

RSX

Revenue Share
Exchange

**For the UC Berkeley Capstone, and beyond
Version 1.1**

Written by Grant Anderson and Matt Liberto



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Summary

1a. Executive Summary

The RSX (Revenue Share Exchange) platform is where e-commerce brands, digital service providers, and investors can find one another and partner under a revenue sharing model. E-commerce brands need digital services, strategy, and capital to grow; digital service providers need brands to hire them, and they need those brands to have enough capital (from revenue or otherwise) to afford them; investors need to find brands that are highly scalable and are backed by all the digital service providers they need to scale. The RSX brings these three complimentary pieces together, and facilitates the relationships through AI technology and an instantaneous revenue sharing model, including blockchain technology for split payment remittances to all stakeholders involved on a transactional, fully liquid and automated basis.



A Product Vessel Venture 

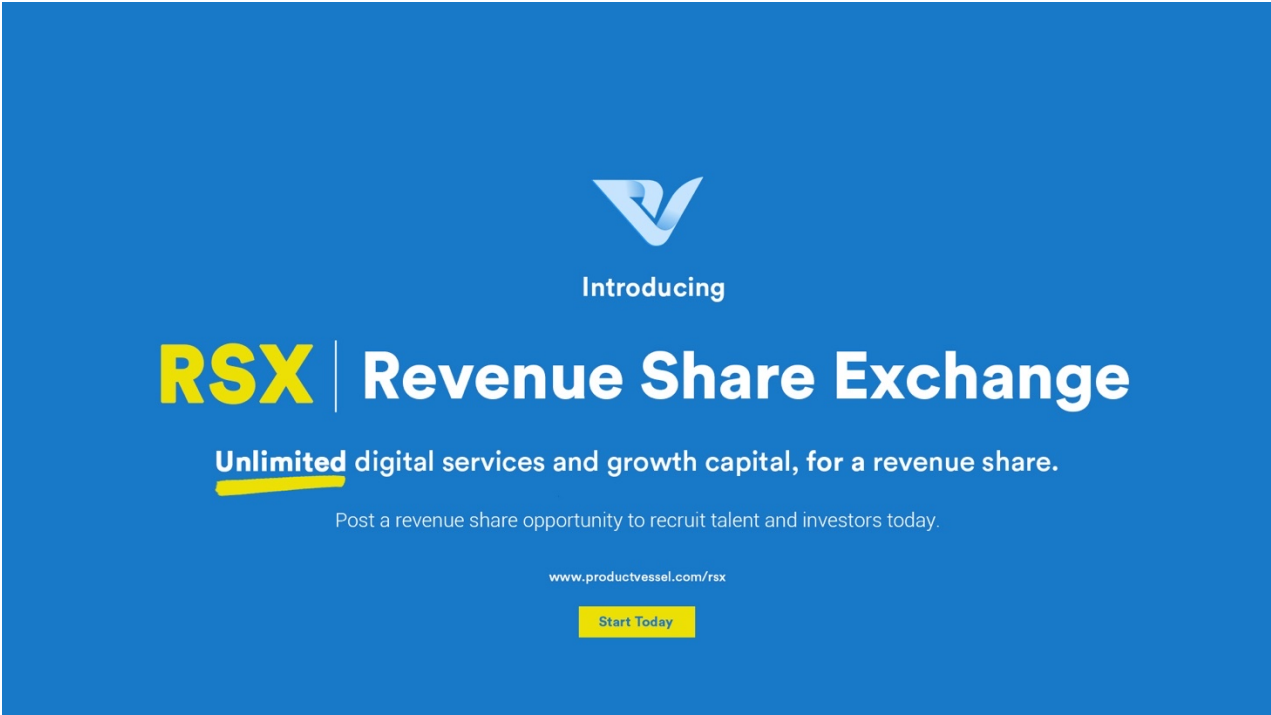
1b. Value Summary

To further understand the value of the RSX, it's important to first understand how digital agencies and brands have traditionally interacted within the e-commerce value chain, and how that traditional model is broken. Most commonly, when a brand needs digital services (e.g. someone to build them a website), they will spend considerable time trying to find service providers, and then they usually price-compare; digital services providers almost always charge some sort of up-front retainer, as well as a contract fee (one time, monthly, or annually) and/or some sort of low-risk variable fee (pay by the hour, percentage of ad spend budget, extra services added onto a package, etc.).

Digital service providers, under this pay model, are not directly incentivized to grow the business. This often leads to poor performance, and the brand lets go of the agency after pouring in high-risk, high-cost capital. Bad experiences like this often lead to brands putting their digital service providers on extremely short leashes, or not taking the providers' strategic advice, or not surrounding the providers with the other necessary parts to complement their work. It's an ugly circle where too frequently nobody wins.

Revenue sharing fixes much of this issue. When a digital service provider is exclusively paid through a small revenue share, they have heavy incentive to grow the business; each additional dollar is additional money in their pocket. The digital service providers prefer this because it allows for uncapped earning potential, especially in high-growth brands. Brands certainly love this as well, not only because their providers are properly incentivized, but equally because there's no upfront costs or extra fees, should the service provider be confident in their skillsets and knowledge of how to achieve brand growth.

Now let's dive a little deeper into the value adds for each of the three aforementioned parties: the e-commerce brands, the digital service providers, and the investors.

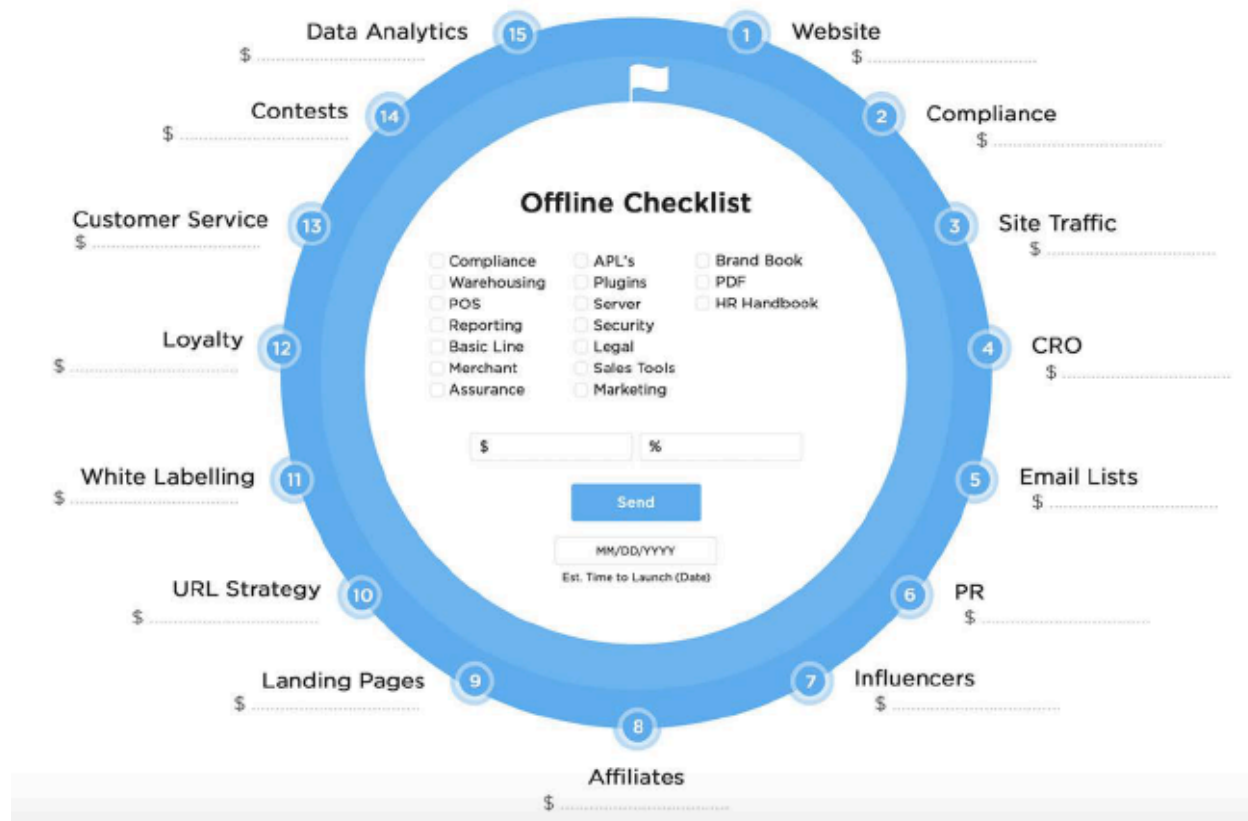


The image is a promotional graphic for RSX (Revenue Share Exchange). It features a blue background with a white logo at the top center, consisting of two stylized, overlapping shapes forming a 'V' or 'W' shape. Below the logo, the word "Introducing" is written in white. The main title "RSX | Revenue Share Exchange" is prominently displayed in white and yellow. Below the title, the text "Unlimited digital services and growth capital, for a revenue share." is written in white, with "Unlimited" underlined in yellow. A smaller line of text below reads "Post a revenue share opportunity to recruit talent and investors today." At the bottom, the website URL "www.productvessel.com/rsx" is shown in white, and a yellow button with the text "Start Today" is centered.

E-commerce Brands

As is explored in-depth under industry analysis, commerce is entirely transitioning online, at an ever-rapid pace. To get online and subsequently grow, every brand must have multifaceted digital talent and capital to facilitate growth.

Multifaceted digital talent means talent that encompasses all the online aspects necessary to achieve online growth. We created the following diagram to uncover what aspects of e-commerce brands are focused on, as well as showcase what they may be missing in order to achieve growth:



Recognizing these needs is just the first step; equally, finding quality talent or skill in each of these aspects is another undertaking. Finally, even if a brand finds quality talent for all of these aspects, the brands have to be able to both afford them and properly integrate them together. The RSX provides a solution to this triage of need, without upfront cost or burdensome interest capital. Thus, a dollar amount is included beside each function and is typically calculated as monthly cash flow needs, in which the performance of the business and sales of products needs to compensate for and remain positive over and above. By setting a target amount for budget, e-commerce brands can better understand how to break each plateau and level up. This is where digital talent can help by adding key thoughts, pivotal strategies and direct influence to each brand's growth trajectory.

Digital Talent

If a basketball team has a great passer of the ball, but no teammates that can shoot, then the great passer of the ball will not shine or have his talent understood. This is almost exactly analogous for digital service providers; even if they provide great work, if other aspects aren't working properly, their great work will often be misunderstood, undermined, or even criticized.

For example, if a digital service provider builds a beautiful website, but there is no traffic going to the website, then oftentimes brands blame the provider for building a site that doesn't make money. The reality is, for a website to prove its effectiveness, it must proactively find traffic; to acquire traffic, a company must be investing in other digital services (e.g. PPC, SEO, PR, etc.) before, during and after the building of the website to carefully optimize and synchronize the site with traffic that currently exists on various parts of the web and is relevant to the product or service the e-commerce brand offers or represents.

This is where the RSX come in; it provides an integrated strategy, understanding which digital service providers are needed, and brings them together under one roof in a cohesive manner. This ultimately allows for greater client retention for each provider, and a chance to have their work properly executed in such a way that they can be honestly evaluated, seen and experienced by users; and to become a useful case study that helps service providers advance in market by means of increased portfolio value, richness of data, and relative earnings.

Additionally, as mentioned, the RSX provides uncapped earning potential for each service provide, as they individually take a small share of revenue from the total revenue share submitted by the brand.

Investors

Unicorns investments¹ are often found in the digital space, and there are so many different kinds of online brands and service providers that there's opportunity for great diversification. The issue is, how does an investor unsophisticated in the online space know with which company to invest? How does the investor know how much capital is appropriate, and that their capital is going towards revenue-generating activities? How does an investor know if the right talent and strategy is in place to properly execute their capital?

The RSX solves each of these problems. First, it offers exploratory visibility into countless brands. Second, the RSX focuses on providing ad spend capital, one of (if not the most) effective way to immediately impact the bottom line. Third, it equips each brand with the right service providers such that there is elite talent and expertise to properly execute an investors capital. All this, and they receive revenue share immediately, rather than in quarterly payments, dividends, or other traditional investment models.

¹ Downloadable list (excel file) of all 800 private Unicorns by CB Insights (as of Aug 22, 2021), link [here](#)

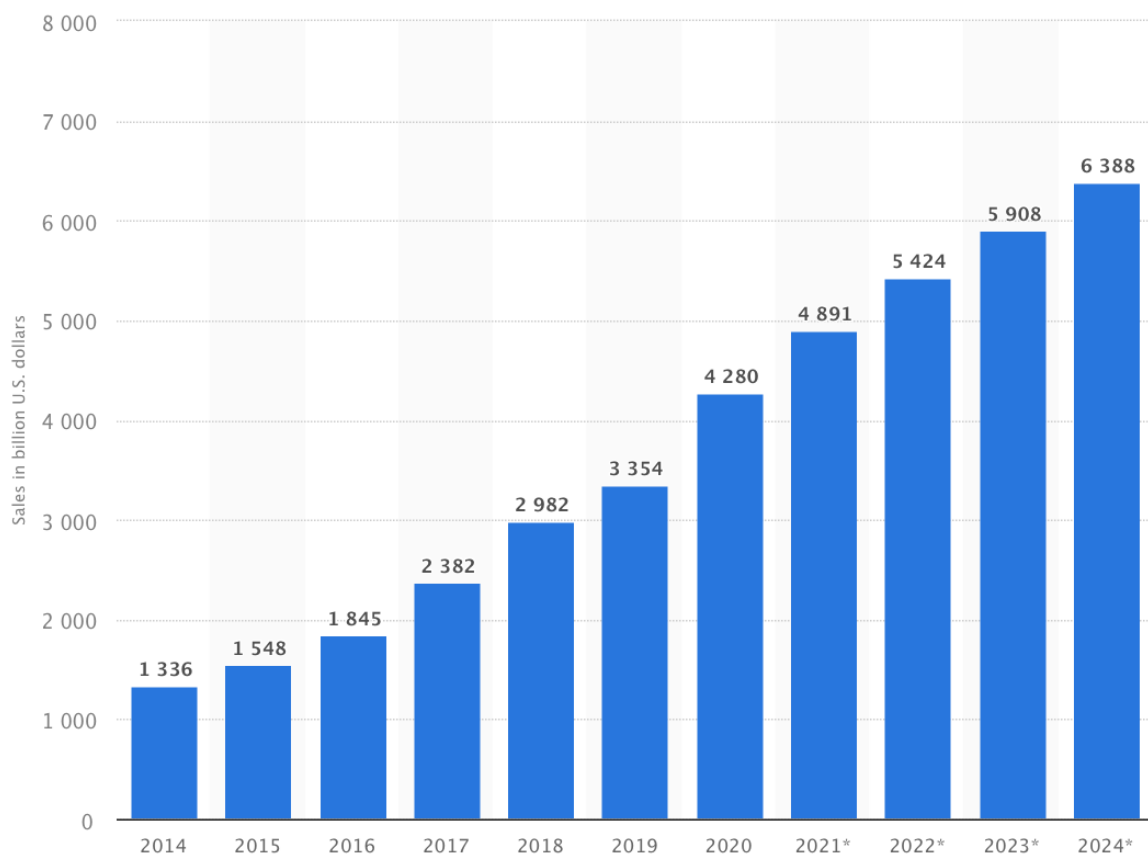
Factors

2a. Macroeconomic Factors

There's a litany of macroeconomic factors contributing to the rising need for a platform like the RSX. This includes, but is not limited to:

- Retail sales globally (and in nearly every individual country) growing rapidly year-over-year

Retail e-commerce sales worldwide from 2014 to 2024 (in billion U.S. dollars)



Further details: [Visit original statistic](#)

2

- Increase in mobile phones and mobile e-commerce, resulting in more consumers

² <https://www.statista.com/topics/871/online-shopping/#dossier-chapter3>

Mobile broadband continues to dominate

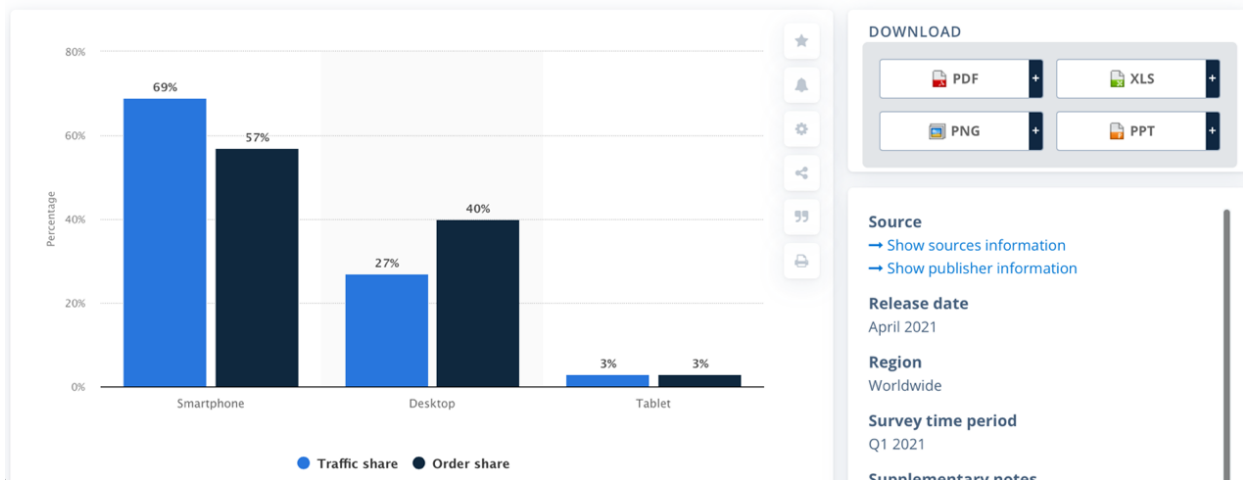
The State of Broadband 2019 reports that while almost one billion new mobile subscribers have been added in the five years since 2013 (4.2% average annual growth), the speed of growth in mobile connections is also slowing, particularly at the bottom of the pyramid. Mobile network coverage improved much more slowly in low-income countries, with a mere 22% improvement in 4G coverage in the past five years, compared with a 66% increase in lower-middle-income countries.

In 2018, 4G overtook 2G to become the leading mobile technology across the world, with 3.4 billion connections, accounting for 44% of the total. 4G will soon become the dominant mobile technology, surpassing half of all global mobile connections in 2019, and expected to peak at 62% of all mobile connections by 2023.

Data show that of the 730 million people expected to subscribe to mobile services for the first time over the next seven years, half will come from Asia Pacific, and just under a quarter from Sub-Saharan Africa.

3

Distribution of retail website visits and orders worldwide as of 1st quarter 2021, by device



4

- Increased financing and purchase options, such as platforms that provide ways for bank-less users to purchase⁵
- Increase in number of online e-commerce brands⁶
- Increase in crowdfunding

Crowdfunding Statistics: Overview

1. \$17.2 billion is generated yearly through crowdfunding in North America.
2. Funds raised through crowdfunding grew 33.7% last year.
3. There were 6,455,080 worldwide crowdfunding campaigns last year.
4. Successful crowdfunding campaigns have raised \$28,656 on average.

7

³ <https://en.unesco.org/news/new-report-global-broadband-access-underscores-urgent-need-reach-half-world-still-unconnected>

⁴ <https://www.statista.com/statistics/568684/e-commerce-website-visit-and-orders-by-device/>

⁵ <https://www.mybanktracker.com/news/how-to-shop-online-without-a-bank-account>

⁶ <https://www.weforum.org/agenda/2020/10/digital-transformation-or-bust/>

⁷ <https://www.fundera.com/resources/crowdfunding-statistics>

- Increase in e-commerce investment

E-commerce technology is the new gold rush.

New data from CB Insights showcases just how hot the e-commerce space is. In the first quarter of 2021, funding for e-commerce startups hit \$11.7 billion — up from \$2.8 billion in the first quarter of 2020 and \$5.2 billion in the first quarter of 2019. It showcases an industry-wide realization: more VCs are investing in e-commerce startups and more businesses are adopting digital features to make their businesses omnichannel. For

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- Increase in fintech investment⁹

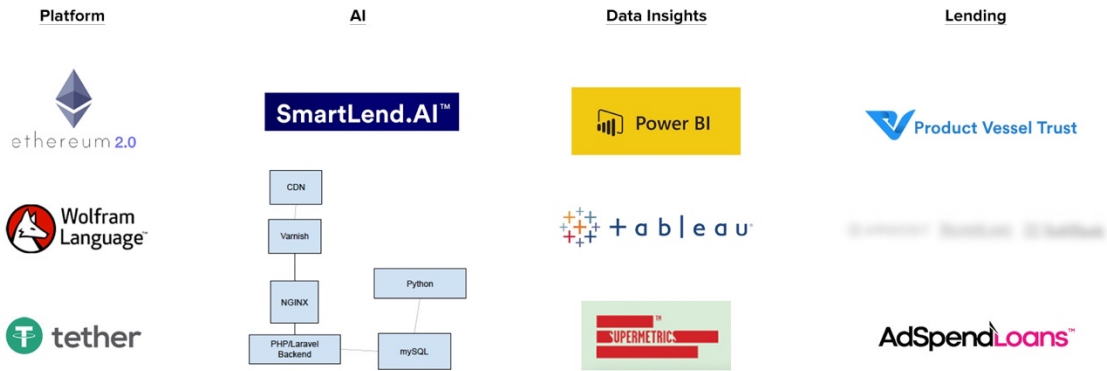
2b. Technological Factors

While there are many emerging technological factors that may or will contribute towards the success of the RSX, one of the more prominent is through the decreasing cost of remittances, which includes the user of blockchain technology. Blockchain offers the prospective capability of converting capital (as owed through a revenue share) into a stablecoin that can be instantaneously sent to another user, and then exchanged for an equal amount; besides being instantaneous, this offers the opportunity to get as close to fee-less or markup-less payments or remittances as possible. Even if blockchain technology is not used, new fintech platforms like Wise (formerly TransferWise) are offering payment and remittance options that allow for lower costs than more historically traditional options (e.g. bank wires).

More obvious technological factors include the continually increasing ease of integrating various parties / platforms, creating smart platforms with complex “if, then” functions, and instantaneous flow of information (e.g. data, messaging, etc.). Below is a snapshot of the basic platform technology RSX plans to use for completing end-to-end revenue sharing; including blockchain, AI, data analytics, and lending.

⁸ <https://www.modernretail.co/retailers/e-commerce-technology-investments-are-ramping-up/>

⁹ <https://fintechmagazine.com/financial-services-finserv/fintech-sector-sees-record-breaking-investment>



2c. Global Factors

The recent advent of the COVID-19 virus has increased the speed at which the aforementioned macroeconomic factors are taking place¹⁰, and it seems these waves and trends are here to stay.

Post-Covid, companies need capital to innovate more than ever.

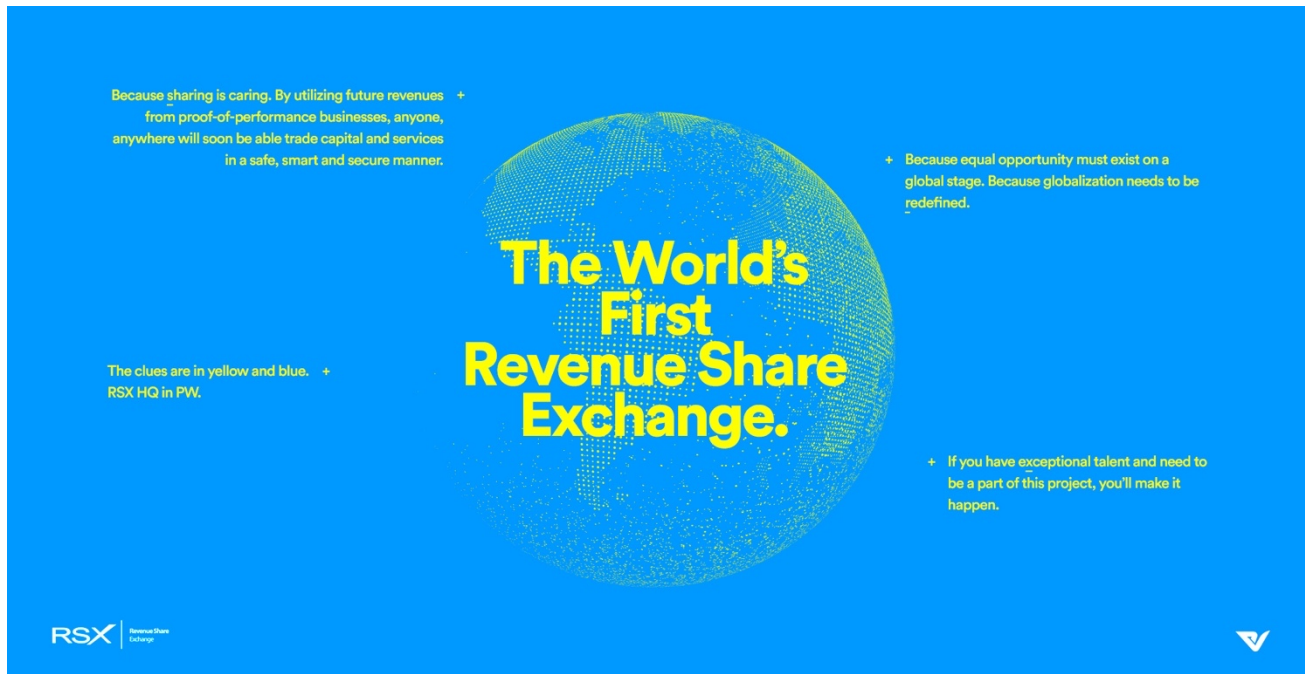
capital > people > innovation > growth

¹⁰ <https://unctad.org/news/how-covid-19-triggered-digital-and-e-commerce-turning-point>

2d. RSX Fit

RSX is the cumulative realization—and in some ways solution—to these macroeconomic, technological, and global factors. With businesses moving online, and therefore needing digital expertise, talent, and capital, RSX bridges the gap. With technology more easily facilitating quick and secure payments, the RSX now allows for providers and investors to get paid faster, for cheaper. And with more and more people wanting to stay remote, as well as valuing ease in a shopping experience, the RSX will supply a foundation from which everyone can share in the upside, collaborate, create and thrive.

Below is a sample landing page we've created to generate interest on recruiting global talent to work for brands who offer a revenue share on our platform. A creative and interactive contest for talent ensures we're aligning with people who are able to think outside the box.



Industry Analysis

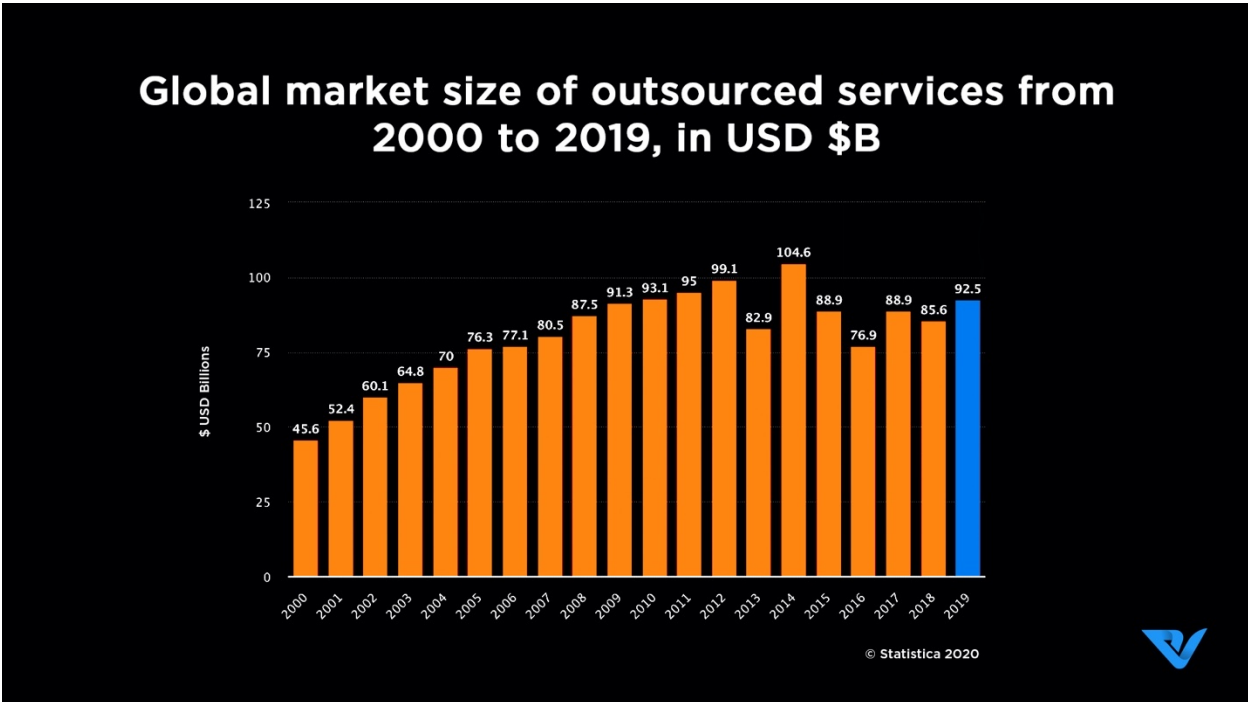
3a. Industry Size

Again, when considering industry size, it's important to break down the three parties in the RSX: e-commerce brands, digital talent, and [e-commerce] investors.

As of 2020, there are more than 24 million e-commerce sites globally, with that revenue expected to exceed \$6 trillion by 2022; more than 95% of retail purchases are expected to be

through e-commerce stores by 2024¹¹. Equally, this is very much a global thing: by 2023, China is expected to exceed \$4 trillion in e-commerce revenue; India ranks first of all countries in terms of retail e-commerce growth; Japan and Russia hold more than 30% of worldwide fashion e-commerce traffic; more than 70% of internet users in the EU shopped online in 2019; and e-commerce revenue grew by over \$56 billion in the US in 2020. 71% of CFOs say they will increase IT investments in 2021, with 64% of those saying they plan to invest directly into e-commerce¹².

As for digital talent, it's growing at an equally rapid rate; if you take a broad definition of "digital agency" (including paid ad agencies, SEO agencies, PR firms, research firms, etc.), then there are over 500,000 agencies worldwide, including around 120,000 in the USA alone¹³. As of 2017, the total market value for ad agencies was \$1.2 trillion. Digital ad agencies in the USA had average business growth of nearly 13% in 2021¹⁴. All this, and we're not even talking about individual, contract workers around the globe! There's more talent than ever, willing to work in more in forms than ever (big agency vs individuals, contract pay vs revenue share, internationally remote or in-house, etc.).



¹¹ <https://kommandotech.com/statistics/how-many-ecommerce-sites-are-there/>

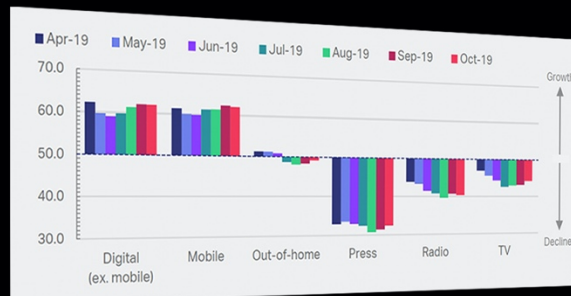
¹² <https://www.bdo.global/en-gb/blogs/tech-media-watch-blog/june-2021/new-technology-developments-stimulate-e-commerce-investment-and-growth>

¹³ <https://answersdrive.com/how-many-digital-marketing-agencies-are-there-in-the-world-9546590>

¹⁴ <https://www.ibisworld.com/industry-statistics/number-of-businesses/digital-advertising-agencies-united-states/>

Global Marketing Spend: Growth and Decline

Global Spend
Search \$135.9B
Display \$133.9B
TOTAL GLOBAL SPEND \$269.8B



Digital budgets soar, offering provable, metric-based results.

Source: Global Marketing Index, WARC Data



Overall, venture-back (seed, corporate, and PE) investors have sunk \$21.1 billion into global e-commerce companies since 2016, with nearly \$9.4 billion of that into companies based in the USA¹⁵. Factoring in other types of investors and investment, this number is much larger, as mentioned in section 2a. Clearco, which exclusively lends capital to e-commerce companies for the purposes of online paid ad marketing, has raised \$700 million in funding to date (not counting debt financing)¹⁶ and is currently valued near \$2 billion¹⁷ with over \$2.4 billion lending to market as per their website claims.

3b. Industry Structure

The most volatile and robust structure from our three “parties” is probably that of the digital talent. There are endless services necessary and/or available for e-commerce brands to maximize, and while some large agencies contain a number of these services, no one contains them all; equally, the large agencies don’t do all the services they offer well, they usually have one or a few services that are really their niche or expertise and sub-contract the rest to other agencies under strict confidentiality agreements to remain private-labeled. We know this well, as we’ve owned and operated as a creative agency for almost fifteen (15) years under this type of service agreement, working for close to three hundred (300) brands and a dozen agencies.

¹⁵ <https://news.crunchbase.com/news/forecast-e-commerce-startups-need-to-flex-their-customer-service-muscles-in-2021/>

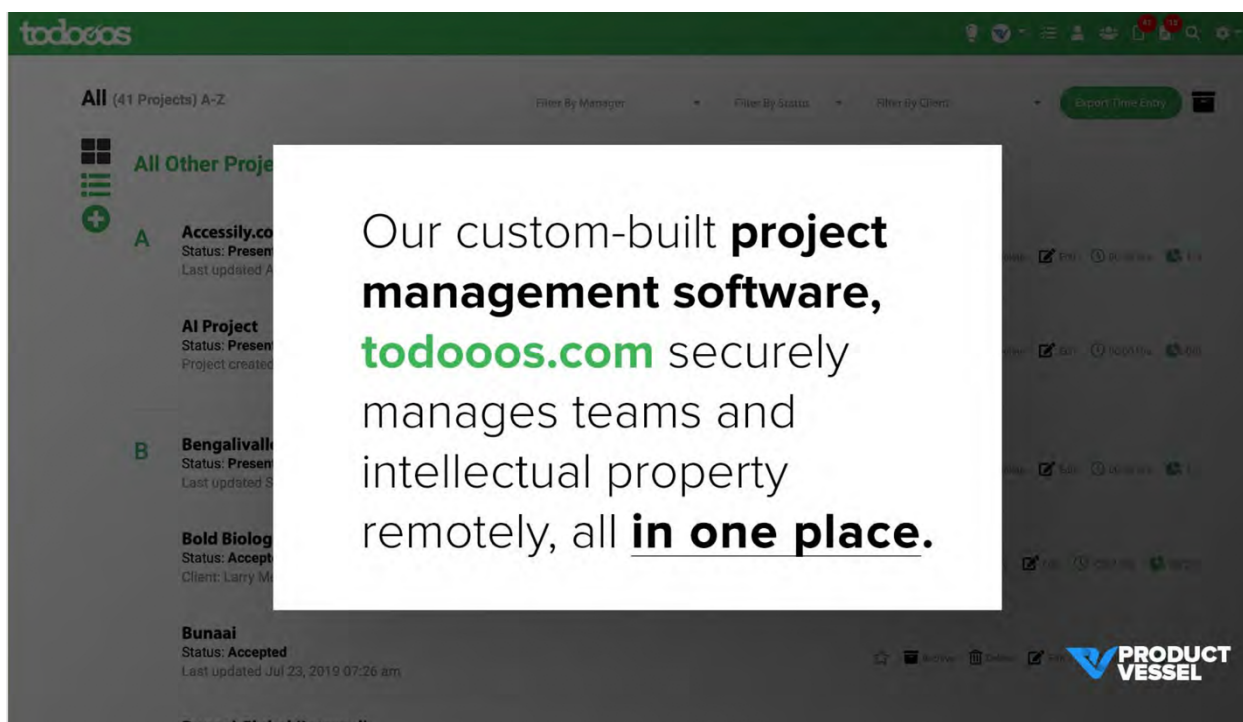
¹⁶ <https://clear.co/about-us/>

¹⁷ <https://www.reuters.com/technology/canadian-startup-clearbanc-raises-capital-nearly-2-bln-valuation-2021-04-20/>

Referring back to the wheel in section 1b, the following can be deduced; a website must be built, which is provided by a certain service provider; then services must be done to bring traffic to that website (both through paid and non-paid methods); then services must be done to follow up with that traffic and not only convert them into sales, but keep them as long-term (or life-time) customers; furthermore, services must be done to collect data to evaluate the effectiveness of strategies executed, and use that data to improve upon the strategies; the list of services goes on and is quite extensive.

To efficiently and effectively bring these services together to grow an e-commerce brand (and additionally benefit their investors), there must be a platform that allows them to easily work under “one roof” together, communicating easily and able to fill in the service provider gaps where needed; this is where the RSX comes in! The RSX identifies the needs of a brand through an initial audit (both in terms of capital and services), and then finds the most qualified parties to supply both that capital and those service providers. If the account leaders feel as though more service providers would be helpful, then they can be found through the RSX.

We have built a project management software over the past five (5) years, called “Todoos” and have managed nearly two hundred (200) projects while readying for commercialization. Upon deployment of the RSX, we will integrate the software of Todoos into RSX to allow in-house tools to be used for free by anyone with an account. Below is a slide of our platform.



Currently, investors lend to brands, who then try to find service providers to maximize that capital for their growth. The RSX seeks to improve this structure by shifting investment straight

to the elite strategy and service providers, who maximize the immediate efficiency and effectiveness with which the capital is used.

3c. Industry Trends

Besides all the growth seen across the board and mentioned extensively in this paper, two of the largest trends are:

1. The breaking up of the “big agency” models
2. Financing/payment models of agencies changing

Big agencies are dying; they’re too expensive, have inflated pricing, are inefficient, and have massive internal turnover (which leads to issues with client accounts¹⁸, high internalized HR and training costs). Everything is becoming decentralized and highly specialized, and financing/payment models must change, or else all talent will be fighting for low-to-zero margin scraps. The RSX facilitates partnerships and specialized providers to work together, paid on upside, without any overhead or fixed salary costs. This will be the evolution of the industry, much of which is already being seen.

3d. Industry Long-Term Prospects

Retail e-commerce is the present and the future. The RSX, or the solutions it seeks to provide, is the next major step in this revolution. Many aspects of the RSX are already being brought about, from startups to major players. Now it’s time to see if the RSX will be the fulfillment of all this innovation coming together; one platform, where all necessary parties can find each other, have ranked and strategic systems, collaborate together efficiently and effectively, with upside and instantaneous payments facilitated across all countries.

Market Analysis

4a. Target Market

For e-commerce brands, the most prominent userbase will be somewhere between the post-revenue startup with strong product-market fit and need to penetrate the market by creating stronger and cheaper customer acquisition, to medium-sized (7-8 figures annually) brands that are in search of capital and enterprise-level talent to capture greater market share. These businesses are the ones most in need of services and capital, and revenue sharing provides both in a flexible and financially tenable manner to achieve scale.

¹⁸ <https://www.forbes.com/sites/johnwinsor/2019/08/13/your-ad-agency-is-dead-its-time-to-stop-grieving-and-move-on/?sh=10285d6154d2>

Digital services providers will be medium-to-high end providers; if the services do not pass a certain threshold (which is vetted during the application process), then those service providers will not be assigned or recommended to any projects. We have been focused on standardizing the use of agency services; from vetting quality to quantity of services offered, agency history, relative portfolios, market and sector experience, digital certifications from reputable firms and platforms, and other means to minimize risk and maximize authenticity of services and skillsets offered.

For investors, those who are looking for small or medium-sized investments (six figures) will be the primary userbase; enough to make some serious money through serious upside, but little enough that they can be a part of a diversified personal portfolio. The ultimate ground will be allowing investments of *any* size, regardless of how small, and then to pool those investments together to meet the capital allocation for a brand. We also aim to standardize the investment criteria so as to match and align the needs of investors with brands, and vice versa. Timing is often of the essence, and both brands raising capital and investors who conduct due diligence need to know they are not wasting their time on deals that don't transpire.

4b. Market Segmentation

The customer segments are e-commerce brands, digital service providers, and investors.

Geographic

- **E-commerce brands** will be from around the globe, but as mentioned under 2a and 3a, certain countries will take up the largest segment (USA, Japan, India, etc.), especially in terms of capital allocation (USA)
- **Digital talent** will be global. While certain countries have the most talent or agencies (USA, India, Canada, UK, Australia, China, etc.), there will be talent represented from every nation; simply look at an outsourcing website like UpWork, Fiverr or Freelancer, and it's easy to see how many countries represent global remote talent
- **Investors** will be global, especially once smaller investment amounts (as part of a whole, mentioned in 4a) are allowed. However, most investment will likely come from nations that are currently investing the most, including USA, China, Israel, UK, etc.
- All investments will be treated with compliance and tax code as per the investors' origin and rules subject to their own jurisdiction and governance.

Psychographic & Behavioral

- **E-commerce brands** that maximize the RSX will have to be aggressive, open to new models, and have the intelligence to exploit both the financial and service benefits offered by the model.
 - o First, no matter how much talent and capital brought in, a brand still has to do its part to maximize the benefit for all parties.

- Second, brands ultimately know their business better than anyone, and the ones that maximize the RSX will be the ones that don't simply pass their business off, but contribute to the strategy in meaningful ways.
 - Third, revenue sharing and rapidly expanding a brand's digital capabilities requires an aggressive, scale-fast mindset.
 - Fourth, by not having to use capital upfront, by not having to pay interest on the loan, and almost always by saving money when factoring in all service providers being utilized, it's (at least, in part) up to the brands to maximize those capital benefits.
- **Digital talent** that maximizes the RSX will need to be comfortable fighting for their own business (especially individuals), and desire the upside-risk of revenue sharing over the short-term security of contract pay (including initial deposits).
 - Equally, service providers will constantly be graded and evaluated based on the value brought [to the brands], so talent will start to get recommended more as they prove themselves; ultimately this means the digital talent that thrives on the RSX is competitive, seeks to bring value outside of simply doing "exactly what it's told or exactly what it signed up for", and is able to offer advice or strategy when it sees another aspect of the brand not working properly. The faster a business grows, the more money the digital talent makes (at an equal scale), so there should be every desire to bring value.
 - **Investors** that will maximize the RSX are those that 1) enjoy constant payments or "dividends" so to speak and 2) are comfortable and knowledgeable about the e-commerce space and how to evaluate its data.

4c. Buyer Behavior

While much is said in 4b above as it pertains to buyer behavior, ultimately it can be summed up in this sentence: all three parties will maximize the RSX if they are seeking (and capable of fulfilling their end of the bargain for) fast-growth, prefer financial upside to locked-in pay amounts (and fast payments), are strategic and resourceful in nature, have a deep understanding of the space and understand the cycles and seasons of e-commerce.

4d. Secondary Markets

Buying and selling of revenue shares can take place when investors look to seek returns from financing multiple brands and teams on the platform. Investors may lock in time-based values and sell contracts on the secondary market.

1e. Investor A invests \$100,000 in Brand A for 10% revenue share return for 1 year, and is remunerated in full after 6 months. Investor decides to sell the remaining contract to Investor B for an up-front payment of \$70,000. Investor B agrees as he understands there is potential to

earn \$30,000 profit from \$100,000 of estimated returns on revenue share over the next 6 months.

Affiliates, web brokers, lead generators, deal flow originators, technology partners, digitally networked collaborators, social media influencers, popularized brand ambassadors and investors with large audiences may also look to the RSX secondary markets as a means to earn income by selling their strategies, publishing content, trending data, global and local reports; and becoming aggregators of value for other large or retail investors. For talent, HR firms that have access to recruiting large talent pools may also offer brands a customized service within the RSX ecosystem (ie. hyper-impose their business models into the platform to offer their services). All parties involved in today's current digital transactions will likely desire to participate to some degree in the RSX or the RSX Secondary Markets.

4e. Direct Competitors

There is definitely not a like-for-like comp, in that service providers and capital (investors) have not been under one platform in this robust of a manner, and not with instantaneous payments/remittances, and not with blockchain integration. That being said, the closest comp would be Clearco, who provide non-dilutive, manageable-payback capital to brands through a revenue share agreement as a means for recouping fees and interest; this capital can also be used for any type of spending such as purchase order financing (merchant advances), and is offered with incentives to spend on active investing with their suite of marketing partners and service providers. Clearco also offers a narrow range of services (e.g. supply chain analysis, introduction to networks and competitive landscape analysis)¹⁹ as well as an angel/advisor program that brings in capital and advisory in exchange for standard dilution of the company.

When getting specifically into the digital provider comps and how to strategically manage capital, comps could be everything from Fiverr and Upwork (platforms for finding every sort of digital talent globally) to Illumin of AquityAds Holdings (helping to strategize start-to-finish various digital services).

Here are some public comps that overlap in one way or another:

¹⁹ <https://techcrunch.com/2021/02/27/how-capital-as-a-service-can-help-you-get-your-first-check-in-2021/>

Ad Tech Comps. (AcuityAds)

	Currency	Price (Local)	Market Cap.	EV	Market Cap. / Revenue			EV / EBITDA ¹			EBITDA Margin ²			YoY Rev. Growth		
					LTM	CY2021E	CY2022E	LTM	CY2021E	CY2022E	LTM	CY2021E	CY2022E	LTM	CY2021E	CY2022E
Roku Inc	USD	420.65	69,984	67,912	26.1x	20.4x	14.8x	256.4x	211.7x	136.5x	9.9%	9.3%	10.5%	63.5%	44.2%	37.7%
Trade Desk Inc/The	USD	74.11	40,573	40,074	34.3x	28.0x	21.8x	140.4x	79.1x	61.9x	24.1%	35.0%	34.9%	27.8%	29.1%	28.3%
Digital Turbine Inc	USD	63.33	7,426	7,407	17.9x	5.4x	4.2x	84.5x	33.5x	23.1x	21.2%	16.1%	18.0%	126.1%	297.1%	29.3%
Carlytics Inc	USD	127.38	5,262	4,731	21.0x	15.2x	13.3x	-84.0x	-1214.6x	249.0x	-22.5%	-1.1%	4.1%	-11.2%	38.3%	34.0%
Magnite Inc	USD	30.85	4,995	4,945	15.4x	10.1x	7.7x	321.8x	34.7x	24.8x	4.7%	28.8%	30.6%	53.5%	66.7%	31.3%
LiveRamp Holdings Inc	USD	40.92	3,514	2,811	6.0x	5.6x	4.6x	-26.2x	189.4x	50.8x	-18.3%	2.3%	7.3%	16.4%	9.6%	20.1%
Criteo SA	USD	40.72	3,107	2,576	1.1x	2.8x	2.7x	5.9x	7.3x	7.2x	15.6%	31.8%	30.7%	-4.4%	-60.2%	5.8%
PubMatic Inc	USD	32.25	2,001	1,862	n/a	8.0x	6.7x	n/a	26.3x	21.4x	n/a	28.4%	29.0%	n/a	24.9%	20.7%
Viant Technology Inc	USD	18.40	1,363	1,329	n/a	5.3x	4.4x	n/a	40.4x	30.3x	n/a	12.9%	14.1%	n/a	15.4%	21.9%
EQ Inc	CAD	1.42	97	84	9.7x	6.6x	4.6x	-28.2x	-200.9x	41.8x	-29.8%	-2.8%	9.6%	2.3%	40.6%	42.3%
Wishpond Technologies LTD	CAD	1.41	73	62	14.2x	5.1x	3.7x	n/a	-232.2x	54.7x	n/a	-1.8%	5.8%	n/a	83.1%	35.6%
AcuityAds Holdings Inc	CAD	10.55	636	624	5.9x	4.7x	3.9x	34.8x	27.3x	21.4x	16.6%	17.1%	17.8%	-6.3%	27.7%	22.7%
Average					15.2x	9.8x	7.5x	41.7x	35.5x	33.7x	15.3%	20.2%	17.7%	29.7%	51.4%	27.5%
Median					14.8x	6.1x	4.6x	34.8x	33.5x	27.6x	16.1%	17.1%	15.9%	16.4%	33.7%	28.8%

Note: As of July 22, 2021.

(1) Average and median excludes multiples that are less than 0x and greater than 100x.

(2) Average and median excludes negative values.

4f. Future Competitors

All of the current competitors mentioned in 4e highlight that the RSX is the direction we're headed, it's just that no one has brought it all together seamlessly as one platform yet. Whether it's Clearco integrating more robust strategy and services for its clients, or an aggressive fintech platform pursuing funding and increased services, there will certainly be direct and partial competitors to the vision. Startup incubators, accelerator programs, and in-house "labs" of major brands currently in-market looking to diversify can all be considered competitors, in that they invest in and aggregate startup growth with active capital and advisory, however, all have some level of dilution and we have yet to see an organization remain competitive with a non-dilutive means of scaling as far as the middle-market level.

4g. Competitive Analysis

		RSX	Clearbanc	illumin (AcquityAds)
Company Specific	# Of Employees	50	282	177
	Founded	2021	2015	2019
	Funding*	1.5M	700M	65M
	Investors	Angels, Partners	Partners, Emergence Capital Partners	Public
	Acquisitions	Product Vessel, Growth Collective, Growth Genius	???	Adman Media, Visible Measures, 140 Proof
	# Of Customers	20	4,000	31
	Strengths / Weaknesses	Smart and aggressive ownership, little dilution, unparalleled agility, significant partners (e.g. FunnelDash)	Experienced owners/leaders, significant private funding, huge data	Public funding, "top tier" clients, staying power / survivability (AcquityAds since 2009)
Target Customer / Message	Product	Revenue-based, zero-interest financing with strategic and service offerings for online businesses	Revenue-based financing to online businesses	Improving start-to-finish consumer journey for online businesses
	Primary Buyer / Decision-Maker	Online business owner	Online business owner	Online business owner
	Secondary Buyer	Digital service provider, business owner	Conglomerate of online businesses	Conglomerate of online businesses
	Target Customer	Small-to-medium sized (7-8 figures annually) online businesses	Small-to-medium sized (7-8 figures annually) online businesses	Medium-to-large online businesses
	Messaging	Non interest or disillusion marketing capital with elite digital strategy and services, for a revenue share	Non disillusion marketing capital, for a revenue share	Radically improve every aspect of the start-to-finish consumer journey. We work with elite, top tier clients

Product Specific	Product Features	Access (through AI) to quick marketing capital, as well as digital strategy and services providers; instant revenue share on every purchase through blockchain	Access (through AI) to quick, angel-like marketing capital to qualifying online businesses	Complete analyzation of journey from first online ad or traffic source, all the way to conversion
	Pricing	Revenue share	Revenue share	Unique quote
	Free Tier (?)	N/A	N/A	N/A
	Customers	Online businesses (any industry)	Online businesses (any industry)	Online businesses (any industry)
	Product Strength	Smartlend.ai, Todooo's	AI-lending system, customer service	Analyze enormous data / steps of supply chain
	Product Weakness	Blockchain in development	Poor / limited services	High cost
	Customer Reviews**	Not Reviewed Currently	4.3/5	4.7/5
Positioning	How to Win	Build out blockchain technology, improve AI to minimize "failures", perfect provider assignment to online businesses, increase funding	Improve AI to minimize "failures", add more digital strategy and service options	Change financing model (e.g. revenue share), assign elite talent to each online business (not just AI-driven solutions that still need smart people to maximize)
	Why Customer Should Choose Us	No matter the online business, every single need for scalability can be met on the RSX	Get large scale lending (up to \$10M) in days	We've worked with "top tier" clients like Mercedes-Benz, Home Depot, Weight Watchers

All Information as of 2021

*All Numbers in USD

**Review According to Multiple Sources

4h. Estimate of Annual Sales and Market Share

As mentioned above in 2a, online retailed sales surpassed \$4.2 trillion, and that number should go up by a third in three years; additionally, over \$260 billion was spent on paid digital ads in 2020²⁰ with some research firms in 2021 speculating that ad spend deployed can reach as high as \$700 Billion annually by 2023. With that being the case, RSX annual sales and market share will be dependent on the number of users the platform is able to attract and place and the take rate that is requested (or not) of users on any end of the spectrum (brands, talent, investors) to use the platform.

4i. Raising Capital to Achieve Critical Mass and First-Mover-Advantage

Another significant point on the early scalability of the RSX is the need to have first-mover advantage and to achieve critical mass as swiftly as possible. RSX will need to raise capital while simultaneously building and vetting its data sources of ad capital spending in market, the best talent and teams in the world, and showcasing a steady case of performance proof from revenue sharing agreements versus performance of traditional agency-client agreements. RSX stakeholders may need to understand the shifting of markets and learn to rely on the tools being built to collect data, and the interpreting of such data with aid of the Smartlend.ai system. RSX will raise capital itself privately (and possibly publicly) by utilizing its current network, as well as crowd funding using a decentralized finance chain and possibly the issuance of a token offering. RSX is currently working on a white paper.

²⁰ <https://www.statista.com/statistics/272314/advertising-spending-in-the-us/>

Technologies & Strategy

5a. Platform

The high-level view for how the platform will be built is as follows:

Backend

Framework – Laravel 7.10

Language – PHP 7.4

Database – MySQL

Frontend

Framework – Bootstrap

Language – HTML 5

Decoration – CSS 4

Server

AWS

- Cloudfront – cache maintenance
- EC2 – server where instances are created to run the application
- WAF – firewall
- S3 – storing the static data
- RDS – server architecture and services

Email

Amazon Simple Email Service

For a more thorough breakdown of the AI component, see the following diagram.

For a more thorough breakdown of DLT (Distributed Ledger Technology)/Blockchain technology, the RSX whitepaper is in progress and we are in discussion with a number of people and firms to aid us on the best blended solutions moving forwards.

Pull data from any/all of the following (lowest hanging fruits first):

1. Advertising spending platforms (such as Facebook Business Manager, Google, Amazon, Pinterest, Bing, Yahoo, AdRoll, Taboola, CJ Affiliate, ZeroPark...)
2. Data and Analytic platforms (such as Google Analytics, SEM Rush, and any social media platforms a brand has in place to collect information and understand their total outreach)
3. Ecommerce platforms to quantify their sales (such as Shopify, Woo, 3D Cart, Wix, etc)
4. Bank Accounts (US and Canada top major banks — US: Bank of America, Wells Fargo, Chase, Citibank, US Bank, Capital One CAD: TD, RBC, CIBC, HSBC, Bank of Montreal...)
5. Apps they're signed up for which perhaps already pulls data and consolidates for us to pull from easier

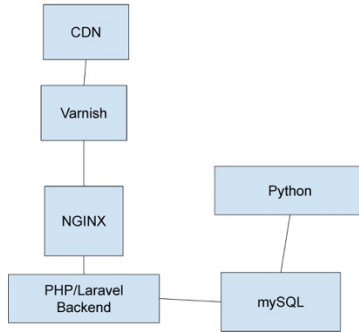
Answers to a series of questions we ask clients on a web form (can be random, can be direct):

- total sales per month
- sales past 6 months (yes or no)
- how long has domain been live
- which industry are you in (select from dropdown)
- do you own 51% or more of your company (yes or no)
- total sales per year this year (insert field)
- total sales per year last year (2019)
- total sales per year in 2018
- would you rather ride a rhino or an elephant (checkbox)
- do you define yourself as a risk taker (yes or no)
- do you prefer waking up early or staying up late to work?

Add or pull any q's from a personality test (<https://www.10personalities.com/free-personality-test>)

Consolidate all of the above data:

- wire frame the data into a UI/UX
- my team will develop and design the UI/UX
- format the results in a reporting tool downloadable that we can share with our stakeholders
- find creative ways to create reporting capabilities for data based on success of clients over time



-test suite for all code
-github

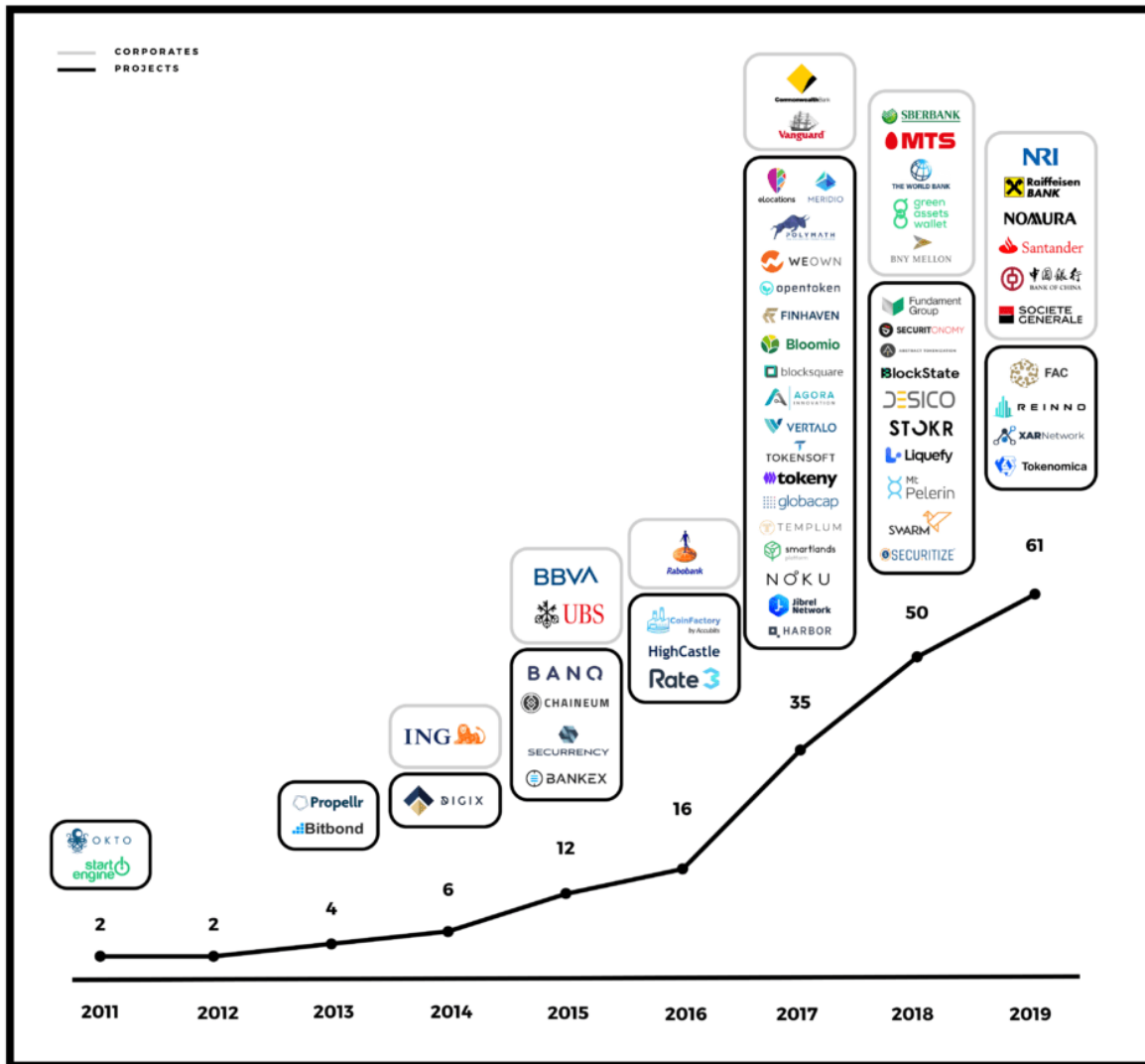
- Facebook Ads
- Google Ads
- Shopify
- Startup Website Scraping
- Twitter
- LinkedIn
- Basic Business Questions (revenue, profit, customer acquisition cost, etc.)

-Matt will research startup success indicators to guide which datapoint to focus on after these initial ones.

1. Wireframe All the screen
 - a. Login
 - b. Registration
 - c. Connect with ads accounts
 - i. Facebook
 - ii. Google Analytics
 - iii. Amazon
 - iv. Pinterest
 - v. Bing, Yahoo
 - vi. AdRoll
 - vii. Taboola
 - viii. CJ Affiliate
 - ix. ZeroPark
2. Reportings
 - a. By-flight client budget tracker & alert template
 - b. Detailed paid channel mix reporting template
 - c. Detailed paid channel mix reporting template (with Yandex)
 - d. E-commerce performance dashboard template by Gauge
 - e. E-commerce reporting template
 - f. Facebook Ads high-level monthly reporting template
 - g. Facebook Page dashboard template
 - h. Google Ads & organic keyword performance template
 - i. Google Ads ad label testing tool template
 - j. Google Ads client budget tracker & alert template
 - k. Google Ads copy edit tool template
 - l. Google Ads high-level monthly performance report template
 - m. Google Ads historical quality score analysis template
 - n. Google Ads in-depth performance report
 - o. Google Ads keyword heatmap analysis template
 - p. Google Ads monthly performance report template
 - q. Google AdSense & Google Analytics reporting template
 - r. Google AdSense reporting template
 - s. HubSpot email reporting template
 - t. HubSpot sales funnel reporting template
 - u. Microsoft Advertising client budget tracker & alert template
 - v. Microsoft Advertising high-level monthly report template
 - w. Microsoft Advertising in-depth performance report
 - x. Organic traffic & keywords template by OIKIO
 - y. Paid channel mix reporting template
 - z. Paid social performance dashboard template by Gauge
 - aa. Post-click analysis template
 - bb. SEM & SEO data comparison template by OIKIO
 - cc. SEO content audit template
 - dd. Website cohort analysis template
 - ee. Website performance by country reporting template
 - ff. Website performance by US state reporting template
 - gg. Website traffic by device & source reporting template
 - hh. Website traffic dashboard template
 - ii. Website traffic heatmap template
 - jj. Website traffic source bubble chart template
 - kk. Year-on-year website performance reporting template
3. UI/UX
 - Legal stuff/User Agreement

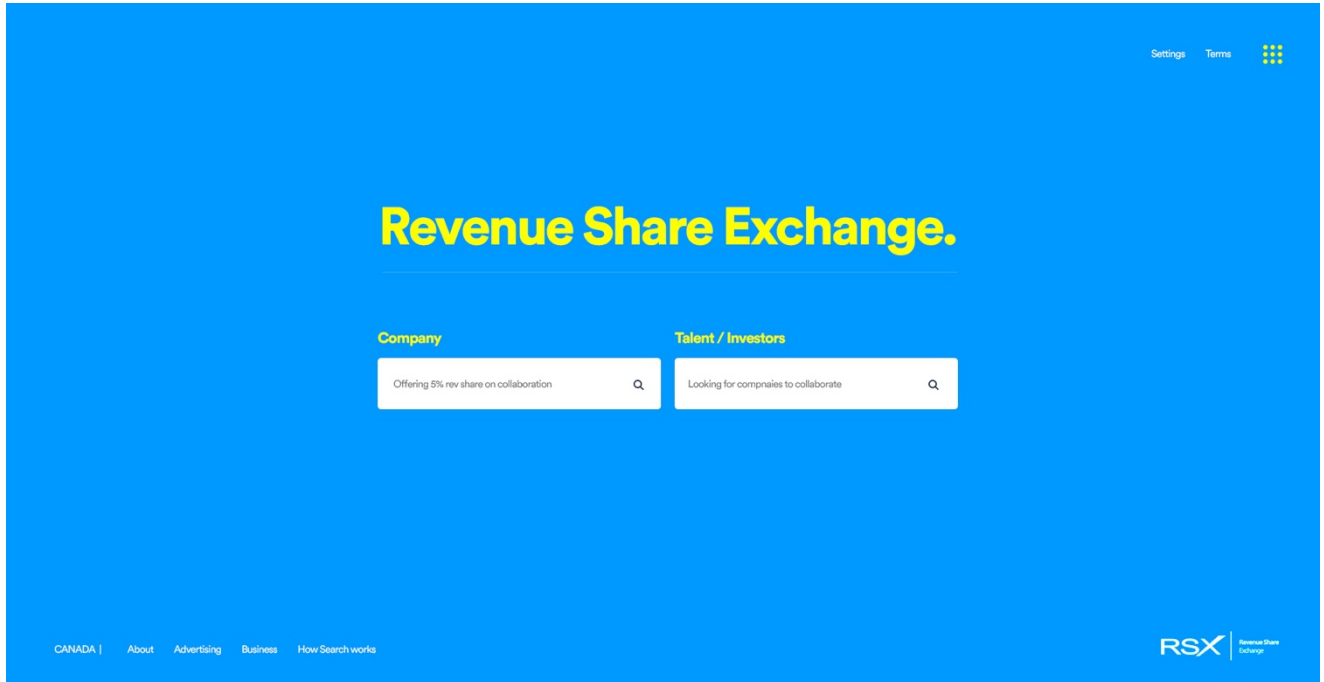
5b. DLT use cases

More corporates and projects are using DLT than ever before. Trends are evident that banking technology is becoming more cost-effective, accessible, fast, secure and connective to other banking rails globally. As tomorrow's highways of DLT integrations continue to be built, we remain steadfast that focusing our efforts to streamline, simplify and automate our technology for the future will prove to be extremely valuable to our company, stakeholders and increasing userbase.



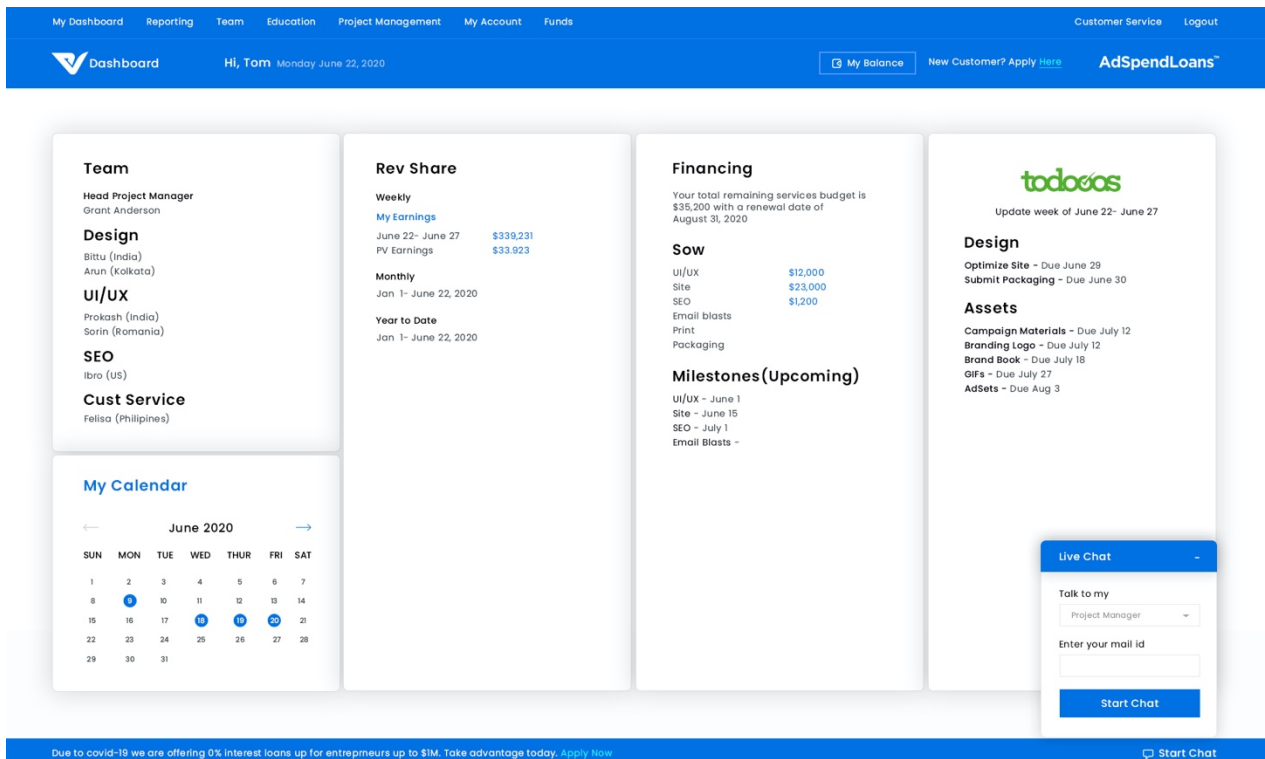
5b. Search / Filter

Will be developed from scratch (custom) using the same tools mentioned in 5a. Below is a sample UI/UX of the RSX search portal.



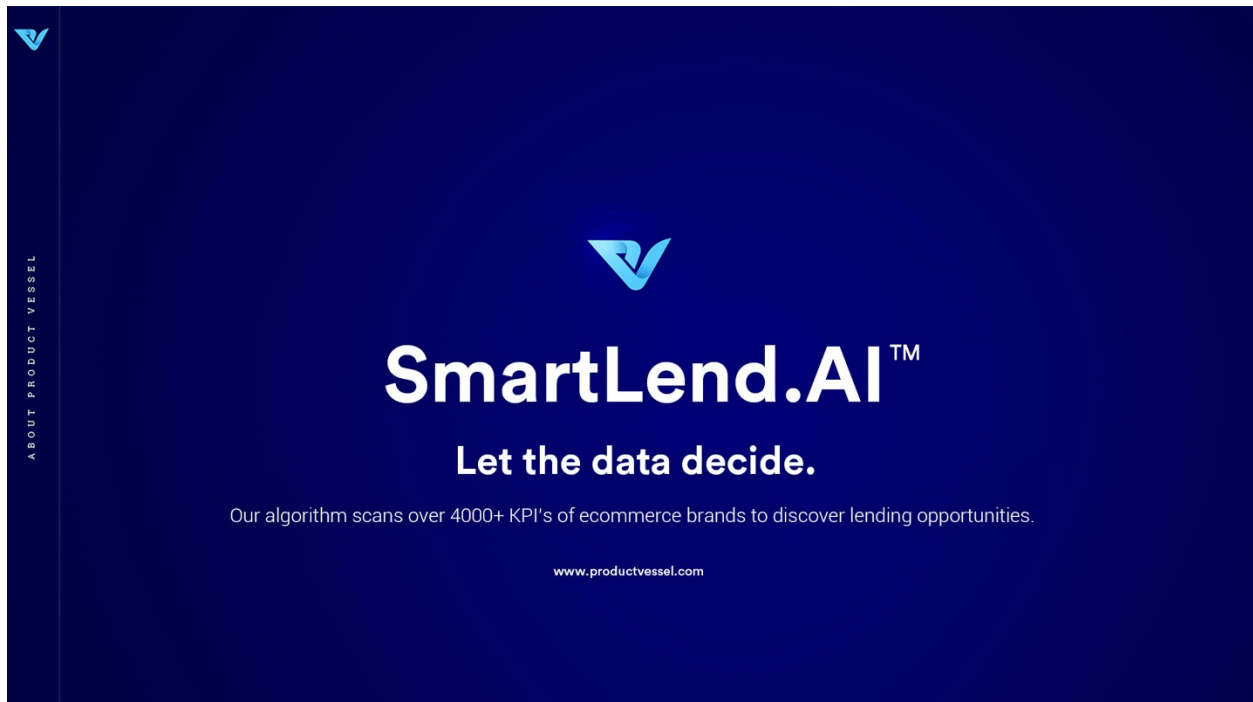
5c. Frontend Messaging and User Dashboard

For the chat system and messaging services, a pre-built third party app or service will be used (TBD). As mentioned in 5a, Amazon Simple Email Service will be used for the actual mail sending.



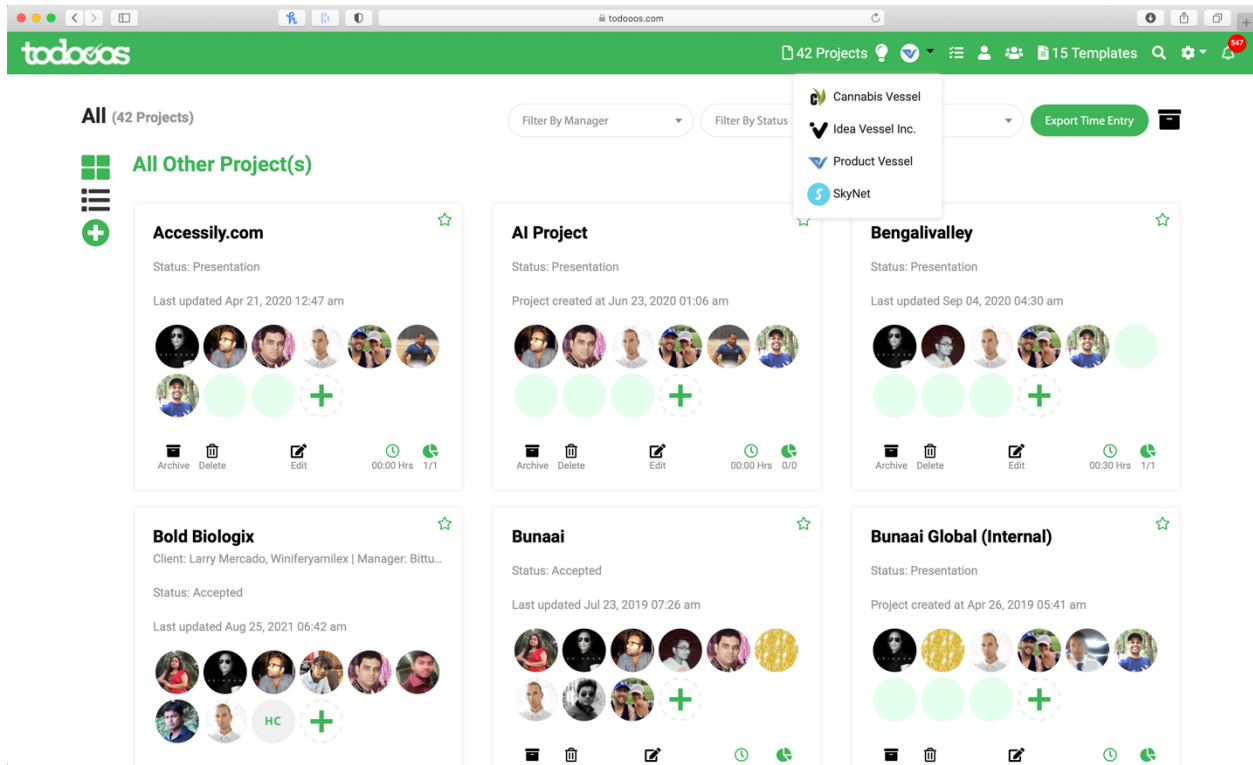
5d. Smartlend.ai

Smartlend.ai is the AI system that the RSX will use to determine the amount of capital allocation recommended for an e-commerce brand; it will also determine which digital service providers are necessary, and in order of importance. Python will be used as the language in this case as it's preferable for building formula-based / AI systems.



5e. Integration Into Todooo's

Todooo's is already built, and was built with the same language and framework as the RSX, and it will be straightforward to integrate with our current development team. Below is a live and working model screen-capture of the platform itself; with one user account logged in showing 42 projects managed under one of four organizations synchronized to the account.



5f. Investing

An app, using the same tools mentioned in 5a, will be created from scratch (custom) that fetches the requisite data/inputs from the two most significant (in terms of spend) online paid ad platforms: Google and Facebook (Facebook of course owning Instagram, so data is reported for both through Facebook).

The platform, app, or third-party provider for investors sending and the RSX receiving money is TBD. Below is a snapshot of the current process to onboarding a brand, which includes the scanning of investment opportunity relative to the brand and information provided.

How We Onboard Clients



5g. Payment Facilitation (Fiat & Crypto)

Each e-commerce brand will need to be integrated into the accepted payment gateways; to begin with, those gateways will be the most prominent gateways, like Stripe. More and more payment gateways will be added over time.

Initially, Wise will be used at the international payment/remittance facilitator, as Wise has the best rates and fastest send time for international wires.

The RSX will use blockchain technology and the standard system of banking rails connected to the distributed ledger (a traditional trust fund held with a custodian and operational fund due diligence layer applied), to utilize the method of converting fiat currency into a stablecoin, which algorithmically reflects the current value of the fiat currency in a more usable, traceable and decentralized digitized format, which can be sent instantaneously to anyone in the world (for split payment remittances, liquidity, performance monitoring), and then converted back into any currency of choice if the receiver desires to withdrawal back into fiat currency.

5h. Confirmation of Services Rendered

When a task is closed within Todoo's, a notification will be sent to the e-commerce brand for sign off/approval; as long as timelines are hit, revenue share will continue to the service provider. If a timeline is missed, then revenue share will cease until rectified, and if the e-commerce brand feels as though the damage is significant enough, it can request for money

returned or an alternative option governed by the automated smart contracts which are attached to the blockchain.

This will be built using the same tech as outlined in 5a.

5i. Arbitration

For the arbitration mentioned above, the entire process is TBD, so the tech is also TBD. Although, we are making strong headway on the organization of 'if, then' scenarios and are finding that there are a limited and finite number that can represent the majority of online transactions in e-commerce with an estimated <98% occurrence of standard order of operation.

5j. Sign Up / Profile

The sign up and profile system (for all three aforementioned parties) will be built using the same tech as mentioned in 5a.

5k. Recommendations / Matching

Investors will be recommended brands based on prior investment and interests; these matches/recommendations will be built using Python, which as mentioned is a preferred option when building out formula-based/AI systems.

Marketing Plan

6a. Communication and Distribution Channel

The prominent amount of marketing for the platform will be done through paid advertising. An allocated budget (TBD) will be used for campaigns on a number of platforms including Google, Facebook, and LinkedIn. Additionally, paid PR will be utilized.

It should also be noted that all RSX acquisitions (currently sitting at three, see 4f) will be market the RSX on that platforms; all partners of these acquisitions will be encouraged (and either directly or indirectly incentivized) to market the RSX.

6b. Relationship with Clients

The RSX will develop a robust email system to inform, educate and market to its clients/subscribers, borrowing insight from its acquisition, Product Vessel, and Product Vessel's

relevant email-service-specific partners. Additionally, blogs created both internally and externally will be a top area of focus.

6c. Revenue Streams and Pricing Strategies

The definitive initial revenue stream is a micro percentage of all revenue shares going to the RSX. As of now (this model will likely evolve/change), the revenue share itself is modeled like this:

Revenue Sharing Terms

Revenue Share	Total Client Sales		Sales Volume
9%	1	to 3,000,000	2,999,999
8%	3,000,001	to 5,000,000	1,999,999
7%	5,000,001	to 7,000,000	1,999,999
6%	7,000,001	to 10,000,000	2,999,999
5%	10,000,001	to 15,000,000	4,999,999
4%	15,000,001	to 20,000,000	4,999,999
3%	20,000,001	to 30,000,000	9,999,999
			29,999,993

Additional revenue streams under consideration are as follows:

- Member/paid member fee
- Ads on website/platform
- Paid “promoted” or “preferred” service providers
- Paid “recommended investments” for investors (i.e. “access or recommendations of best deals available for investment”)

Management Team and Company Structure

7a. Management Team

Current management team:

The Team | Core Management



Matt Liberto - CEO (Canada/US), Co-Founder
 Founder of KVCF fair trade cocoa (Sierra Leone),
 10yr+ Agency Executive, TV Producer, Entrepreneur



Grant Anderson - COO (US), Co-Founder
 Co-Founder of KVCF.com, Idea Vessel, and Co-host
 of ChristianBeerNetwork.com series



Julian Hasler - VP Sales (Canada/US).
 CPG Entrepreneur, management training, tradeshow
 circuits (N.America), sales team management



Suzana Seis-Manto - Financial Controller (Canada)
 Revenue Accountant at Canada Revenue Agency,
 AR/AP, Monthly Royalties, FX, Budgeting, Payroll



Matt Currie - Lead Generation (Canada)
 Copywriting expert, VC/PE-specific clientel,
 building portfolios and scaling MRR/ARR



Sam Sharma - VP Sales, Partner (Australia/India)
 Ecommerce strategy, partner development,
 enterprise recruiting, real estate background



Jose Cobos - Sales (US, S. America), Strategic
 Partnerships, Portfolio building, lead generation, en-
 terprise sales for brands and partnerships.



Arin Chaudhuri - CMO (India), Head of Design team
 Expert UI/UX designer, Fortune 500 design work
 including Microsoft, Apple, Intuit



Satinath Mondal - CTO (India), Head of Dev Team
 SaaS and CRM platforms, 10+ Custom Apps, Web
 App, SaaS, 15+ years in LAMP



Gina Cook - CSM (Canada/US), Client Management
 Strong history of digital sales and customer service,
 project management, call center



Stephanie Liberto - Editor in Chief (Canada/US)
 Conscious consumerism, Brand Loyalty, Sciences
 Degree in Education, Blog writer



Adam Istvan - Partnerships (US), Ford, Vatomic
 Extensive portfolio management, ecommerce
 auditing, business development and strategy

& 34 other core staff...

This team will grow and evolve, specifically with hiring an experienced CEO and multiple experienced and high level “specialists”, or in other words, individuals who has experience running specific digital service provider agencies/companies (PPC, SEO, etc.) at the highest level.

7b. General Advisory Board

The current advisory board, with key partners and providers, is as follows:

Advisory Board



★ **Asif Nasim** - Wickware, Founder, Investor, Principal Nasim Management, Financial Services, Enterprise Partnerships, C-Level advisory, Networking



Brett Robinson - Picture Head, Kushner-Locke CFO, Dick Clark Productions, C.P.A., Investor, Serial Entrepreneur, C-level Advisor, M&A Strategy



★ **Sabrina Sidl** - Bridgewater, Chief of Staff, Founder C-Gate Consulting Group, Executive Management, Staffing/Recruiting for Emerging Tech



★ **Larry Mercado** - Mercom Corp, Founder, Investor Scaled to \$170M w/Exit, Stanford Alumni, Board of Coastal Community Foundation \$300M+ Corpus



Steve Barkman - Deloitte Canada, Senior, CPA, CA MacLab Development Group. Provides Key Financial Oversight, Back Office & Accounting Reports



★ **Todd Pruden** - Dreamline Canada, AWS Group CEO, Investor, Board Member of ATB Financial (Alberta Treasury Bank), Entrepreneur, Builder

Partners, Providers

Miller Thomson LLP - Corporate Legal (Cad)

Dunsmoore Law - Securities, Blockchain (US)

PwC - Accounting, Auditing

Cypress Data Defense - Cyber Security

Funnel Dash - Origination, KYC/KYB, Software

Mastercard - PV Ad Spend Card

Your Social Voice - PPC Management, Deal Flow

Hallum - PPC Management, Auditing

Disruptive - PPC Management, Auditing

Digital Elevator - SEO Management, Auditing

Growth Genius - Lead Procurement, Software

AM Navigator - Affiliate Management, Auditing

LaunchCart - Deal Flow, B4Y

Acquisitions - Deal Flow, M&A Data, Transactions

MintCRO - Deal Flow, PPC Engineering Training

& More - Services, Softwares, Licenses, API's

Agencies, Partners, Strategic

List of brands, partner & affiliates

Brand Ambassadors, Investment Funds, Portfolios

List of friends, family & associates to help drive customers

★ *Advisory Board Seat, with Share Capital*

KoreCon X - Reg A+ Offering, Advisory, Promotion

Miller Thomson LLP - Corporate Legal (Cad)

Dunsmoore Law - Securities, Blockchain (US)

PwC - Accounting, Auditing, Cloud Services

Cypress Data Defense - Cyber Security

Mastercard - PV Branded Ad Spend Credit Card

Funnel Dash - Origination, KYC/KYB, Ad Card Software

MintCRO - Ad Spend Engineering, Training, Deal Flow

Growth Genius - Private Label Software, Lead Generation

Your Social Voice - PPC Management, Deal Flow

Hallum - PPC Management, Auditing

Disruptive Advertising - PPC Management, Auditing

Digital Elevator - SEO Management, Auditing

AM Navigator - Affiliate Management, Auditing

LaunchCart - Deal Flow, B4Y

Acquisitions.com - Deal Flow, M&A Data, Transactions

& More - Services, Softwares, Licenses, API's

This^ is also the current advisor, partner and provider team to the RSX's acquisition Product Vessel. These advisors, partners and providers are expected to grow significantly in the coming years, again, with industry and high-level experience the most attractive factors; this is what's necessary to grow a multi-billion dollar platform.

7c. Key Stockholders and Stakeholders

The current cap table looks like this:

	Class A	Class B	Options	Warrants	Fully Diluted		
	Common	Common			Shares	Ownership	Shares
Matt Cook Liberto	30,000,000		-	-	30,000,000	80.3%	30,000,000
Larry Mercado	5,050,000		-	-	5,050,000	13.5%	5,050,000
Nasim Management Inc.		737,172	-	-	737,172	1.97%	737,172
Todd Pruden		737,172	-	-	737,172	1.97%	737,172
Sabrina Sidl		184,293	-	-	184,293	0.49%	184,293
Julian Hasler		368,586	-	-	368,586	0.99%	368,586
Sam Sharma		131,648	-	-	131,648	0.35%	131,648
The Entrust Group Inc. FBO Larry Mercado IRA#723****178	150,000		-	-	150,000	0.40%	150,000
Total	35,200,000	2,158,871	-	-	37,358,871	100.0%	37,358,871

Matt Liberto and Grant Anderson act as one singular party in this^ cap table, though Grant is not mentioned.

A current round of \$1.1 million (CAD) is being finalized, but the exact numbers and equity buyers is being finalized; this will be added to this document as soon as that is done, expected by September 1, 2021.

Operations Plan

8a. General Approach to Operations

This is the general flow of operations for each aforementioned pillar:

E-commerce brands

Paid ads, PR, organic search, email, word of mouth, and other marketing activities will lead individuals to landing on the platform. When it's an e-commerce brand that lands, they will have the ability to at a minimum, sign up/create profile for the purposes of us being able to send them more marketing emails in the future.

If the brand decides they want to try the RSX out, they can put their business through the Smartlend.ai form/system and see 1) what online marketing capital allocation they're approved for, 2) what digital service providers and strategists are required to properly execute that capital and grow the business, 3) what their revenue share must be and what their interest-free capital payback rate must be. Smartlend.ai takes a maximum of 72 hours to provide this feedback via email (the brand can also log in and see the results on the platform).

If the brand decides to accept, then an intro call is immediately scheduled with the assigned lead strategist and project manager. On this call, in addition to relationship building and

understanding more about the brand, the brand is taken through a series of steps: the prepared 12-month strategic plan (which includes timelines); introduction to Todooo's; proper integration into payment provider and all other necessary tasks to facilitate revenue share with digital service providers and investors (see 5g); breakdown of service providers and investors, and how to maximize them; call times and next steps (according to strategic plan); additional resources. Currently, the project management book by RSX acquisition Product Vessel determines much of this strategy, but this "book" will be constantly evolving, especially with new hires who lead various departments coming into the fold.

Brands can also search and find specific digital service providers if they would like a specific task done. If selected, an additional small percentage will be added to the revenue share to account for the additional service provider.

Digital Service Providers

When landing on the platform, providers will have the chance to peruse and understand how the system works (and see case studies and examples of how providers have worked with brands through the platform). When ready, they can create a profile, where they will go through a form (TBD) that will specify and evaluate their skillset(s), and where and how they should be placed within the Smartlend.ai assessment to brands.

If approved (meeting at least the minimum threshold), the digital service provider will receive invites to a call series explaining to them the full project management ecosystem of the RSX, including understanding Smartlend.ai and most importantly, Todooo's. Once done, they will complete a test module (TBD), and if done (at least) adequately, will be placed into the "live/available" service provider role, meaning they will be searchable on the platform and can be placed by Smartlend.ai. Of course, a provider can "turn off" their "live/available" at any point, though if they have current clients on the platform, they must submit a ticket to be taken out if they wish to leave.

With more task and project completions, and with higher reviews (as well as a number of other factors TBD), then providers will start to be given recommended/preferred partner placement on 1) the organic search frontend of the platform and 2) on the brand profile recommended page on the frontend of the platform.

As mentioned in 6c, it is also under consideration to allow for providers to pay for placement on the recommended/preferred partners sections, specifically under the title "paid placement" (so that all users know they paid to be there).

Investors

When landing on the platform, investors will have the chance to peruse and understand how the system works (and see case studies and examples of how investors have worked with

brands through the platform). When ready, they can create a profile, where they will go through a form (TBD) that will evaluate their investment capabilities and preferences, and where they should be placed within the Smartlend.ai assessment to brands.

Within their profile, investors will have access to informational tutorials and other learning assets; they will also receive emails sharing much of this, as well as new information. Investors, like providers, can turn on/off their “live/available” switch, but in this case, it’s for their capital. Once capital from an investor has been allocated, they will not be able to pull out prematurely, but will have to wait until the allocated payback period replenishes their capital. Payback periods currently look like this, although the method will likely evolve:

Payback Rate	Total Ad Spend	Loans Provided	ROAS	Monthly Sales	Months to Repaying Loan
14%	1	to 10,000	2.4	24,000	2.98
16%	10,001	to 25,000	2.4	60,000	2.60
18%	25,001	to 100,000	2.4	240,000	2.31
20%	100,001	to 250,000	2.4	600,000	2.08
22%	250,001	to 500,000	2.4	1,200,000	1.89
25%	500,001	to 1,000,000	2.4	2,400,000	1.67
negotiable	1,000,001	+			

Investors, within their profile, will have full access to the strategic plan and workings of every brand for which their capital has been allocated (including access to the project within Todooo’s). Investors may also request calls with the providers and brands, with a maximum limit of two per month before approval from the providers and brands is required (in case an investor is the type to schedule too many calls that would be debilitating the goals).

Additionally, investors can search for brands that they like, and filter using specific criteria like current revenue, ROAS, industry, etc.

As mentioned in section 4a, investors will eventually be allowed to contribute any amount of capital, regardless of how small, and be combined with other investors to constitute the total amount of capital necessitated by Smartlend.ai.

8b. Back Stage (Behind the Scenes Operations Activities)

Some of (but not all) of the most important attributes to the back stage of the RSX:

Internal Hiring / Human Resources – As mentioned in 8a, there will be a number of important hires necessary. Besides the CEO, the current hiring list includes:

Location	Wheel	# of People
USA	Project Manager	1
India	Head of Development	1
India	Head of Design	1
India	Brand Book - Creative	3
	Website	
India	Creative	2
India	Development (Wordpress / Shopify)	2
India	Development (Custom)	3
India	Quality Assurance (Testing)	2
India	Ongoing Creative	1
India	Ongoing Development (Wordpress / Shopify)	1
India	Ongoing Development (Custom)	1
India	Ongoing Quality Assurance (Testing)	1
USA	Compliance	1
	PR	
USA	Manager	1
India	Creative	1
	Influencers	
Global	List Creation	1
USA	Outreach	1
	Affiliates	
Global	Manager	1
India	Creative	1
	Landing Pages	
India	Creative	1
India	Development	1
India	Quality Assurance (Testing)	1
USA	URL Strategy	1
	Wholesale	
Global	List Creation	1
USA	Outreach	1
India	Page Creative	1
India	Page Development	1
	White Labelling	
Global	List Creation	1
USA	Outreach	1
India	Page Creative	1
India	Page Development	1
	Loyalty Program	
India	Creative	1
India	Development	1
	Customer Service	
Global	Phone	1
Global	Chat	1
Global	Email Response	1
	Contests	
USA	Creation	1
Global	Outreach	1
India	Creative	1
India	Development	1
USA	Copy	1
USA	Data Analytics	1
India	Creative - General / Random	1
	Social Media	
USA	Manager	1
India	Creative	1
	Photography	
USA	Shoot	1
Global	Post-Production	1
	Videography	
USA	Production	1
Global	Post-Production	1

This^ current list is more specific to the creation, management, facilitation, and business development of the business, and does not take into account further legal, accounting and other more administrative roles outlined in the points following.

From RSX's various acquisitions (see 4f) and its own current internal management team, there is a wealth of knowledge and experience in evaluating and hiring each of these individual

positions above; the correct person from the acquisition company, or the correct internal team member, will be used to evaluate potential hires (and use their pre-built HR systems).

Employee Orientation, Education and Training – RSX’s acquisition Product Vessel has an orientations/education/training manual (called “The Book”) for many of the positions shown above, and that will be used for those positional hires. For the more elite positional hires, a unique onboarding process will be used, determined by a mix of managerial team experience and advisor input.

Accounting – Accounting firm will be PwC. Currently there is one part time accountant in place, mostly for bookkeeping, invoicing, and regulatory submission. PwC will take over once the current raise is completed (see 7c).

Business Development / Strategic Planning – This includes marketing, analytics, product & pricing strategies, and much more. This will be created and determined by the most senior members of the current management team (see 7a), future senior hires, and a few select qualified advisors.

Project Management – As mentioned under “Employee Orientation, Education and Training”, “The Book” will be a key resource; in addition to what’s mentioned above, it will also be a vital reference for each project manager, and will be every evolving and expanding.

Project managers will receive some of the most specific attention and training, as they are the relational and managerial component that ensures all parties (service providers especially) are working efficiently and effectively together.

Todooo’s, the project management platform, has already launched, but is anticipating many updates and expanded capabilities in the coming months & years.

Finally, projects created from the above “Business Development / Strategic Planning” will have project managers themselves, and follow the same protocols as a front-end e-commerce brands.

Performance Management – As mentioned under 5h, Todooo’s and the RSX will automatically track task completion and adherence to timelines.

Equally important, the hires mentioned above under “Internal Hiring / Human Resources” are vital as a significant portion of their duties is to review work submitted and assign grades; the assessments will be random, and constituted a few times every year.

Legal / Contract Management – Currently Miller Thompson LLP of Toronto, Canada is handling all legal and contracts. This may change in the future if better services are found or recommended.

Regulatory Compliance – This is a vital area, especially as it pertains to receiver investor money, and blockchain technologies. Current legal will be able to handle the investor money aspect; as for blockchain, the correct regulatory partner is currently under process and is TBD.

8c. Front Stage

Some of (but not all) of the most important attributes to the front stage of the RSX:

Project Management – As mentioned multiple times throughout this document, Todoos will be the frontend platform used to manage all clients. Additionally, as mentioned previously, a project manager will be assigned to each brand and will play a vital role in terms of strategy, as well as effective and efficient flow of work between all parties (see “Project Management” under 8a).

Marketing – As mentioned under 8a, a litany of marketing options will be utilized for the RSX, including (but not limited to) paid ads, PR, organic search, email, and word of mouth. This will be strategized from the management team and then executed by the internal team (as well as some third party partners, such as with email).

Customer Support – A third party company will be hired as the customer support team; currently seven agencies are under evaluation.

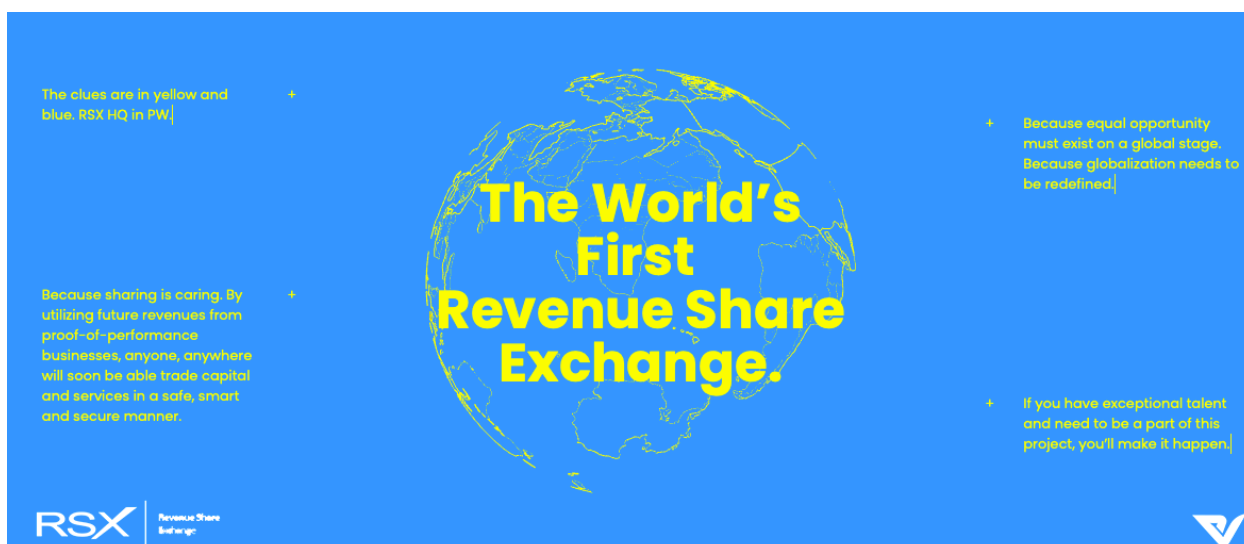
Content – A robust content strategy is still TBD, and will be decided by the current senior management team, relevant advisors, and partners to the RSX’s acquisitions. Content includes blogs, articles, emails, and other, and is vitally important to the platform for a litany of reasons (e.g. SEO, trust, etc.).

Platform Development – As mentioned under “Project Management” in 8b, projects will be created and managed with RSX’s internal team, and will be managed just like a front-end e-commerce brand; these platform developments will then be tested on a development server before going onto the live server. Changes deemed “major” will be communicated to users (and throughout the platform) prior to launch in a multitude of ways (including email).

Product Design and Development Plan

9a. Product Design

Current design iterations are still in the early phases and are being worked on internally. However there is a live preview link for what the platform will look and feel like:



Here is the live presentation link: <http://projectscare.com/presentation/rsx-v2/>

A clearer direction of design front-to-back of platform will be done by end of year 2021.

9b. Costs

Current predicted costs for the next three years (on a monthly basis) are as follows:

YEAR 1		YEAR 2		YEAR 3	
Expense	Rate	Expense	Rate	Expense	Rate
CM Fees	\$ 200.00	CM Fees	\$ 600.00	CM Fees	\$ 1,000.00
Trustee Fees	\$ 200.00	Trustee Fees	\$ 800.00	Trustee Fees	\$ 2,000.00
Rent Expense	\$ 6,500.00	Rent Expense	\$ 11,500.00	Rent Expense	\$ 11,500.00
NNN (per lease)	\$ 250.00	NNN (per lease)	\$ 500.00	NNN (per lease)	\$ 500.00
Utilities	\$ 250.00	Utilities	\$ 500.00	Utilities	\$ 500.00
Telephone & Internet	\$ 200.00	Telephone & Internet	\$ 400.00	Telephone & Internet	\$ 400.00
Bank Charges	\$ 500.00	Bank Charges	\$ 1,500.00	Bank Charges	\$ 1,500.00
Payroll - MD & Team	\$ 40,000.00	Payroll - MD & Team	\$ 95,000.00	Payroll - MD & Team	\$ 120,000.00
Contract Services	\$ 40,000.00	Contract Services	\$ 60,000.00	Contract Services	\$ 95,000.00
Payroll Taxes	\$ 3,000.00	Payroll Taxes	\$ 7,125.00	Payroll Taxes	\$ 9,000.00
Benefits	\$ 4,000.00	Benefits	\$ 9,500.00	Benefits	\$ 12,000.00
Marketing & Advertising	\$ 10,000.00	Marketing & Advertising	\$ 25,000.00	Marketing & Advertising	\$ 40,000.00
Accounting	\$ 4,000.00	Accounting	\$ 6,000.00	Accounting	\$ 12,000.00
Legal Fees	\$ 5,000.00	Legal Fees	\$ 8,000.00	Legal Fees	\$ 12,000.00
Insurance (liability)	\$ 800.00	Insurance (liability)	\$ 1,400.00	Insurance (liability)	\$ 1,400.00
Vehicle/Travel	\$ 1,500.00	Vehicle/Travel	\$ 5,000.00	Vehicle/Travel	\$ 5,000.00
Meals & Entertainment	\$ 1,500.00	Meals & Entertainment	\$ 5,000.00	Meals & Entertainment	\$ 5,000.00
Office Supplies	\$ 500.00	Office Supplies	\$ 1,500.00	Office Supplies	\$ 1,500.00
Website	\$ 500.00	Website	\$ 1,000.00	Website	\$ 1,000.00
Audit	\$ 2,500.00	Audit	\$ 5,000.00	Audit	\$ 5,000.00
Avg Total Monthly	\$ 121,400.00	Avg Total Monthly	\$ 245,325.00	Avg Total Monthly	\$ 336,300.00

These costs may change depending on series round amounts, how quickly the rounds are raised, money generated through the RSX's acquisitions (available cash for RSX investment), and needs that may arrive based on strategic decisions.

9c. Intellectual Property

Patents – There are not currently any requisite patents, but the necessary ones will be filed if required

Trademarks – All of the RSX’s distinctive marks, including its name and logo, have been trademarked.

Copyrights – The RSX will routinely copyright appropriate material

Trade Secrets – The RSX has a number of trade secrets that will be under heavy legal protection. This includes operating manuals, training materials, and strategic insights.

Technology – Todoo’s, Smartlend.ai, the RSX platform, and all RSX acquisitions and its properties are a part of the RSX technology IP.

Financial Projections

10a. Sources of Funds and Structure

The RSX is seeking to remain as non-diluted as possible until a better valuation is generally accepted. The current source of funds has exclusively been equity capital:

	PREVIOUS		CURRENT 2021 Q3		2022 Q2 Series A-1		2023 Q1 Series A-2		2023 Q4 Series B		2024 Q3 Series C	
	Shares Issued	%	Shares Issued	%	Shares Issued	%	Shares Issued	%	Shares Issued	%	Shares Issued	%
Matt Liberto	30,000,000	81.39%	30,000,000	74.40%	30,000,000	66.19%	30,000,000	50.28%	30,000,000	43.03%	30,000,000	41.48%
Seed - Private	5,050,000	13.70%	5,000,000	12.40%	5,000,000	11.03%	5,000,000	8.38%	5,000,000	7.17%	5,000,000	6.91%
Advisor - Private	737,172	2.00%	737,172	1.83%	737,172	1.63%	737,172	1.24%	737,172	1.06%	737,172	1.02%
Advisor - Private	737,172	2.00%	737,172	1.83%	737,172	1.63%	737,172	1.24%	737,172	1.06%	737,172	1.02%
Advisor - Private	184,293	0.50%	184,293	0.46%	184,293	0.41%	184,293	0.31%	184,293	0.26%	184,293	0.25%
Entrust Group - IRA - Private	150,000	0.41%										
Friends & Family Round - Aug 1, 2021			3,666,442	9.09%	3,665,864	8.09%	3,665,864	6.14%	3,665,864	5.26%	3,665,864	5.07%
Raise A-1					5,000,000	11.03%	5,000,000	8.38%	5,000,000	7.17%	5,000,000	6.91%
Raise A-2							14,337,806	24.03%	14,337,806	20.57%	14,337,806	19.82%
Raise B									10,054,386	14.42%	10,054,386	13.90%
Raise C											2,613,569	3.61%
ESOP 1 - TBD												
ESOP 2 - TBD												
Advisor Recruits - TBD												
Total	36,858,637	100%	40,325,079	100%	45,324,501		59,662,307	100.00%	69,716,693	100.00%	72,330,262	100.00%
Pre-Money Valuation	\$5,000,000		\$7,000,000		\$25,000,000		\$225,000,000		\$800,000,000		\$3,200,000,000	
Equity Raise - \$	500,000		\$750,000		\$5,000,000		\$25,000,000		\$55,000,000		\$75,000,000	
Equity Raise - %	14%		9.677%		16.67%		10.00%		6.43%		2.29%	
Share Value	\$0.14		\$0.1899		\$0.62		\$1.74		\$5.47		\$28.70	
Share Issuance	5,000,000		3,949,140		8,065,016		14,337,806		10,054,386		2,613,569	
Accordion Debt Facility	n/a		2M-10M		75M		150M		300M		300M	
AUM (cum lending + equity raised)	n/a				80M		255M		610M		985M	
Board Control (Y/N)	Y		Y		Y		Y		Y		N	
Majority Stake	81.39%		74.40%		66.19%		50.28%		43.03%		41.48%	
Cumulative Outside Stake	-		-		11.03%		38.56%		47.42%		44.25%	

Various debt and equity structures for further funds have been proposed, and are currently being pitched.

Additionally, profit from the RSX’s acquisitions will be used to fund the RSX. One of the RSX’s acquisitions, Product Vessel, has the following projected cash amount for each month until December, 2021:

	FIRST REV							
	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Beginning Cash	\$ 92,500	\$2,871,534	\$ 2,713,781	\$ 2,618,097	\$ 2,715,481	\$ 3,005,934	\$ 3,489,456	\$ 4,166,047
Net Operating Income	\$ (127,216)	\$ (32,753)	\$ 91,816	\$ 284,884	\$ 477,953	\$ 671,022	\$ 864,091	\$ 1,057,159
Cash Disbursements								
CASH OUT COMMITTED	(93,750)	(125,000)	(187,500)	(187,500)	(187,500)	(187,500)	(187,500)	(187,500)
Cash Paid In/(LOC Principal Paid)	3,000,000	-	-	-	-	-	-	-
NOI	(127,216)	(32,753)	91,816	284,884	477,953	671,022	864,091	1,057,159
Change in Cash	2,779,034	(157,753)	(95,684)	97,384	290,453	483,522	676,591	869,659
Ending Cash	\$2,871,534	\$2,713,781	\$ 2,618,097	\$ 2,715,481	\$ 3,005,934	\$ 3,489,456	\$ 4,166,047	\$ 5,035,706

These amounts may change, and projected sources of funds will be revised at that time.

10b. Cost Structure and Breakeven (Income)

For a more in-depth breakdown of potential expenses (which is so large it won’t fit in this file), please see our excel sheet titled “PV_ProFroma_040621”, under the tab “Expense Scenario 2-Enterprise”; this gives the most thorough cost structure, and illuminates our most probably breakeven number.

Risk Management

11a. Investment Compliance

Compliance will be run through our aforementioned legal team, Miller Thompson LLP of Toronto, Canada (see 8c).

11b. Blockchain/Crypto Securitization

As mentioned in 8b, compliance, regulation, securitization, and even the technology are the largest areas that still need strategized and administered by hiring the right members (including talent) and connecting with the right advisors.

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