



Real Money on the Blockchain

Emparta is a fintech company that utilizes blockchain technology to enable the highly efficient transfer of regular currency (e.g. USD, GBP, AUD, YEN etc.). This is achieved by issuing a cryptographic token on the blockchain (known as a stablecoin) that is backed 1:1 by actual currency. The collateral is held in third party custody accounts and can be redeemed by token holders on a 1:1 basis giving it the attributes of regular currency and with the benefits of blockchain technology.

- 100% fiat-backed and redeemable
- Enables the adoption of blockchain for many fintech use cases and blockchain banking
- Broadens the market for blockchain technologies by allowing users to use digitized cash
- Stable unit of account for use in smart contracts

Blockchain Enables Disruption

A stable unit of account is critical for the mass adoption of blockchain technology. Presently, adoption for day to day transactions remains comparatively low. Price volatility acts as a disincentive for those seeking to use cryptocurrency as a means of reliable and stable commerce. Emparta solves this problem by digitizing ordinary money thus offering stability in the local currency.

Leveraging the efficiencies and benefits of blockchain technology, and integrating “real money”, means value can be efficiently and instantaneously transferred without a reliance on the traditional banking network. The ability to easily redeem stablecoins for their face value from the treasury means that their value is transferred when passed on to another party. This provides a highly disruptive digital banking solution with applications in many high-value use cases across financial services and markets globally.

The Emparta Stablecoin Infrastructure

Emparta offers a unique infrastructure that combines technology for the issuance and redemption of stablecoins on the blockchain and a governance framework to securely and compliantly manage the cash reserves to ensure a continuous peg. These elements allow the integration of blockchain technology and traditional finance through the conversion of ordinary cash deposits into stablecoins that can be transacted and redeemed with ease.

The functions of the Emparta infrastructure are accessed via an API which executes the issuance processes in accordance with the governance framework and controls. This allows partner platforms (e.g. decentralized applications (DApps), payments systems, exchanges etc.) to call the API and access this infrastructure to incorporate a seamless fiat on and off ramp that can convert dollars received into stablecoins that can be automatically sent to a wallet. In this manner, ordinary money can now be used in decentralized applications and smart contracts – a key feature of blockchain technology that will revolutionize commerce and trade.

Trust and transparency are crucial elements for adoption. The cash reserves collateralizing each coin will be held by licensed custodians and undergo regular independent audits to provide frequent reconciliation of the treasury funds and the stablecoins in circulation.



Many use cases and markets

The Emparta stablecoin infrastructure allows third party platforms to easily incorporate a stable digital currency into their processes and service offerings. Eliminating the problem of volatility and providing access to its infrastructure, Emparta can introduce the benefits and efficiencies of blockchain technology to many high-value mainstream use cases.

Digital Currency Exchanges

Stablecoins are not new to cryptocurrency exchanges. They are very popular amongst cryptocurrency traders – seeking to manage their exposure to risk and volatility – and are a driver of trading volume on exchanges. Further to this, the ability for exchanges to offer a stablecoin as a payment method removes the need for exchanges to accept fiat deposits directly and can significantly improve settlement timeframes. A stablecoin also allows users to move fiat denominated deposits between exchanges instantaneously to exploit arbitrage opportunities.

Forex and International Payments

A highly efficient and cost-effective means of sending and receiving funds internationally without the need for a bank or money transmitter. Existing networks for interbank settlement are old, inefficient and the cause of significant cost and lengthy settlement timeframes. The ability to exchange digitized currencies bypassing the banking network offers a far more efficient and instantaneous solution.

Decentralized Applications (DApps)

Thousands of decentralized applications (DApps) are either in development or now going live. The ability to execute smart contracts on the blockchain with guaranteed, programmable and immutable outcomes has inspired a generation of innovators to establish disruptive technologies in all industries and aspects of life. However, adoption of DApps is still limited to the crypto-savvy and the full benefits and potential cannot be realized.

Fiat on and off ramps are necessary for broader level adoption of DApps. The ability to pay platform fees and execute smart contracts using fiat removes a key barrier for new entrants. Further, the ability to use a stablecoin in smart contracts eliminates volatility exposure for participants within a decentralized network where incentives and payments are typically offered in volatile cryptocurrency.

Payments Systems – Programmable Money

Commercial enterprises remain dependent on fiat currency to satisfy ordinary obligations such as taxation, payroll, suppliers etc. Receiving payments or revenue in a volatile cryptocurrency but having obligations in fiat presents a significant risk to an enterprise. In addition, volatility creates accounting, reporting and general compliance challenges.

Emparta solves this problem by making fiat available on the blockchain via a fully collateralized, audited and transparent treasury. The ability to redeem the underlying fiat from the treasury through a seamless process to fulfil financial and commercial obligations is fundamental to enabling the adoption of blockchain as a transaction medium for traditional commercial transactions.

Further, the ability to send fiat to a smart contract opens the door to a world of traditional payment systems and processes that could benefit from the security, efficiency and immutability of blockchain transactions. For example, programmable escrow payments, trust accounts, settlements annuity payments etc. can utilize smart contracts that can be programmed to manage the secure and effective transfer of stablecoins. This automation

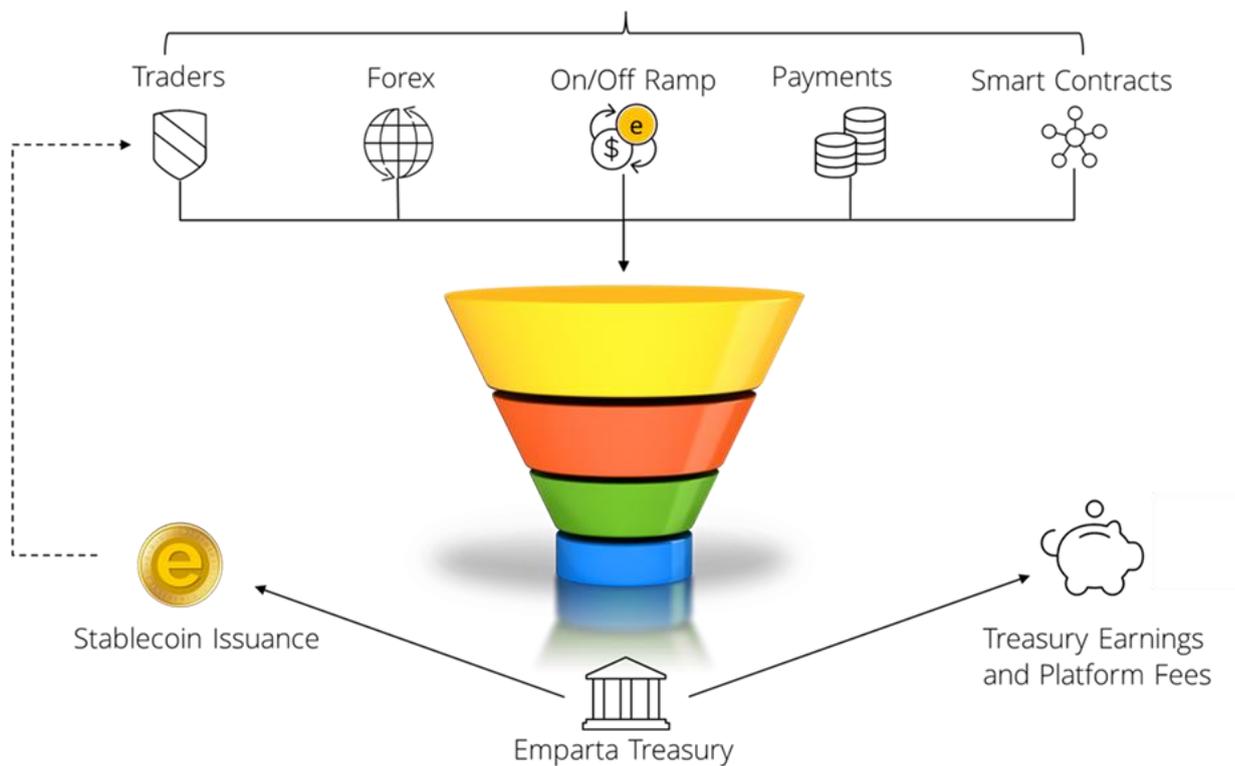


removes the need for third party custodians to hold and manage the funds in trust, significantly reducing fees and streamlining the process for all parties.

Business Model

The stablecoin infrastructure incorporates a robust and scalable business model. A transparent and regularly audited treasury that collects the fiat collateral and mints stablecoins on a 1:1 basis is central to the process. Stablecoin holders can redeem for face value from the treasury for a small fee and a growing cash treasury can realize earnings in the form of interest.

Further to listing the Emparta stablecoin on cryptocurrency exchanges, the treasury infrastructure will be made available to partner platforms with established users delivering numerous channels to create demand for the stablecoin and subsequent revenue growth. The ability to incorporate transaction fees for value-added financial services and instruments (e.g. FOREX and international payments) that are far smaller than traditional options will be an additional revenue stream.



A scalable revenue model with numerous high-value channels



Founders



Adam Sarris – Co-founder & CEO

A serial entrepreneur, Adam Sarris has extensive experience in the design and implementation of technology-based business solutions. Along with James Hill, he co-founded Squaddle, a successful online platform in Australia that provides hospitality workers on demand. Adam was a director and senior business analyst for Bluebox Solutions, an established software development company. He has held senior analytical roles for Iluka Resources, Asgard (Westpac), and Telco Services Australia.



James Hill – Co-founder & COO

Former Chairman and CEO of Bluebox Solutions, James Hill has extensive experience in leading large-scale, technology-based operations and delivering complex software development projects. He's the co-founder of Squaddle with Adam Sarris and has more than 18 years of experience in high-profile roles across multiple industries, including serving as GM of retail for iiNet, Australia's third-largest ISP, GM of Operations and IT at Telco Services Australia, and Associate Director Client Services at Asgard (Westpac), one of the largest wealth management companies in Australia.

Let's talk!

We would love to hear from you. Please contact us if you wish to have a chat and learn more about our exciting project and continued progress.

Regards,

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