KINESIS MONETARY SYSTEM
The evolution of the gold standard

WHITE PAPER - SUMMARY EXPLANATION v2.0
INTRODUCTION

We share a vision of a world where money is fair and honest. Where money holds value over time and where everybody has the ability to use their money to transact whenever, wherever and however.

We aim to lead the way forward, through inspiring change that combines blockchain technology to create digital currencies based on precious metals. Currencies that can be used globally, where borders become obsolete, opening up payment services to all.

Kinesis, at its core, inspires movement and velocity by rewarding our users in perpetuity through unique fee-sharing yields.
THE MARKET

The size of the target market is large: at the end of 2018, the physical gold market had a value of US$7.8 trillion. The size of the financial physical gold market is larger than many stock and bond markets.

However, precious metal stored in a vault as an investment has limited real-world usability; physical gold or silver cannot be used as the currencies they once were. They instead cost money to store and hold securely. Furthermore, transaction sizes are limited to the sizes of physical bars, meaning that a holder cannot easily realise the value of a portion of their holdings.

Kinesis allows for physical gold and silver to be digitised and easily sent, spent or traded in small or large amounts, while also encouraging participation and velocity with multiple fee-sharing yields. Kinesis charges no storage fees to participants in the ecosystem.

Source: World Gold Council, 2019
EXECUTIVE TEAM

The Executive Team, led by Thomas Coughlin, oversees the day to day operations of Kinesis and is responsible for the management, operations and direction of the company.

THOMAS COUGHLIN
Chief Executive Officer

Thomas Coughlin is the Chief Executive Officer (CEO) of Kinesis Limited as well as Allocated Bullion Exchange (ABX). He has worked in the investment, funds management and bullion industries for approximately seventeen years.

MICHAEL COUGHLIN
Chief Financial Officer

Michael Coughlin is the Chief Financial Officer (CFO) of Allocated Bullion Exchange (ABX). Michael has a total of 41 years of experience as a CPA in the accountancy and financial services professions.

DAVID CHARLES
Group Special Counsel

David Charles is a Director of the Allocated Bullion Exchange. A lawyer by trade, David has protected and advanced the interests of some of the largest and most prominent entities in the world, across four continents.

DAVID UNDERWOOD
Non-Executive Director

David Underwood worked with the Queensland Department of Education until 1977. During his time in Queensland Parliament, he was the Shadow Minister of Health, Education, Tourism and National Parks serving numerous Parliamentary Committees.
LEADERSHIP TEAM

Our Executive Team also receives support and assistance from the following individuals who comprise our Leadership Team.

NIGEL OWENS
Chief Technology Officer

ERIC MAINE
Chief Strategy Officer

RYAN CASE
Chief Commercial Officer

JAI BIFULCO
Chief Marketing Officer

RICHARD MELBOURNE
Director of Global Operations

BEN BRIDEAUX
Head of Projects

Click here for full team
KINESIS DIGITAL CURRENCIES
PHYSICAL MADE DIGITAL

Kinesis’ primary currencies, KAU and KAG, are based 1:1 on allocated physical gold and silver respectively, two of the greatest stores of value for use in trade and investment secured across a network of fortified vaults around the world.

‘Allocated’ means that full direct title to the bullion backing the KAU and KAG coins is held by the owner of the respective coin.

- KAU = 1g gold
- KAG = 1oz silver
KINESIS YIELDS

The Kinesis Monetary System attaches a yield to physical gold and silver for varying degrees of passive or active participation.

» Holder Yield: Kinesis holders receive a 15% proportional share of the transaction fees generated while holding the currencies, calculated on a daily basis and credited to their e-Wallets monthly.

» Referrer’s Yield: The referrer’s yield rewards individuals or corporations who recruit and refer new users to Kinesis.

» Depositors Yield: Kinesis depositors will receive a 5% share of transaction fees on their initial deposit and then use of Kinesis currencies from their Kinesis Wallet.

» Minters Yield: Minters receive a proportional 5% share of the transaction fees on the Kinesis coins they created and then used. Minting is the process of converting fiat currency, cryptocurrency or physical bullion holdings into KAU and KAG coins; this is done in the Kinesis Mint.

The master fee pool is an accumulation of all the fees in the Kinesis network via sending, spending or selling Kinesis currencies, a 0.45% fee is applied on each transaction made across the network. A portion of the master fee pool is then distributed back to the users as yields every month.
The Kinesis team has developed a proprietary blockchain network forked off the Stellar blockchain for the Kinesis currencies. The Stellar blockchain network provided the perfect rail system to host the Kinesis system as it supports:

- High transaction speeds (3000 tps)
- Customisable percentage-based transaction fees
- Scalability
- Consensus model incorporating separate trusted network nodes
The Kinesis Mint gives users the ability to transform physical gold and silver into a digital currency. By depositing fiat, cryptocurrency, or existing bullion into the system, Kinesis currencies, KAU and KAG, are created.

It then simultaneously emits the digital value of your 1:1 physical asset-based currency into the Kinesis e-Wallet, which is where your digital gold and silver are held.

- Zero storage fees on the physical bullion holdings on which Kinesis currencies are based.
- Audits are performed by Inspectorate, a Bureau Veritas company, leading global physical commodity audit and inspection specialist.
- Holders are fully entitled to redeem the underlying bullion that their Kinesis currencies are based on. Subject to fees and minimum withdrawal requirements.
- Existing physical bullion holdings can be exchanged for Kinesis currencies via the Exchange Physical for Digital (EPD) process.

Users can track live transfers taking place over the Kinesis Blockchain Network by using the Kinesis explorer.
KINESIS EXCHANGE

The Kinesis exchange is a powerful platform which will provide users with the ability to trade in and out of Kinesis currencies, KAU and KAG, using fiat and cryptocurrencies.

- Easy trading: our simple interface designed with simplicity in mind.
- Proven reliability: experienced in the commodities and exchange industries.
- First-grade security: user details are encrypted using AES 256-bit cipher encryption.
The Kinesis debit card is set to enable users to spend their Kinesis currencies online and at point of sale anywhere in the world, even allowing Kinesis currencies holders to withdraw funds via ATM.

- Simple, swift and secure payments.
- Ability to make micropayments using digital gold and silver.

See our PR on technology partners across the US and Europe
- Kinesis launch debit card for US citizens with Unified Signal
- Kinesis engages Contis for European and UK debit card
KINESIS PARTNERSHIPS

Kinesis has progressively set up the following partnerships and MOUs with industry leaders. Learn more about our partnerships and other company news [here](#).
LAUNCH SCHEDULE

Ending 9 Sept 2018
KVT Pre-Sale Phase 5
(2.5% discount)

10 Sept 2018 – 29 Aug 2019
KVT Initial Token Offering - Public Sale

Kinesis Mint Initial Minting Offer (IMO) Begins

30 Aug 2019
Public Launch of Kinesis Money Payment Platform

*To participate in the IMO, subscription is required in the KVT ITO.*
KINESIS VELOCITY TOKEN (KVT)

The Kinesis Velocity Token is an ERC20 utility token, which is not based on gold and silver but rather, is attached to the success of the Kinesis Monetary System. Each time the Kinesis currencies are sent, spent or sold, a transaction fee is applied. These fees are accumulated and 20% is proportionately distributed back to the KVT holders.

- **Earn a passive fee share yield that continues to increase as the system grows.**
- **Paid monthly in Kinesis gold and silver-based currencies (KAU & KAG).**
- **Exclusive access to minting during the initial minting offer period.**

INITIAL TOKEN OFFERING

- **20% Yield - 20% proportionate share of the combined fee pool.**
- **300k Limit - Only 300,000 KVTs will ever exist.**
- ** Tradable - KVTs are scheduled to be tradable on the Kinesis Exchange.**
- **Growth Potential - As the system grows, your KVT yield is set to grow too.**
KINESIS VELOCITY TOKEN (KVT)

<table>
<thead>
<tr>
<th>Token Type</th>
<th>ERC20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Purchase Amount</td>
<td>1 KVT</td>
</tr>
<tr>
<td>Token Price</td>
<td>$1,000 US</td>
</tr>
<tr>
<td>Soft Cap:</td>
<td>15,000 KVT</td>
</tr>
<tr>
<td>Hard Cap:</td>
<td>300,000 KVT</td>
</tr>
<tr>
<td>Currencies Accepted:</td>
<td>Fiat: USD, GBP, EUR, AUD, CAD Crypto: BTC, ETH, USDT</td>
</tr>
<tr>
<td>Scheduled End of sale:</td>
<td>23:59 GMT, 29th August 2019</td>
</tr>
</tbody>
</table>

Our KVT calculator allows you to determine your own potential future value for a KVT using your own settings. Of course, there are many risks, uncertainties and other factors to consider when evaluating future performance.

Launch KVT Calculator [here](#)
# Kinesis Velocity Token (KVT) Projections

## Projected Kinesis Revenue Token Financials

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average Market Capitalization (USD)</td>
<td>7,824,194,352</td>
<td>45,862,973,550</td>
<td>105,595,759,080</td>
<td>233,394,791,580</td>
</tr>
<tr>
<td></td>
<td>Velocity</td>
<td>30%</td>
<td>30%</td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>Days in Year</td>
<td>365</td>
<td>365</td>
<td>366</td>
<td>365</td>
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<tr>
<td></td>
<td>Yearly volume (USD)</td>
<td>856,749,281,544</td>
<td>5,021,995,603,725</td>
<td>11,594,414,346,984</td>
<td>25,556,729,678,010</td>
</tr>
<tr>
<td></td>
<td>Transaction Fee %</td>
<td>0.45%</td>
<td>0.45%</td>
<td>0.45%</td>
<td>0.45%</td>
</tr>
<tr>
<td></td>
<td>Transactions Fees (USD)</td>
<td>3,855,371,767</td>
<td>22,598,980,217</td>
<td>52,174,864,561</td>
<td>115,005,283,551</td>
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<tr>
<td></td>
<td>Commercial Centre Transactions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Share of Total Transactions (%)</td>
<td>0.5%</td>
<td>1.0%</td>
<td>2.0%</td>
<td>3.0%</td>
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<tr>
<td></td>
<td>Share of Total Transactions ($)</td>
<td>4,283,746,408</td>
<td>50,219,956,037</td>
<td>231,888,286,940</td>
<td>766,701,890,340</td>
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<tr>
<td></td>
<td>Average Commission Rate</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>KVT Share %</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>KVT Transaction Revenue (USD)</td>
<td>771,074,353</td>
<td>4,519,796,043</td>
<td>10,434,972,912</td>
<td>23,001,056,710</td>
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<tr>
<td></td>
<td>KVT Commission Revenue (USD)</td>
<td>42,837,464</td>
<td>502,199,560</td>
<td>2,318,882,869</td>
<td>7,667,018,903</td>
</tr>
<tr>
<td></td>
<td>Projected KVT Revenue (USD)</td>
<td>813,911,817</td>
<td>5,021,995,604</td>
<td>12,753,855,782</td>
<td>30,668,075,614</td>
</tr>
<tr>
<td></td>
<td>KVT Issued</td>
<td>300,000</td>
<td>300,000</td>
<td>300,000</td>
<td>300,000</td>
</tr>
<tr>
<td></td>
<td>Per KVT</td>
<td>2,713.04</td>
<td>16,739.99</td>
<td>42,512.85</td>
<td>102,226.92</td>
</tr>
<tr>
<td></td>
<td>Cost per KVT (100% Price)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Full Price</td>
<td>1,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NPV* (5% Discount rate)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Full Price</td>
<td>256,636.08</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# KINESIS VELOCITY TOKEN (KVT)

## MARKET SIZE

<table>
<thead>
<tr>
<th></th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Above ground gold reserves (tonnes) (source: World Gold Council)</td>
<td>187,200</td>
</tr>
<tr>
<td>Gold production per annum (tonnes) (source: World Gold Council)</td>
<td>3,000</td>
</tr>
<tr>
<td>Sum of gold reserves and production</td>
<td>187,200</td>
</tr>
<tr>
<td>Gold Price US$ (assumed)</td>
<td>1.300</td>
</tr>
<tr>
<td>Above ground gold reserves in US$ terms</td>
<td>7,824,194,352,000</td>
</tr>
<tr>
<td>Market Infiltration (assumed)</td>
<td>0.10%</td>
</tr>
<tr>
<td>Average Market Capitalization (USD)</td>
<td>7,824,194,352</td>
</tr>
</tbody>
</table>

### MARKET INFILTRATION ASSUMPTIONS

<table>
<thead>
<tr>
<th>Physical Gold Market</th>
<th>Modest infiltration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Silver Market</td>
<td>Not taken into account</td>
</tr>
<tr>
<td>Paper Gold Market</td>
<td>Not taken into account</td>
</tr>
<tr>
<td>Paper Silver Market</td>
<td>Not taken into account</td>
</tr>
<tr>
<td>Cryptocurrency Market</td>
<td>Not taken into account</td>
</tr>
<tr>
<td>Fiat Currency Market</td>
<td>Not taken into account</td>
</tr>
<tr>
<td>Investment Asset Market</td>
<td>Not taken into account</td>
</tr>
</tbody>
</table>
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*For full project details, risk factors and disclosures please view the whitepaper.
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