

CONFIDENTIAL



CHISOS

ALTERNATIVE CAPITAL FOR FOUNDERS

APRIL 2021

A Great Investment Opportunity & Catalyst for Entrepreneurship

ADDRESSING A BIG PROBLEM
WITH AN IMPACT MISSION

Startup Capital is inaccessible for most entrepreneurs, resulting in missed investment opportunities and a homogenous startup world

SCALABLE FINTECH
INVESTING PLATFORM

Building a portfolio of 250+ investments, and a licensing revenue model to promote entrepreneurship globally

HIGHLY FAVORABLE
INVESTOR TERMS

3X preferred distribution waterfall for WeFunder investors @ \$15mm valuation (\$12.5mm early bird)



83%

of new businesses
are failed by existing
funding options.



Great Ideas Never See the 'Light of Day'

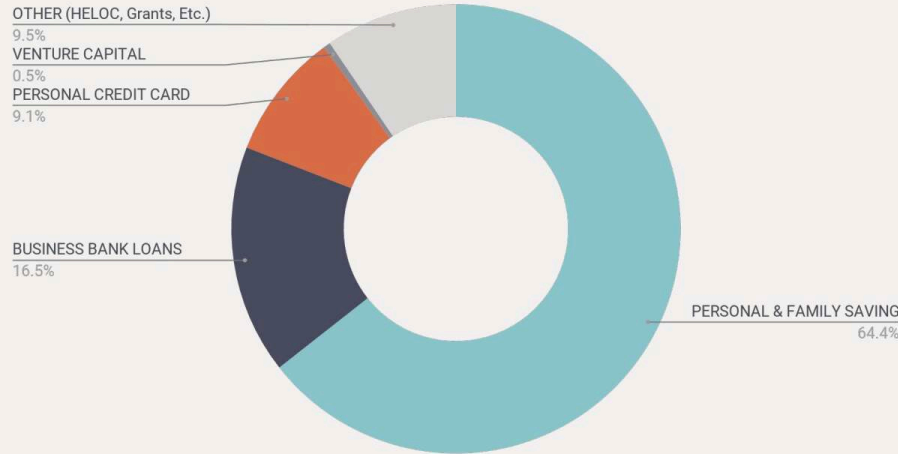
Banks / Traditional Debt

~16% of business funding

...and only serve businesses with successful operating history or hard assets.

Chisos fills a massive gap for funding needs

SOURCE OF STARTUP CAPITAL (% OF U.S. FOUNDERS)



Venture Capital / Equity

lacks diversity* AND only accounts for 0.5% of business funding

*77.1% of founders who receive VC funding are white. Only 2.2% of that funding went to female founding teams.

*Remaining 83% comes from personal savings, family or credit cards
(Many would-be founders lack this privilege)*

Product #1: Convertible Income Share Agreement Provides Flexible Capital to Founders



SALLY
Entrepreneur, CEO ACME Inc.

INCOME SHARE AGREEMENT (ISA)

- 10+ yrs experience / \$120k previous income / 700 credit score
- \$40,000 investment



ACME Inc.

SIMPLE AGREEMENT FOR FUTURE EQUITY (SAFE)

- SaaS business model
- Use of proceeds - Polish MVP and customer acquisition
- 2-5% SAFE (convertible equity)



Convertible Income Share Agreement (CISA)

*Chisos owns income share agreement (ISA) directly with Sally & SAFE with Acme Inc.
ISA survives regardless of business outcome*

Founder Friendly Terms

- ☐ Flexible ISA payback (start and end)
- ☐ 1x payoff cap with qualifying funding
- ☐ Equity clawback option up to $\frac{2}{3}$
- ☐ ISA obligation decoupled from venture (clean cap table)

“

Traditional venture looked at KnowCap and determined we didn't fit into any of the pattern-matching boxes. Chisos took the time to dig deep into what we are building at KnowCap and help us clarify our own vision.

STEPHEN ALRED
KNOWCAP INTERACTIVE

“

We tried to get a traditional bank loan. Very little conversation about projections, vision, and prospects. They're going based on historical performance, whereas Chisos comes with a different approach.

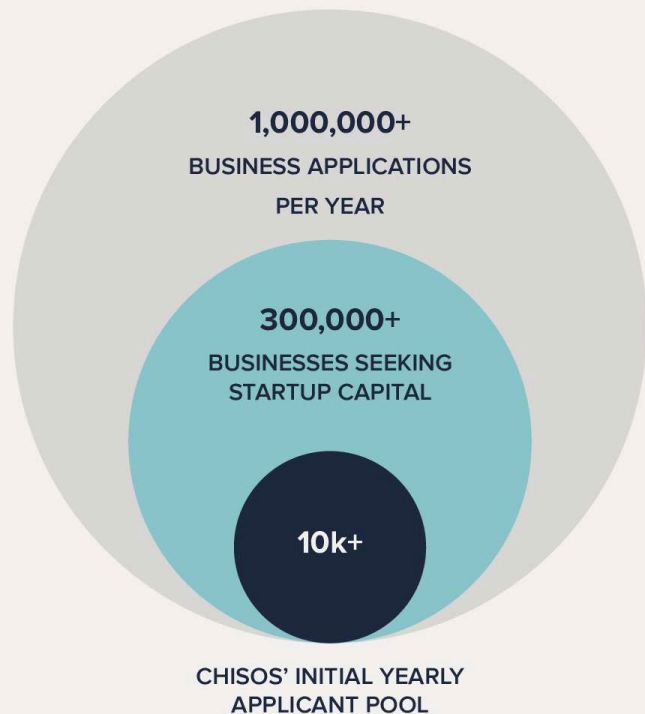
TINIA PINA
RE-NUBLE, INC.

“

What I needed was capital that would take me past an MVP to something that is ready for consumption.

DAVID BUBE ONYEADOR
FUNWALLET, INC

U.S. Market Size



Potential funding pool of **\$3.0+ billion per year**, an increasing trend as more seek their own business.

Millennials and Gen Zers are

188%

more likely to have the aim of creating a side business, compared to baby boomers.

Chisos Portfolio Investments



JENNIFER KIESEWETTER
CROSSWALK HEALTH

February 2021



AMANDA LEVAY
REDACTABLE

January 2021



GREG FOSTER
VIZEN ANALYTICS

December 2020



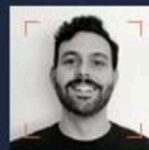
KYIANA WILLIAMS
ENTERTWINE

February 2021



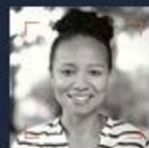
TIMOTHY DOELGER
TRUFISHING

March 2021



ARMEN ROSTAMIAN
GRUV

June 2020



TINIA PINA
RE-NUBLE

May 2020



STEPHEN ALRED
KNOWCAP INTERACTIVE

July 2020



DAVID ONYEADOR
FUNWALLET

June 2020



RITU MALHOTRA
DIALOGGBOX

March 2021

How We Select Investments

OPPORTUNITY SCORE



Step 1

FOUNDER SCORE

- Accomplished track record
- Creditworthiness
- Debt-to-income levels
- Strong personal references
- High previous income levels
- Technical/domain expertise

Step 2

BUSINESS SCORE

- Use of proceeds
- Growth potential
- Current state
- Tech-enabled solution
- Current investors
- Future capital needs



Chisos - Today. Tomorrow. Future.

01

Proof of Concept:

Chisos brings on the first round of founders to the pilot program, and builds market awareness.

PHASE I

- \$200k deployed
- 5 entrepreneurs funded
- \$11k in ISA repayments (June-Dec.)

02

Asset Manager:

Chisos evolves to become a new kind of asset manager utilizing equity and debt capital vehicles.

PHASE II

- Fund I/II/III - \$50 million
- Target SPVs - \$100 million
- Debt facilities - \$150 million
- Decentralized asset pools - \$250 million

03

Global CISA Platform:

Chisos provides the platform and tools to connect capital and outcome-based opportunities

PHASE III

- Marketplace expansion provides risk-mitigated investment tools to support entrepreneurs across the world

Team



WILLIAM STRINGER
CO-FOUNDER & CEO

Will leads investment strategy at Chisos. He has more than ten years of investment experience, with IB work at Merrill Lynch, and 4 yrs as the Sr. Investment team member at a \$1B+ AUM family office, reviewing and managing hundreds of private and public opportunities. He has been an advisor to multiple fintech ventures and is an angel and digital asset investor.



STEPHEN GRINALDS
CO-FOUNDER & CTO

Stephen heads up the Investment platform technology initiatives and infrastructure. Stephen is an expert in distributed systems, has been awarded multiple patents, co-founded three early stage ventures, and serves in advisory for the UN's information technology research division. He was VP Engineering of Emergent Technology Labs, and he manages a family office.



EMMANUEL DE BOUCAUD
CAPITAL FINANCE AND STRATEGY

Software and Venture Capital executive with 20 years of successful corporate and business development, fund raising, M&A, P&L experience, as well as international expansion leadership, board and advisory seats.



CLAIRE VEUTHEY
ECOSYSTEM AND PARTNERSHIPS

ESG & impact investing specialist working to refine the business development, investment processes, fundraising efforts, and GTM strategy and execution.



KEN ASEME
CFO & COMPLIANCE

Financial services professional and qualified accountant with vast experience working in senior finance roles alternative investment management, fund finance, structured finance, and commercial and consumer banking strategy.



KINSEY SULLIVAN WOLF
MARKETING AND BRAND STRATEGY

Startup marketing strategist working with mission-driven companies. Former in-house marketing lead for a FinTech startup. BBA from UNC-Chapel Hill.

Traction

Capital

- ❑ Raised \$550k pre-seed operating capital
- ❑ Raised \$500k Fund I
- ❑ Currently raising \$10mm Fund II

Investments

- ❑ 350+ applications through online web app
- ❑ 60 applications in March 2021
- ❑ 10 investments complete
- ❑ 2 investments in final diligence

Technology

- ❑ Developed proprietary underwriting algorithm
- ❑ Built semi-automated application & diligence process

Growing Media Footprint to Attract Founders



WILLIAM STRINGER – INVESTING IN ENTREPRENEURS

1 MONTH AGO · 47:47



OPT OUT LIFE
William Stringer - Investing in Entrepreneurs

30%

00:00:00

30

30

30

30

30

30

E Extra Crunch

12 'flexible VCs' who operate where equity meets revenue share

Founders seeking non-dilutive funding: start here

Early Opportunity Fund I Summary

FUND SIZE

\$500,000

DEPLOYMENT STATUS

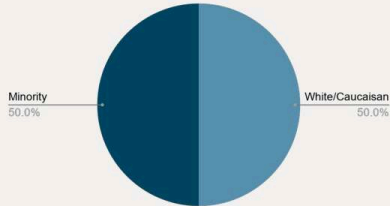
10 Investments, \$415,000 Complete
2-3 Remaining, \$85,000 Available

DEMO & GEO DIVERSITY

50% FEMALE FOUNDERS



50% MINORITY FOUNDER



Combined 70% Underrepresented



**REACHING ACROSS
THE USA**

FUNDING GREAT & QUALIFIED ENTREPRENEURS

- ~350+ apps completed since inception (60 March run rate)
- 3 of 10 Founders making regular ISA payments
- 1st company reached qualifying funding : Re-nuble Inc. 11/2020

GENERATING CASH FLOW & YIELD FOR INVESTORS

ISA payments collected

\$18.9K – 4.5% of deployed cap.

1st dividend payment

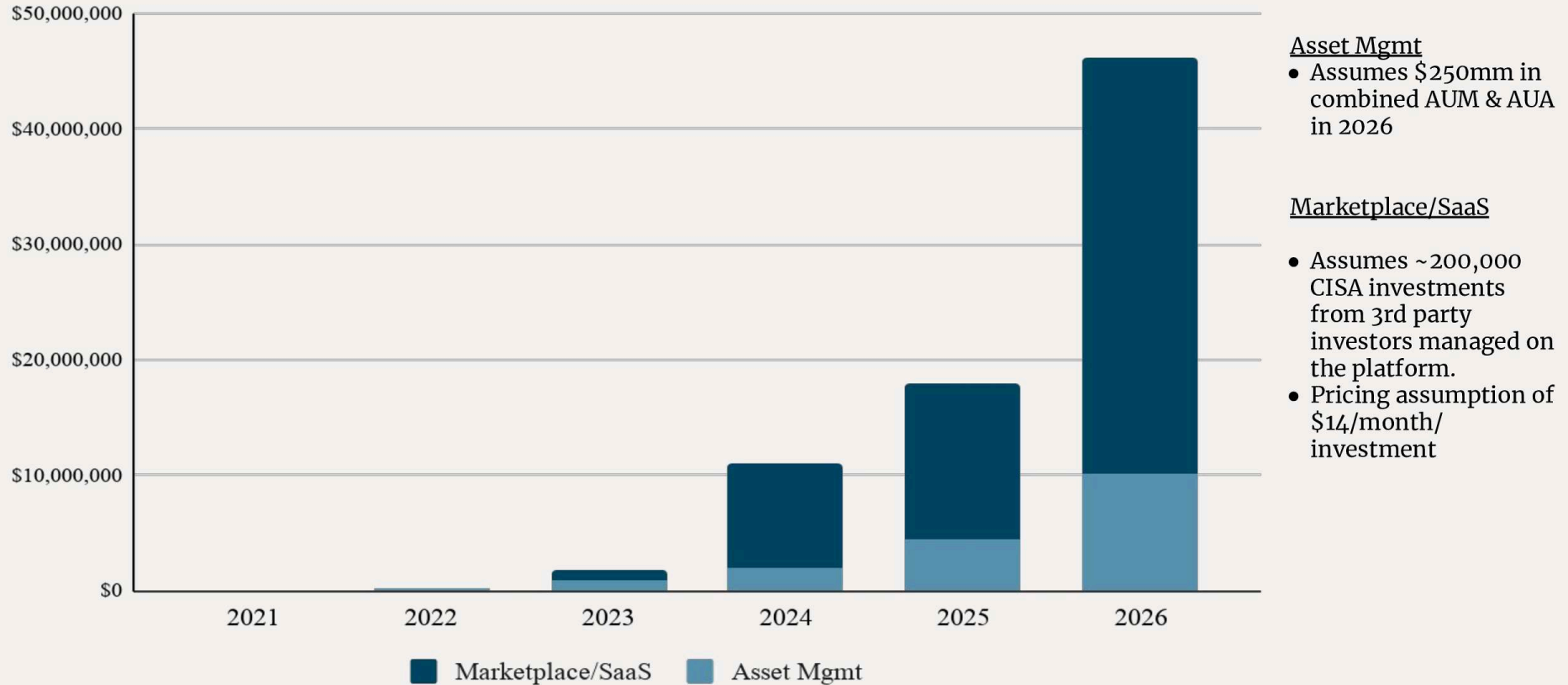
June 2021

Est. 2021 cash flow returns

\$46.3K (9.2%)

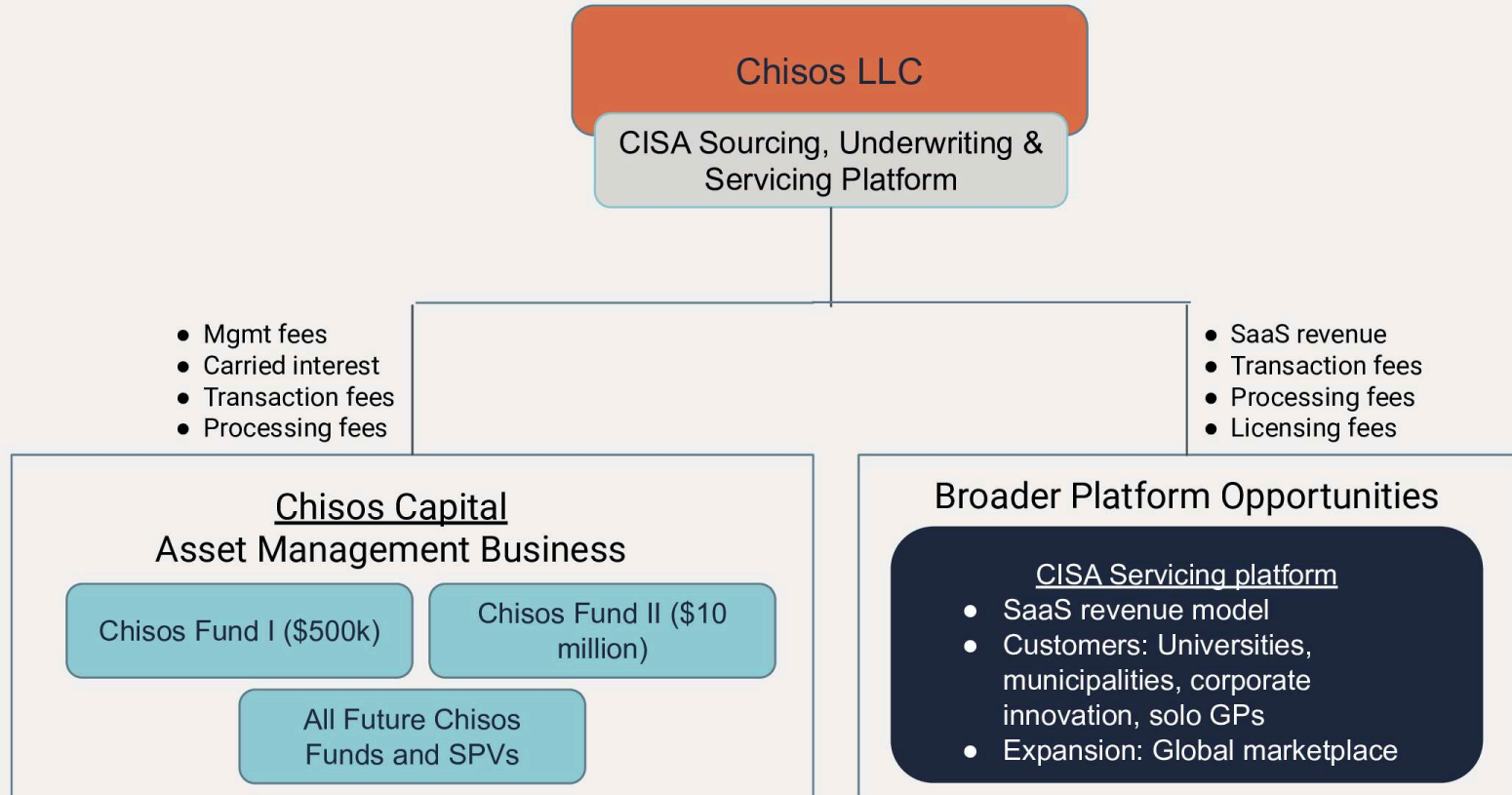
This page contains forward-looking statement that cannot be guaranteed

Chisos Revenue Forecast



This graph contains forward-looking statement that cannot be guaranteed

Chisos Business Structure



Capital Raise and Use of Proceeds

RAISING \$1.5 MILLION

TALENT

- Hire 4-6 full time employees over next 18 months

CAPITAL

- Raise and deploy \$10 million Fund II
- Secure \$10-25 million debt financing facility to scale

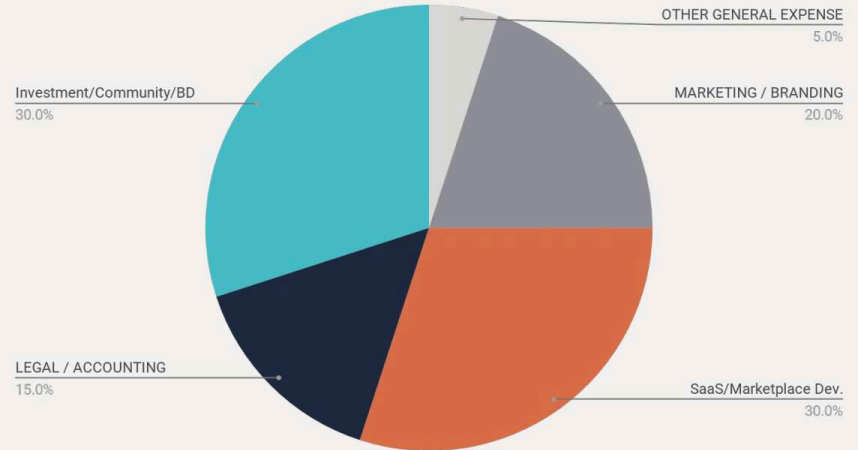
TECHNOLOGY

- Scale sourcing, underwriting & servicing capabilities

FOUNDERS / INVESTMENTS

- Invest in 250-400 founders over next 2.5 years

24 MONTH USE OF PROCEEDS



Investors receive preferred distributions and participate in all revenue streams in perpetuity

Thank you.