AG

Est. in 2000 and located in Zurich, CMP are experienced operators in the Crypto space, providing asset management, fiduciary business and crypto advise in addition to the role they will perform for TradeCloud.

Senior Advisors: Blocksmatter AG

Located in Zurich, Blocksmatter provide end-to-end service for Blockchain development projects, conducting Initial Token Offerings (ITO) and tokenization of assets.

Regulatory Advisor: Dr. Mattia L. Rattaggi, Advisory & Consultancy

Mattia combines an advanced exposure to blockchain technology and applications, crypto finance and crypto regulation, with 25-year experience in the financial industry, in senior risk, compliance, audit and governance positions - of which 18 years at UBS, including as Head Group Regulatory Relations and as Advisor Group Regulatory Strategy for 10 years.
He is Chairman of the working group Policy & Regulation at the Crypto Valley Association and advisor to selected crypto companies.

Development

Software Developer: Volo

Volo, TradeCloud's software-development partner, has the ability to apply innovative solutions to the most challenging enterprise software, mobile and internet-of-things projects.

Blockchain: Corda

Corda is an open-source enterprise blockchain from R3. It has a strong focus on features such as performance, documentation and management that make it work in an enterprise environment.

Infrastructure: Microsoft Azure

Microsoft Azure supports many different programming languages, tools and frameworks including Microsoft-specific and third-party systems and software.

LEGAL DISCLAIMER