

PerksCoin Token Transaction Platform

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### INTRODUCTION

The legalization and decriminalization of medicinal and/or recreational cannabis in North America can be compared to the new "Gold Rush", opening doors to a new market with numerous business opportunities. Research reveals steady growth in the use of legal marijuana worldwide. In the United States alone, the cannabis industry is projected to reach \$40 billion by 2020.

Despite the exceptional success, marijuana remains listed under Schedule I of the Controlled Substances Act, making all USA based cannabis businesses illegal on the Federal level. The above-mentioned classification is the main source of numerous restrains canna businesses face, especially in financial, advertising and loyalty sectors. Majority of retail, commercial, and investment banks turn down cannabis related ventures due to the nature of the product, even if the business does not touch the leaf directly.

Today, most canna enterprises cannot open bank accounts, engage POS systems, and accept credit card payments. This forces the industry to use cash as the main transaction medium. Cash is employed to pay for rent, inventory, supplies, taxes, and all canna related B2C and B2B transactions. Dealing in cash proves to be very inconvenient, as businesses are restricted from making bank deposits larger than \$10,000.00, to avoid being investigated on money laundering charges; unable to make online payments; expand supplier network, and provide transparency and security for all financial transactions.

In addition, all the free-floating cash lures criminal elements to the business, looking for a quick hit and run robbery. As a matter of fact, 8 out 10 dispensaries get robbed within their course of business. Dispensary suppliers and cultivators also attract a lot of criminal activity due to the nature of the product. Besides, the obvious financial loses, the criminal component of cashbased retail operations places employees and clients at direct risk of being injured or killed during a heist.

To remedy such criminal upwelling, many business owners turn to cryptocurrencies for everyday transactions and supply chain operations. Some dispensaries even go as far as to install specialized vending machines that allow users to purchase Bitcoin for cash and then use it to pay for cannabis products. The stores offer discounts and various incentives for customers to make purchases using cryptocurrency rather than cash.

However, the mainstream customer is deterrent to purchase cryptocurrency due to:

- a) lack of knowledge and understanding of cryptocurrency basics;
- b) stigmatized association of cryptocurrency with "black market" and "money laundering";
- c) significant price fluctuations and lack of recognition by traditional financial institutions;
- d) difficult onboarding process involving crypto-wallet and lengthy security codes;
- e) lack of safety mechanisms to protect B2B and B2C transactions from fraud;
- f) in addition, the price of the purchase has to be substantial to engage Bitcoin or Ethereum, whereas a typical B2C dispensary purchase ranges between \$20-\$100.

To make matters even more complex, cryptocurrency is not governed by any central organization, such as a central bank; no mechanism of withdrawing cryptocurrency from circulation exists; and in canna space, there is no mechanism that would tie cryptocurrency to a loyalty program. Hence, using cryptocurrency for cannabis-related ventures does not provide J

convenience, ease and much-needed security to canna related business and a mainstream cannabis user.

To provide a solution to these critical problems, CannaSOS is engaging decentralized blockchain technology to design and implement a multi-level, non-cash transaction platform.

#### PerksCoin Token Transaction Platform, PTP for short will be designed to:

- a) Operate on an autonomous utility token, the PerksCoin Token (PCT);
- b) Generate and withdraw PerksCoin Tokens (PCT) from circulation for token liquidity;
- c) Guarantee security, transparency, and safety of all PCT-based transactions;
- d) Act as a mediator/arbitrator between Seller and Buyer;
- e) Support peer-to-peer PCT token sale, eliminating middleman and associated costs;
- f) Offer Secure Sale feature to protect buyers from unverified sellers, minimizing fraudulent activity in the marketplace;

Furthermore, CannaSOS is set to design a global loyalty program with PCT token and PerksCoin Token Transaction System in its core. The loyalty program can be used online and offline by canna retail and wholesale businesses. The system will integrate with any POS on the market and allow to use PCT token as the main incentive medium.

Beyond the troubles with the financial sector, USA cannabis industry is being prohibited from using conventional online and offline advertising methods. This hindrance arises from the nature of the product and strict anti-drug policies enforced by major media companies. In many cases the publishers are banned from the media platforms, adding tension between the legal marijuana industry and dominating media conglomerates.

Today, CannaSOS is a multi-level platform with multiple social and advertising components designed specifically for the worldwide cannabis community. The project has been successfully serving the industry since 2014. CannaSOS platform forms an ecosystem allowing for like-minded, pro-cannabis people and businesses to communicate, share information and advertise in a safe and nourishing environment. In conjunction with the social component, CannaSOS has developed into an encompassing scaffold that is home to the world's most comprehensive and free to use strain database, a business directory, advice and news section, and much more. In addition, our self-serve advertising platform offers standard modes of marketing and business promotion, similar to Google AdWords and Facebook. Moreover, such upgraded advertising options as business membership, sponsored articles, and banner ads are successfully implemented.

CannaSOS marketing products were designed to connect advertisers from any industry with the people in the CannaSOS ecosystem, offering diverse advertising opportunities that are easy to use, readily available and affordable. Our platform is continuously evolving, and we are working hard on developing and implementing unique marketing feature that will allow canna related

businesses to promote their brands locally and globally.

As of today, CannaSOS has implemented the PerksCoin Token (PCT) within the Wallet. After the completion of the Crowdsale, adherence to KYC protocols, and generation of PCT tokens, customers will be able to use PCT token as a method of payment for advertising on CannaSOS platform. Furthermore, the creation and implementation of PerksCoin Token Transaction System (PTP), will allow participants to engage PCT tokens as a payment medium on CannaSOS even further. Users will be able to take advantage of safety, arbitration, security, and transparency features offered by decentralized blockchain technology, for all payment, advertising and loyalty transactions involving PCT.

### **INDUSTRY BACKGROUND**

#### **GOVERNMENT REGULATIONS**

Medical and recreational marijuana, as well as marijuana derivatives, are being legalized and/or decriminalized in some form in many parts of the world.

As of today, in the USA, a total of 29 states, including the District of Columbia, Guam and Puerto Rico offer medical marijuana and cannabis programs, with 19 more states offering limited access to marijuana-related products.<sup>1</sup>

In 2017, Canadian Prime Minister, Justin Trudeau, has announced a plan to fully legalize recreational marijuana by summer of 2018, with medical marijuana being legal for the past decade.

Italy, Germany, U.K, Uruguay, Netherlands, Spain have already legalized marijuana for medicinal purposes; Australia, Chile, Czech Republic, India, Portugal and many others are not falling behind.

#### **GROWTH OF REGULATED MARIJUANA MARKET**

A massive expansion of the marijuana market, or the "green rush", is expected to get even bigger.

#### According to the report from ArcView Market research and other news sources:

- In 2016, people in North America have spent \$53.3 billion on medical, legal and illicit marijuana products.<sup>2</sup>
- In 2015, legal cannabis sales in the USA were \$5.4 billion.<sup>3</sup>
- In 2016, North American cannabis sales grew by an unprecedented 30% to \$6.4 billion. The sales are projected to reach \$20.2 billion by 2021, with a compound annual growth rate of 25%.
- In 2016, the legal marijuana market was worth an estimated \$7.2 billion and is projected to grow at a compound annual rate of 17%.
- Medical cannabis sales in the USA are projected to increase from \$4.7 billion in 2016 to \$13.3 billion by 2020.<sup>4</sup>

- Recreational marijuana sales in the USA are estimated to increase from \$2.6 billion in 2016 to \$11.2 billion by 2020.
- Marijuana stock has increased by a whopping 130% in the past 12 months.<sup>5</sup>
- According to Deloitte's report: The legalization by the Canadian government of recreational marijuana will lead to a \$22.6 billion industry. The retail market would be worth between \$4.9 billion and \$8.7 billion annually. The market for marijuana products and services would increase that number to between \$12.7 billion and \$22.6 billion.<sup>6</sup>

The statistics clearly show an unprecedented growth of the cannabis market. This trend will surely continue within the years to come as more states and countries decriminalize and/or legalize the use of medical and recreational cannabis and marijuana derivatives.

With such a large and fast developing market at hand, the financial sector and advertising industry are falling behind, unable to produce canna-friendly financial products and advertising websites that would cater to such large demand. The traditional financial institutions and advertising platforms such as Google and Facebook place harsh restrictions on the legal marijuana market due to the nature of the product. Hence, the growth of the canna-related market is being hindered by the federal banking system and global advertising syndicates.

CannaSOS is a comprehensive, multi-level platform designed to cater to the needs of the cannabis industry. To accommodate our member base and mainstream cannabis users even further, CannaSOS is employing decentralized blockchain technology to design and implement a transaction platform operating on an autonomous utility token, the PerksCoin Token (PCT), as a primary transaction medium. The PCT-based transaction platform will allow users to buy and sell PerksCoin tokens, use PCT tokens to buy and sell products/services within participating business network.

This whitepaper explains how CannaSOS will revolutionize financial transactions and advertising in the canna space with an implementation of the PCT Transaction Platform. This document will encompass the details of the existing CannaSOS advertising platform and diverse features and technology behind the PCT Transaction Platform, PerksCoin utility token, ICO details, roadmap, and advantages of acquiring PCT token.

### **MISSION STATEMENT**

#### WHO WE ARE

We are a strong team of visionaries with an ambition to integrate blockchain technology within worldwide canna space. We are extensively involved with individuals and businesses in the cannabis domain, allowing us to analyze major problems faced by the industry. Having onboard experts in the blockchain, IT, marketing, finance, and medicine allows us to develop unique, first-class, and highly effective solutions to problems at hand.

For the past three years, we have been working together on designing, developing and bringing the CannaSOS project to life. Since 2014, CannaSOS acquired over 315,000+ registered members, 950+ business pages, 4,800+ marijuana strain database, 200+ social groups and much more. Today, CannaSOS is a comprehensive social network and sophisticated advertising platform designed primarily for the cannabis industry. CannaSOS is a successful prototype of the global P2P ecosystem.

#### **OUR MISSION**

Our mission is to address challenges faced by the worldwide cannabis industry in the financial, advertising and loyalty sectors. In most countries cannabis is a controlled substance, this deters banks, financial institutions, and traditional media from doing business with the industry. As a solution, we offer to develop and implement a decentralized, autonomous multi-level financial platform.

#### Our main goals are:

- 1. To design, develop, implement, and provide technical support for a non-cash, multilevel, online transaction platform. The platform is set to run on decentralized blockchain technology, utilizing the PerksCoin token. The platform would help to address financial, advertising, and security-related challenges faced by the cannabis industry. The project is set to achieve a turnover equivalent to \$300,000,000 within the 2-year period after the launch.
- 2. To create and integrate unique innovations based on blockchain technology into worldwide cannabis economy;
- Using cannabis industry as a starting point, to demonstrate unprecedented capabilities of the blockchain technology as a decentralized tool for managing complex commercial relationships between individuals in a marketplace;
- 4. To contribute to the development of decentralized blockchain technology within cannabis space.

### **OBJECTIVES**

#### Our short-term objectives are:

- 1. To create and incorporate Ethereum-based utility token, the PerksCoin Token (PCT) in worldwide cannabis space;
- 2. Based on existing CannaSOS platform:
  - (a) to develop and launch a transaction mechanism allowing to use PCT tokens as payment for advertising;
  - (b) to launch an updated version of an E-store, allowing to accept and process PCT token based transactions;
- 3. To implement a loyalty program based on PCT token;
- To carry out a comprehensive marketing campaign, aimed to educate existing CannaSOS users and participants of online cannabis marketplace on benefits of using PCT token;
- 5. To design, develop and launch blockchain-based Secure Sale feature;
- 6. To develop and implement decentralized token emission and withdrawal function.

### **PERKSCOIN TRANSACTION PLATFORM (PTP)**

The PCT Transaction Platform, PTP in short, is a primary mechanism that will allow subscribers to conduct financial operations with PCT token. PTP is a solution to the financial setbacks faced by the cannabis industry. PTP is set to run on decentralized blockchain technology. Once developed and launched the platform will exist as an autonomous entity, regulated by the participants of the blockchain. The platform will incorporate a cryptocurrency wallet and be free to use by the public. Furthermore, PTP platform will have the following features: Secure Sale, PCT token emission and withdrawal, and a unique arbitration mechanism.

#### **CANNASOS' COMMITMENT**

CannaSOS' team will be engaged in the development, launch, marketing and further technical support of PerksCoin Transaction Platform (PTP). The platform will be designed as an autonomous, decentralized, self-regulating mechanism. Once launched, the platform will exist independently of CannaSOS. The PTP will belong to the public domain and be regulated by all participants of the blockchain. The platform will not generate any profit as it will be free to use.

#### SECURE SALE FEATURE

To protect Buyers and Sellers engaged in online transactions involving PCT token, PCT Transaction Platform will offer a Secure Sale service. This paid service will aim to reduce fraud in the marketplace while stimulating Sellers to build trustworthiness. Secure Sale feature will include escrow, arbitration, and appeal services.

The escrow service is designed to benefit the Buyer, ensuring fulfillment of promises outlined by the Seller. The funds payable by the Buyer upon purchasing of a product will be held by the system in escrow until the product is successfully delivered. The system will use sophisticated tracking and client feedback mechanisms to confirm delivery of purchased goods within allocated timeframe. Once the Buyer confirms the delivery of the purchased item(s), the funds will be released by the system and transferred to the Seller.

The arbitration service is designed to establish Seller's trustworthiness and govern product quality, promoting fairness in the marketplace. In case the Seller fails to deliver the purchased product within the set timeframe, or the delivered product does not meet the description (ie: poor quality, defective, damaged, etc.), the Buyer can open a dispute and request a refund. The arbitration mechanism will engage participants of the blockchain via voting. A party at fault will be subjected to a fine. The PCT tokens seized as a fine will be withdrawn from circulation and destroyed by burning.

An appeal process is designed to benefit the Sellers, protecting from wrongful accusations and illegitimate claims brought forth by Buyers. The Seller can apply for an appeal, by submitting an explanation and presenting evidence to the participants of the blockchain. In case the wrongfully accused party is acquitted, the other party will be subjected to a fine.

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Overall, the Secure Sale feature is designed to benefit the Buyers, forcing Sellers to fulfill their obligations, hence, promoting better product quality and speedy service. The decentralized arbitration system will provide transparency to all disputes. In the long run, incorporating Secure Sale feature in all financial transactions will benefit the Sellers by promoting honest business practices, hence establishing trustworthiness and a good reputation within the marketplace.

The Secure Sale feature will be a paid service. The rendering party will be responsible for paying a service fee in PCT tokens. The fee amount will be determined based on a vote by blockchain participants. PCT tokens collected as a payment for Secure Sale service will be removed from the blockchain via burning.

Mainstream off-line customers can opt-out from using Secure Sale feature, as it is not necessary for small, over the counter sales. However, the service will come in handy for all online transactions. We predict that the Secure Sale service will be mainly used by businesses for B2B operations involving large sums, pertaining to advertising, inventory and supply purchases. Further, it will be advantageous for businesses and customers alike to use Secure Sale feature for all online B2C transactions to guarantee transaction safety and trustworthiness of each party involved.

#### SECURE SALE ALGORITHM

To use the Secure Sale feature, the Seller needs to:

- 1. Register and create a business page on CannaSOS network.
- 2. Fill in business details and product information such as pictures, description, prices, etc.
- 3. Outline delivery and financial terms of the transaction, including delivery timeframe and a refund policy.
- 4. All this information will be registered in blockchain through Hash Generator.
- 5. Using cryptocurrency wallet, a Buyer can review the product together with all financial and delivery terms and conditions.
- 6. In case the Buyer decides to purchase the product, he/she must follow the transaction conditions outlined by the Seller.
- 7. The funds payable to the Seller will be held in escrow by the system until the confirmation of product delivery is received from the Buyer.
- 8. In case the Seller fails to fulfill his obligations, this may include poor product quality and/or defects, prolonged delivery time, etc., the Buyer can open a dispute, and request a refund.
- 9. Once the dispute is opened, all participants of the blockchain will receive a notification to join the arbitration process via the internal voting mechanism.
- 10. Taking into account the amount of a refund, nature of the product, and product delivery conditions, the automated arbitrage system will calculate the timeframe and a number of blockchain participants to be involved as a jury to resolve a dispute.
- 11. The platform will inform parties involved, as well as blockchain participants about the number of days allocated for voting, and a minimum amount of votes needed to settle the dispute.
- 12. Once the minimum amount of votes has been reached within allocated timeframe, the dispute will be settled to benefit the Buyer.
- 13. In case not enough votes are received, the disputed ticket will be closed by the system.

- 14. The guilty party will be subjected to a fine. The fine will be calculated as a percentage of the amount being disputed.
- 15. The PCT tokens collected as a fine will be withdrawn from circulation and burned.
- 16. The guilty party can apply for an appeal. An appeal fee will be charged to start the process. The appeal process will engage blockchain participants using decentralized voting mechanism.
- 17. In case the appeal is lost by the appealing party, the collected appeal fee will be withdrawn from circulation and burned.
- 18. In case the appealing party wins the appeal, the appeal fee will be refunded in full. The guilty party will pay the penalty and the costs of the appeal process.

The Secure Sale service will function based on a complex algorithm, making it fast, transparent and user-friendly. We predict that participants of canna ecosystem will employ this service for all day-to-day online operations, as it will deliver a safety net for all B2C and B2B transactions.

Further, we predict that the arbitration and appeal mechanisms will not be engaged as often because participants of canna ecosystem:

- strive to conduct their business honestly, avoiding illegitimate transactions;
- work to build brand and trustworthiness in the marketplace;
- aspire to irradiate negative stigmas plaguing the cannabis industry;
- aim to cooperate with authorities and promote the legalization of cannabis further.

The CannaSOS team will work hard to minimize fraud and illicit activity in the digital marketplace, help to resolve disputes fairly with the use of decentralized blockchain technology, promote honest business practices and build strong B2B and B2C relations. We predict that Secure Sale feature will stimulate cannabis-related businesses to adopt PerksCoin Token as the main transaction medium for all marketplace, advertising, and loyalty-based operations.

#### EXPERIMENTAL SELF REGULATORY FUNCTION OF PCT TOKEN

To maintain PCT token liquidity in the marketplace, PerksCoin Transaction System (PTP) will be engaged in the emission of new PCT tokens, as well as the withdrawal of PCT tokens from circulation. The emission of new PCT tokens will take place after voting by all PCT holders via PTP voting mechanism, activated by an official request from an auction platform. A withdrawal of PCT token from circulation and destruction by means of burning will employ PCT tokens that were collected as fines and fees for using Secure Sale feature. The emission and withdrawal of tokens will be conducted with the help of hard-fork feature of the blockchain.

#### **BENEFITS OF SELF-REGULATORY FUNCTION:**

- Low commission fees for conversion of PCT token into fiat currency and vice versa;
- Lower risks of financial volatility;
- In case of arbitration process, the refunds and the set fines will be reimbursed at the same value as at the start of the arbitration process, avoiding devaluation of PCT tokens in question.

We predict that these unique features of the PCT token will allow the token to cross cannabis industry barrier and be successfully implemented in any other market. According to Christine Lagarde, the Managing Director of the International Monetary Fund (IMF) "a cryptocurrency that has self-regulatory feature can provide conventional government-issued tenders a "run for their money."\*

In addition, PerksCoin Transaction System (PTP) will fully support PCT token based loyalty and advertising programs available to all participants of PTP financial ecosystem. The loyalty program will run on existing CannaSOS platform.

PTP will solve issues with transaction fees, private keys, alphanumeric addresses, arbitration, and security issues which impede mainstream users from holding a cryptocurrency. CannaSOS aims to make the onboarding process fast and hassle-free; users will not require any past experience with cryptocurrencies to use PerksCoin Transaction System (PTP) and utilize PCT tokens.

### **PERKSCOIN TOKEN**

The PerksCoin token, PCT in short, is a utility token. After the completion of the Crowdsale and satisfaction of KYC protocols, PTP token generation event will take place. The token will be available for use on existing CannaSOS platform as well as within PerksCoin Transaction System (PTP), once it is developed by CannaSOS.

The PerksCoin token is not a security token, as it is not backed by any hard assets. PerksCoin tokens are set to run on decentralized blockchain technology, ensuring transparency and security of all financial transactions.



**History:** Since 2016, CannaSOS has been experimenting with PerksCoin reward points (PRC). These points have monetary value only within the CannaSOS network. The points can be converted into fiat currency (USD, CAD, EUR, GBP) via CannaSOS Wallet. Additionally, the PRC reward points can be used to pay for advertising services offered by CannaSOS, as well as for goods and services with participating businesses network. The PRC reward points can be purchased from

CannaSOS directly or earned for engagement on the site. The experiment with PRC reward points proved to be very successful. As the next step, CannaSOS has decided to implement PCT token as a payment medium within the platform.

Upon completion of Crowdsale and generation of PCT tokens, users will be able to:

- convert acquired PRC reward points into PCT utility tokens;
- use PCT tokens to pay for business membership, ad space, sponsored articles, and other marketing products offered by CannaSOS;
- use PCT token as a method of payment for products and services with participating merchants of CannaSOS' E-store.

To achieve further acceptance and widespread use of PCT token by CannaSOS ecosystem, a PCT Transaction Platform (PTP), needs to be developed and implemented. PTP is set to run on decentralized blockchain technology, connecting the existing CannaSOS Wallet with the cryptocurrency wallet. In addition, the PCT Transaction Platform (PTP) will allow for PerksCoin tokens to be implemented into a POS system, and online transaction terminals, using NFC and QR code technology. Such integration will allow mainstream users to use PerksCoin tokens at any merchant station. PTP subscribers will be able to use PCT tokens as a transaction medium

to purchase canna products and services, benefiting from enhanced security and arbitration mechanisms.

#### PERKSCOIN TOKEN (PCT) ACQUISITION



PCT tokens can be acquired by purchasing, earning, trading, and participating in loyalty programs. Individuals will have an option to purchase PCT tokens via:

- (a) trading on the cryptocurrency exchange;
- (b) directly from holders of PCT tokens;
- (c) directly from CannaSOS via CannaSOS Wallet;
- (d) during Presale and Crowdsale events.

Furthermore, users can earn PerksCoin tokens by active participation on the site utilizing CannaSOS contribution system. Simply through social engagement on the platform and posting of high-quality content, users can earn contribution points awarded by peers. The contribution points can be further converted to PCT utility token using CannaSOS cryptocurrency Wallet. The contribution points can be collected within the CannaSOS ecosystem as well as through partnering networks. This will expand the PCT token usability, providing limitless economic possibilities for all parties involved.

Moreover, PerksCoin tokens can be acquired through online trading and/or peer-to-peer auctions. Businesses subscribing to PCT Transaction Platform (PTP) can utilize PCT token as transaction medium for trade and acquisition of goods and services. Lastly, users can obtain PCT tokens by participating in loyalty programs offered by merchants. The collected tokens can be exchanged for advertising, goods and services with participating merchants.

Account Info 🔞		Billing Info Billing Address Create Account
Account Number	Currency	Account Balance
842100000000117	USD	\$80,787.51 USD
842400000000679	GBP	£0.00 GBP
842000000000299	CAD	\$108.25 CAD
842200000000091	PRC	\$32.97 PRC 🖛 <b>Point's</b>
842300000000380	EUR	€0.00 EUR
844500000001362	PCT	198.25 PCT Tokens
Convert Contribution Points	Currency Exchange Add Funds	Withdraw Funds

#### PERKSCOIN TOKEN (PCT) USE AFTER COMPLETION OF CROWDSALE

# After PCT token generation event, individuals and businesses alike can use PCT tokens to:

- pay for advertising and business membership;
- pay for sponsored articles and other marketing products offered by CannaSOS platform.

#### PERKSCOIN TOKEN USE AFTER LAUNCH OF PCT TRANSACTION PLATFORM

Individuals and businesses can use PCT tokens to:

- exchange tokens for cryptocurrencies such as Bitcoin and Ethereum using cryptocurrency exchange;
- use PCT token to pay for advertising/products/services via CannaSOS' advertising platform and partner network;
- exchange tokens for goods and services using PCT Transaction Platform;
- transfer PCT tokens between users (peer-to-peer), businesses, B2B, B2C, and C2C.

#### **PERKSCOIN TOKEN (PCT) RISKS**

- PCT token is not a currency issued by any national, supra-national or central bank or organization.
- PCT token is not backed by any hard assets or other credit.
- Trading of PCT tokens will depend on the consensus of its value between the market participants.
- No one is obligated to purchase any PCT token from any holder of PCT token.
- There is no guarantee on liquidity or market price of PCT token to any extent at any time.
- Refer to Risk Factors document for more details.

#### PERKSCOIN TOKEN (PCT) MARKETING STRATEGY

We recognize that implementation of PCT token into the digital marketplace will require progressive marketing and social media campaigns.

#### Our in-depth analysis breaks down PCT token integration into five phases:

- Phase 1: B2C education;
- Phase 2: habitual use and preference;
- Phase 3: market stimulation;
- Phase 4: B2B education;
- **Phase 5:** promotion of Secure Sale feature.

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#### PHASE 1: B2C EDUCATION

At this stage, we are planning to actively promote PerksCoin token to existing 315,000 + registered CannaSOS users and to all non-registered users that adopt the website. For this purpose, we need to set aside 5 million PerksCoin tokensio

#### To achieve the desired result, the following will take place:

- All CannaSOS users will be offered to receive 10 free PerksCoin Tokens (PCT) upon opening of PCT Wallet;
- All merchants listed in the CannaSOS business directory will be approached with an offer to accept PerksCoin Tokens (PCT) as payment for goods and services;
- Businesses will be offered to use PCT tokens as part of their loyalty program, awarding PCT tokens to customers as bonus for purchasing goods and services;
- Financial companies that provide POS systems to dispensaries and other canna-related businesses will be offered to integrate PerksCoin token as a method of payment for goods and services, as well as loyalty programs.

#### PHASE 2: HABITUAL USE AND PREFERENCE

The purpose of this stage is to ensure that PerksCoin token is habitual and preferred payment medium for the critical mass of mainstream users. To achieve this CannaSOS will continue to stimulate the opening of PCT Wallets by awarding free PerksCoin tokens. In addition, we will offer a reward bonus for all online and offline purchases. The reward bonus will consist of 3% kickback, calculated from a number of total sales conducted through PCT Wallet. The kickback will be deposited into the user's Wallet automatically on monthly basis. To implement this marketing program, we will set aside 9 million PCT tokens.

#### PHASE 3: MARKET STIMULATION

At this stage, we predict that the critical mass of mainstream users will be accustomed to and prefer using PCT token as payment medium and for collecting rewards. Further, we will offer dispensaries and other canna-related businesses to take part in the PCT token based loyalty program by purchasing PerksCoin tokens through cryptocurrency stock exchange or directly from blockchain participants that wish to sell their tokens. An increase in demand for PerksCoin tokens will boost the value of PCT token on the stock exchange, stimulating Buyers to purchase goods and services from Sellers within PerksCoin token ecosystem. As an outcome, more businesses will accept the token as payment for goods/services and use it for loyalty. To promote PCT token use in loyalty programs, we will provide marketing support by engaging traditional and social media. A widespread, pro-PCT token marketing campaign will attract more businesses to participate in the program and more users to take advantage of PCT token based loyalty.

#### PHASE 4: B2B EDUCATION

By this time, we predict to have a fully functional Beta version of PerksCoin Transaction Platform (PTP) along with Secure Sale feature. The Secure Sale service will be in high demand for all large-summed B2B transactions, including payments for advertising, acquisition of inventory and supplies, payment of salaries, rent, and etc. We are planning to conduct numerous online and offline demonstrations of PTP, explaining the advantages of using our platform to business owners. Simultaneously, we will educate the businesses on benefits of using PerksCoin Transaction Platform for all B2C transactions, emphasizing the importance of Secure Sale feature.

#### PHASE 5: PROMOTION OF SECURE SALE FEATURE

By this time, we predict that the majority of cannabis dispensaries will be using PerksCoin token as a payment medium, and taking advantage of unique services offered by PerksCoin Transaction Platform. We will execute a massive promotion of Secure Sale service to all 8000 + businesses in CannaSOS business directory. Further, we will stimulate the utilization of Secure Sale feature in all CannaSOS' E-store transactions. In addition, we are planning to enforce a loyalty program designed to benefit all E-store and business directory participants. The loyalty program will be designed to reimburse Secure Sale service fees to participating merchants by awarding them with bonus PerksCoin tokens for endorsing and employing the Secure Sale feature. To carry out such marketing strategy we will need a budget of 300,000 PCT tokens.

#### WHY PERKSCOIN TOKENS (PCT) WILL BE USED?

At various stages of PerksCoin token promotion, we will institute different marketing mechanisms to stimulate PCT use in the marketplace. Initially, the PCT token will be accepted payment medium for advertising on existing CannaSOS platform as well as PCT token - based loyalty programs. During this time, we will provide massive marketing to promote the use of PCT by mainstream users within digital marketplace.

Moving further, as the mainstream user will get accustomed to using PCT token for financial transactions, and will prefer it over other currencies due to lucrative reward programs, we will cease sponsoring PCT token based loyalty programs. Driven by user demand, merchants will seek to purchase PerksCoin tokens via cryptocurrency exchange or from individuals that seek to sell tokens. Businesses will purchase tokens to keep up with demand for PCT token-based loyalty programs. Implementation of these loyalty programs will help businesses to stay ahead of the competition. At the same time, mainstream buyers will be stimulated to accumulate PCT tokens though collecting rewards on their purchases.

Moreover, the launch of PerksCoin Transaction Platform and Secure Sale feature will provide additional stimulus to canna related businesses to accept PCT token. Dispensaries will accept PCT token as a method of payment for their goods and services because they will be able to use the collected PCT tokens further for B2B transactions and loyalty programs, as well as to pay for Secure Sale service.

### **ADVERTISING MECHANISMS**

Let's examine the not so obvious problems with advertising that torment the cannabis industry today. Due to the nature of the product and classification under Schedule I of Controlled Substances Act, cannabis-related businesses are unable to engage traditional offline and online advertising methods. Such platforms as Google and Facebook place harsh restrictions on the legal marijuana market hence hindering the growth of the industry. Unlike other industries, canna-related businesses do not have access to free flowing online traffic and have to turn to niche websites or employ other advertising mechanisms to promote their products and services.

There are two major types of advertising mechanisms available to the cannabis industry today. The first mechanism involves signing up as an advertising publisher with an online ad-network. A publisher is an entity that owns and runs a website. An advertiser is a business that is looking to run an ad on the advertising network. To monetize the traffic, publishers enter into the contract with advertising network to display advertiser's ads. The ad revenue is shared between both the advertising platform and the publisher. Most publishers face the problem of ad bidding advocated by the advertising platform. Once the publisher signs a contract with an advertising network, the platform endorses lowest bids for advertising space without taking into the account the real cost of unique traffic generated by the publisher. It is a usual practice to drive the price of an ad space down by up to 80%, whether it is CPM or by-click advertising. Hence the publisher is obligated to publish an ad at the lowest possible price and split the income with advertising platform with up to 50% commission. Consequently, the publisher receives lower income, unable to cover the cost of traffic acquisition.

The second type of advertising mechanism involves contacting a publisher for banner space. Whereas an online ad network approaches a publisher and offers to sell banner space to their advertisers. The price paid to the publisher for banner space is very low as it does not account for specialty niche traffic. However, the advertising platform sells the banners to advertisers at a very high cost, making a profit of 300%-500%. As in the first scenario, the publisher receives lower earnings, leaving the high profits to the advertising platform. In both cases, the middlemen, namely the advertising platform, stands to earn the most profit. As a result of lower earnings, the publisher cannot afford to provide high-quality content to the readers and the advertisers do not receive the high-quality traffic they are paying for.

To address these unfair advertising practices, CannaSOS offers a transparent mechanism that would allow publishers to set their own prices for their ad space. In addition, the publisher, via CannaSOS' advertising platform, would have a right to engage the pool of previously acquired advertisers on 3<sup>rd</sup> party publisher sites. Hence, CannaSOS' advertising platform is designed to unite many existing canna niche publishers into one network; ensuring fair market value for the publishers and high-quality traffic for the advertisers.

Furthermore, CannaSOS will integrate the PCT token as an optional payment medium for all advertising related transactions on the platform. Allowing users to adopt PCT token immediately after the end of Crowdsale and token generation. This will increase PerksCoin token use, boosting its value and demand.

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### **CONTRIBUTION SYSTEM API**

To accommodate canna businesses even further, PerksCoin token will be integrated with contribution system API. Allowing the publishers to track the quality of the content and for freelancers to earn extra income.

**History:** Since 2016, CannaSOS has been experimenting with its contribution system feature. The contribution system is a voting, self-regulating mechanism that indicates the quality of the content the user is publishing. Once a piece of content is posted by a user on the site, (whether it is an article, advice post, picture or review) other users can UP-vote that piece of content if they find it useful and true, or DOWN-vote the content, if it's misleading or poorly written. The more UP-votes the content has, the higher it gets pushed up in the search results, and therefore, is viewed by a larger audience. The more DOWN-votes the content has, the lower it gets pushed down in the search results, and therefore, is viewed by a smaller audience. By posting well-written, interesting, comprehensive, and informative content, users can earn positive contribution points, which can be converted into PerksCoin (PRC) rewards points.

The PerksCoin reward points can be used to purchase services and merchandise within the CannaSOS network. PRC rewards points can also be converted into fiat currencies using the Wallet. The funds may be withdrawn from the Wallet and deposited to users' financial institution as an extra income.



The experiment with contribution system has proven to be very successful, engaging votes from mainstream users and providing an autonomous filter for poorly written content.

As the next step, CannaSOS will implement positive experience with the existing contribution mechanism and create a Contribution System API, CSA for short.

This advertising mechanism is designed to unite freelancers that create interesting content, attracting users to the website, and advertisers with one payment medium - the PerksCoin token.

#### Mechanisms Details:

- Any person or business can register on CannaSOS for free and post unique content (ie: pictures, articles, blogs, etc.)
- The website users will rate this published material using UP-vote and DOWN-vote system;
- Within a certain timeframe, our algorithm will calculate amount of positive and negative votes received and convert it into PCT tokens;
- Authors will be rewarded with PCT tokens for posting interesting, good quality content;
- Further, this content will be indexed by search engines, reposted in social networks, hence attracting traffic to the site;
- The content creator (individual or business) can use PCT tokens in two ways:
  - (a) exchanged PCT for fiat currency and withdrawn as additional income;
  - (b) or use PCT to pay for advertising, membership, and other services on the site.

- As the overall content quality becomes better, more traffic will be drawn towards the site. awarding more content creators with PCT tokens and hence prompting them to reuse tokens on the website:
- With an increased demand for PCT tokens, more profit will be made by content creators exchanging PCT token for fiat currency.

Using the capabilities of the blocking technology, which guarantees a limited number of PerksCoin tokens, we plan to integrate this advertising model into the websites of other publishers. The publishers will be able to automatically connect to our database of advertisers and sell ad space for PerksCoin Token (PCT), bypassing the intermediaries.

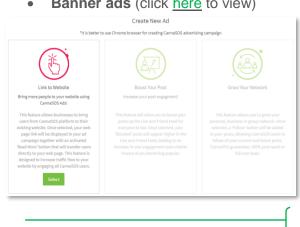
🗦 CannaSOS \vee 👘				Q 2 9
eds	Main > Wallet	Create Account	×	
ains		Select Account Currency:		
vice	Account Info 🕐	Select currency	$\sim$	s Create Account
ws	Account Number	Select currency PerksCoin (PRC)		
siness	842100000000745	Canadian Dollar (CAD)		
ore		Euro (EUR) Pound Sterling (GBP)		
illet	Convert Contribution Points Currenc	Perkscoin Token (PCT)		
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s Manager				

An affiliation with CannaSOS' advertising platform and a subscription to PerksCoin Transaction Platform will benefit all parties involved. The businesses will have an advantage with the ability to choose from a large selection of cannabis-related publishers that provide high-guality content and highly targeted traffic. In addition, advertisers will be able to acquire traffic at lower cost, while having an opportunity to promote their brand, product, and services. The publishers will benefit from fairly priced advertising space, which in turn means high profits and the ability to maintain valuable content on the website and satisfy high expectations of readers while contributing to the development of the cannabis industry as a whole.

The technical capabilities delivered by decentralized blockchain technology along with extensive client base will allow us to successfully integrate the PerksCoin token into the cannabis industry. The implementation of PCT Transaction Platform will ensure safety, transparency, and efficiency of all financial transactions.

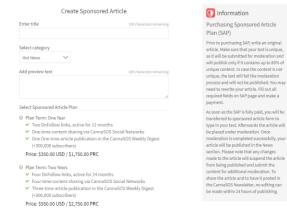
20

#### Presently, CannaSOS' advertising platform offers the following services:



#### **Banner ads** (click here to view)

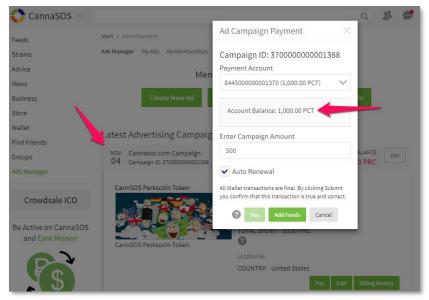
#### Sponsored articles (click here to view)





#### Memberships (click here to view) •





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The following advertising services are under development:

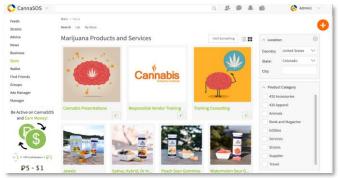
- Boost Business Network
- Boost Post
- Boost Cannabis Strain Brand
- Boost Product

### LOYALTY PROGRAM

The loyalty program involving PerksCoin token (PCT) will allow businesses to engage their client base, boosting customer return rate. Participating merchants need to subscribe to PCT Transaction Platform, which will allow using PCT token as a transaction medium for various loyalty programs. A merchant can choose to award PCT tokens to their customers for multiple purchases, product reviews, referrals, or as percentage kickbacks calculated from the total sale volume. The loyalty program will give businesses a competitive edge over those without any reward program in place.

### **E-STORE**

To benefit the mainstream user base, CannaSOS will integrate a PerksCoin Transaction Platform (PTP) with the E-Store. The E-store will allow individual users and businesses alike to buy and sell goods and services within the digital marketplace using PCT token as well as fiat currencies.



### ETHEREUM SETTLEMENT LAYER

Users wishing to convert PCT tokens into and out of PCT Transaction Platform (PTP) can do so via the public Ethereum network, which will serve as the currency's decentralized settlement layer. This option will allow the early version of the system to solve any possible blockchain hindrances involving private keys, transaction time and fees.

### **MARKET ANALYSIS**

CannaSOS is aiming to address gaps in the financial, advertising, and loyalty sectors that plague canna industry. Our objective is to employ decentralized blockchain technology and provide the industry with the best available solutions to advertise their products, reward customers, perform fast and secure peer-to-peer payments, purchase/sell cryptocurrencies, omitting third-party fees. Most importantly, PerksCoin Transaction Platform (PTP) is intended to be free, secure, and user-friendly.

#### MARKET TRENDS AND NEEDS

As the cannabis legalization sweeps across North America and other parts of the world, opening doors for numerous business opportunities, the demand for multi-level online transaction platform like PerksCoin Transaction Platform (PTP) is expected to increase drastically.

**Financial Trends and Needs:** Regrettably, the North American banking system does not provide financial services to cannabis-related businesses. The banking laws might change once marijuana becomes delisted from Schedule I of the Controlled Substances Act. Until then, cash mediated operations are a standard for the industry. Such heavy reliance on cash brings numerous crime-related risks and sets boundaries for business development. In the US, many dispensaries fall victim to criminal attacks, resulting in loss of funds and immense risk to the lives of employees and customers. Today, no financial platform designed to accommodate worldwide cannabis industry exists. PCT Transaction Platform, developed and implemented by CannaSOS team will solve this financial set back while guaranteeing transparency and security of all financial transactions.

Advertising Trends and Needs: With each year, the competition within the canna industry is expected to become fiercer. Multiple businesses will be fighting over local customer pool and will be forced to look for effective ways to market their products. Since major media conglomerates turn down all cannabis-related businesses via implementation of strict anti-drug policies, niche platforms will provide the perfect solution to all advertising needs. CannaSOS' advertising platform will be in high demand, accepting PerksCoin tokens as a mode of payment, allowing for canna businesses to expand their client reach through local and global advertising options.

**Loyalty Trends and Needs:** As more states and countries legalize and/or decriminalize cannabis, more dispensaries, and canna related merchants will open their doors to local consumers. Needless to say that all canna-businesses will benefit from implementing a loyalty program, tapping into a desire of the mainstream user to receive free incentives through gifts, a collection of reward points, etc. Being a part of the CannaSOS ecosystem and utilizing PerksCoin Transaction Platform (PTP) advertisers can engage PerksCoin tokens as part of their customer reward strategy.

### **COMPETITION**

There are a few successful online advertising cannabis platforms on the market, however, none offer to develop a blockchain based transaction platform that would solve financial problems within canna space, ensuring safety, transparency, and ease of all B2B, B2C, C2C transactions.

#### **CANNASOS COMPETITION COMPARISON CHART**

Below is a chart that compares present features of CannaSOS' platform to the leading competitors on the market. This chart will demonstrate the complexity of the platform that was designed, developed and successfully implemented by the CannaSOS' team.

TRAINS DATABASE	1			
Key Features	L*****	<b>M</b> ******	W******	CannaSOS
Marijuana strain database with comprehensive description	Yes	No	Yes/Not	Yes
Number of described strains	2,258	0	0	4,800
Marijuana strains review system	Yes	No	No	Yes
Marijuana strains data: Effect /Medical Conditions/Flavors/Photos/Popularity	Yes	No	No	Yes
Marijuana strains data: Gender/Age/Medical Symptoms	No	No	No	Yes
Marijuana <u>strains</u> data: Preferred Consumption Time/Animal Use/Zodiac	No	No	No	Yes
Marijuana strain info graphic –ready for download, printing and sharing	No	No	No	Yes
Single parameter marijuana strain search	Yes	No	No	Yes
Advanced (multiple parameters) marijuana strain search	Yes	No	No	Yes
THC and CBD strain search	No	No	No	Yes
Ability to view marijuana strain review details	No	No	No	Yes
Ability to see user marijuana strain review data	Yes/Limite d	No	No	Yes
Ability to share strain via info graphic	No	No	No	Yes
Ability to print strain infographic and use as a label	No	No	No	Yes
ADVICE and Q/A SECTION				
Key Features	L*****	M******	W*****	CannaSOS
Peer based advice system	Yes	No	No	Yes

Advice displayed by geolocation	Yes	No	No	Yes
Ability for users to rate the quality of advice via Up votes/Down votes	No	No	No	Yes
BLOG/NEWS SECTION	1			1
Key Features	L*****	M******	W******	CannaSOS
Ability for users to post content in the news section	No	No	No	Yes
News displayed by geolocation	No	No	No	Yes
Ability for users to rate the quality of news via Up votes/Down votes	No	No	No	Yes
Auto moderation of content via Up votes/Down votes	No	No	No	Yes
FEEDS			-	
Key Features	L*****	M******	W*****	CannaSOS
Ability for users to generate feeds	No	Yes	No	Yes
Ability for users to post pictures	No	Yes	No	Yes
Ability for users to post links	No	Yes	No	Yes
Ability for users to post messages	No	Yes	No	Yes
Ability for users to rate the quality of news via Up votes/Down votes	No	No	No	Yes
Auto moderation of content via Up votes/Down votes	No	No	No	Yes
Ability to comment on user's posts	No	No	No	Yes
Ability to send posts only to friends or your group	No	No	No	Yes
Ability to see, review and reply to comments posted by other users	No	No	No	Yes
GROUPS	1		1	Γ
Key Features	L*****	M******	W******	CannaSOS
Ability to create social groups	No	No	No	Yes
Follow/unfollow groups	No	No	No	Yes
Ability to repost/share group messages/posts	No	No	No	Yes
Ability to invite other users to join a group	No	No	No	Yes
Ability to comment on group posts	No	No	No	Yes
Ability to see and review comments posted by group users	No	No	No	Yes
Ability to reply to comments posted by group users	No	No	No	Yes

Key Features	L*****	M******	W******	CannaSOS
Ability to search for friends via name, location, new, popular	No	Yes	No	Yes
Ability to add/remove friends	No	Yes	No	Yes
Ability to follow/unfollow friends	No	Yes	No	Yes
Ability to see, review and reply to comments posted by your friends	No	Yes	No	Yes
Ability to invite friends by email	No	No	No	Yes
ADVERTISING		1		- -
Key Features	L*****	M******	W*****	CannaSOS
Advertising on the site	Yes	Yes	Yes	Yes
Automated, self-created ad campaigns	No	No	No	Yes
Advertising moderation system	No	No	No	Yes
Ability to select daily budget for advertising	No	No	No	Yes
Ability to edit, pause, resume ad campaign	No	No	No	Yes
Advertising moderation system	No	No	No	Yes
Membership program for the businesses	Yes	No	Yes	Yes
Sponsored Article	Yes	No	No	Yes
Membership program for labs and medical community	No	No	No	Dev.
VALLET				
Key Features	L*****	M******	W******	CannaSOS
Wallet	No	No	No	Yes
Ability to conduct financial transactions within the site via Wallet	No	No	No	Yes
Ability to open multiple currency accounts	No	No	No	Yes
Ability to transfer funds to other users	No	No	No	Yes
Ability to add/withdraw funds	No	No	No	Yes
Ability to convert currency between accounts	No	No	No	Yes
BUSINESS DIRECTORY		· · · · · · · · · · · · · · · · · · ·		
Key Features	L*****	M******	W******	CannaSOS
Business directory	Yes	No	Yes	Yes
Business search by map	Yes	No	Yes	Yes

Business directory search by city	Yes	No	Yes	Yes
Ability to create business profile	Yes	No	Yes	Yes
Ability for Businesses to build customer network	Yes	No	No	Yes
Ability for the Business to post updates and news within the business network	No	No	No	Yes
Ability to manage business page by team (different Accessing options for different business team members)	No	No	No	Yes
Ability to modify business profile by yourself	No	No	No	Yes
Ability to share profile with others in the business network as well as using FB/twitter/google+/LinkedIn	No	No	No	Yes
Ability to invite clients to follow the Business Page with 100% post reach	No	No	No	Yes

E-STORE				
Key Features	L*****	M******	W******	CannaSOS
Ability for private individuals to post items for sale in the Store	No	No	No	Yes
Ability for businesses to post items for sale in the Store	Yes	No	Yes	Yes
Product in the store displayed by geo location	Yes	No	Yes	Yes
Ability to share product info with others	No	No	No	Yes
Ability to reward users with PerksCoin Reward Points	No	No	No	Yes

PERKSCOIN (PCT) REWARD SYSTEM					
Key Features	L*****	<b>M</b> ******	W******	CannaSOS	
Reward points system	No	No	No	Yes	
PCT as internal site currency	No	No	No	Yes	
Ability to earn money via social participation on the site	No	No	No	Yes	
Ability for businesses to award PCT to customers	No	No	No	Yes	
Ability to convert PCT into local currency	No	No	No	Yes	
Ability to purchase PCT and use on the site	No	No	No	Yes	
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CONTRIBUTION (CTN) SYSTEM					
Key Features	L*****	M******	W******	CannaSOS	
Ability to earn contribution points for social participation on the site	No	No	No	Yes	
Ability to convert positive contribution points into PerksCoin	No	No	No	Yes	
Ability to rate the user via CTN balance	No	No	No	Yes	

OTHER						
Key Features	L*****	M******	W******	CannaSOS		
API for the Menu (ability to put CannaSOS menu on other sites)	Yes	No	No	Developing		
Notifications system	Yes	Yes	No	Yes		

### **CANNASOS PLATFORM DETAILS**

CannaSOS is a comprehensive social network and a sophisticated advertising platform developed primarily for the cannabis domain. CannaSOS is a successful prototype of the global P2P ecosystem that has been serving the canna space for more than 3 years. CannaSOS is divided into multiple sections: Strain Database, Pulse, Advice, Business, Store, News, Social, all developed primarily to generate leads for businesses. Since opening the doors to the public in January of 2014, CannaSOS acquired over 315,000+ registered members (without advertising campaigns), 950+ business pages, 4,800+ marijuana strain database, 200+ social groups and much more. Click <u>here</u> to explore more.

#### **PROJECT DETAILS**

The CannaSOS website is divided into two components targeting the general public and registered members.

The following website features are open to the public: <u>4,800+</u> marijuana strain database, an <u>Advice</u> section, <u>Business Pages</u>, <u>Store</u>, and <u>News</u>.

Registered CannaSOS members have further access to:

- Personal profile settings
- Pulse section
- Live feeds
- Friend feeds
- Friends search
- Posting questions to <u>Advice</u>
- Posting articles and personal stories to Articles

- Posting pictures of Strains
- Reviewing marijuana strains
- Creating Business pages
- Posting items for sale to <u>Store</u>
- Activating advertising campaigns for their business
- <u>Wallet</u> and financial transactions
- Post comments and reviews
- UP-voting and DOWN-voting posts using the contribution system
- Gaining contribution points
- Converting contribution points into <u>PerksCoin</u> reward points
- Using PerksCoin reward points to pay for advertising with CannaSOS
- Posting sponsored articles
- Buying business memberships to increase local business exposure

#### **STRAINS**

The <u>Strain</u> section contains a comprehensive marijuana strain database of 4800+ strains. Our database stands out from other 'just for fun' search engines as it contains complex search parameters for each individual marijuana strain. This feature generates customized strain information, making it easy to find the right medicinal strain for your specific need(s). All strain information is user-generated via peer reviews.

#### Users can search our strains based on various criteria:

- Strain category (such as Indica, Sativa and Hybrid);
- Positive or negative effects (such as creativity or couch lock to name a few);
- Flavors (pineapple, skunk, blueberry, kush and much more);
- Over 100 medical conditions;
- Preferred consumption time;
- Gender and age;
- Zodiac preference;
- THC and CBD count and much more.

For a quick search, the strain database is subdivided into "Mind and Body" and "Medical Benefits" categories. Users can quickly access strains to uplift mood, boost activity, overcome anxiety, maximize creativity, fight insomnia, combat fatigue, manage arthritis, treat GI pain, and much more.

Marijuana Strains Information Mind & Body									
ð		C.		S.C.		Ö		ø	
Uplift Your Mood		Boost Activity		Maintain Performance		Good Night Rest		Overcome Anxiety	
	Charge Up		Maximize Creativity		Atta Relaxa				
Medical Benefits									
Control		Eliminate		Fight		Combat Fatigue		Ease PMS	
Migraines		J)	Manage		Treat GI Pain		Search by CBD		
Popular		Ra	Rated		New		Ad	Advanced Search	

In addition, our strain search algorithm allows the users to search for **popular**, **rated**, and **new** marijuana strains. In case a more individual approach is required, the **advanced search** feature helps users find a marijuana strain based on category, positive and negative effects, medical condition, age, gender, and flavor preference.

#### Up to date, there are 8,472 user strain reviews and over 3,200,000 strain page views.

#### PULSE

The <u>**Pulse</u>** is a fun and interactive section that displays all member posts that were rated high in user engagement by CannaSOS' algorithm. Simply put, the most popular and fun member-generated posts are transferred to a Pulse section for everyone to enjoy.</u>

#### ADVICE

The <u>Advice</u> section is an interactive platform where CannaSOS registered members can ask for peer advice. For instance, if you have a question about a certain marijuana strain, or need advice on the best consumption method, or want to know a trustworthy dispensary nearby - post your question to the Advice section and wait for advice from other members of the site. You can also search existing questions in the database. The search results are displayed based on your location. Thus, you only see questions and answers that are near you geographically and therefore more relevant.

Up to date, there is over 2380 advice Q/A posted.

#### **NEWS**

The <u>News</u> section is a feature available to all registered members. It allows users to share 420 related articles and personal stories for everyone to read. The news section is further subdivided into the following categories: hot news, health, stories, authors, education, cannabis 101, culture, grow, business, strains, recipes, politics, humor, and video. Our members generate all content in the News section.

We have created a complex module, which allows the moderators to edit and check for plagiarism the articles that have been posted on the News portal.

Up to date, there are 3696 articles posted.

#### **BUSINESS**

The **Business** section is a directory of all canna-related businesses including marijuana dispensaries, cannabis apparel merchants, cultivation suppliers, B2B suppliers, 420 service providers, marijuana clinics, medical doctors, etc. that are registered and not registered in our system.

A business owner can join our business network by creating a free business page, which eliminates the need for maintaining a business website, as it is indexed by Google crawler and all other major search engines.

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The business is exposed to all CannaSOS members, a highly targeted 420-community. The business is displayed in the search filter by geolocation as well as through direct product search performed by the user. These features are very convenient, as a person can search for products of interest near their geographic location. With a click of a button, one can access a business profile, see hours of operation, explore product list and prices, and see driving directions immediately. A basic CannaSOS Biz Page is free to set up. However, if a business owner wishes to target more clients and expand their geolocation, a business membership plan can be purchased.

Up to date, there are 950 active business pages.

#### STORE

The <u>Store</u> section displays all the items uploaded by businesses registered on CannaSOS' network. The merchandise is displayed based on user's geographic location. However, one can further search the <u>Store</u> section by product name, location (country/state/city), product category, and price range.

Up to date, there are 1100 products displayed in the store.

#### **ADS MANAGER**

The <u>Ads Manager</u> section allows users to create advertising campaigns, purchase business memberships and post sponsored articles.



#### Advertising

A user can create an ad using our fast, intuitively easy to use advertising platform. Ads Manager eliminates a need for a middleman. A user can design an ad campaign and select the appropriate budget without paying commissions or engaging with a third party. The advertising budget can be set as little as \$5 per day or more, allowing exposure on the local and global scale.

#### **Sponsored Articles**

Sponsored articles are a very important tool for increasing brand awareness, traffic and search engine ranking of a business website. Sponsored articles give a user's website Follow backlinks, allowing search engine bots to follow the links, hence increasing the weight of the site.

#### **Business Membership**

Presently CannaSOS offers two types of business membership: Basic and Blue.

**The Basic** membership is free and allows business owners to create a business profile, develop a business network, share company news via press release, post ads, be listed on the map, and the business directory, as well as to be displayed on CannaSOS homepage based on a specific geolocation.

**The Blue** membership is designed for small business setups, looking to attract local customers. The costs of a Blue membership is \$70 USD/month. It has all the features of the basic membership, as well as these additional elements:

- An increased size of business icon on the map;
- Business icon to be enclosed in a circle for better visibility;
- Business page to be displayed in one city of choice;
- In the map directory, the business page will be ranked 3<sup>rd</sup> in the business listing;
- The business page will be displayed on the CannaSOS homepage in the city of choice.

#### **CANNASOS IS**

**Informative** – we hold the largest and most comprehensive, North American-based, marijuana strain database together with user-based strain reviews, latest news, and comprehensive peer advice.

**Supportive** – we support the legal marijuana community, the freedom of choice and communication, we support the decriminalization of marijuana for medical and recreational purposes.

**Innovative** – we provide a great resource for the worldwide canna-community, employing blockchain technology to bring cannabis users and canna related businesses together, ensuring safety, ease, and transparency of all financial transactions.

**Competitive** - we offer more options to our users than any leading website on the market.

**Appreciative** – we reward our platform users with PerksCoin reward points, which further can be converted to PCT tokens, and used within the CannaSOS ecosystem or converted to crypto or traditional currencies and withdrawn as additional, hassle-free income.

**Responsible** – we take responsibility for the services we provide, striving to deliver the best.

**Reliable** – CannaSOS has been operating since 2014. The project evolved from a simple website to a complex multi-level platform, proving its viability and demand with a steady increase of traffic, over 315K registered users and many positive reviews.

Free – all our information resources are designed to be enjoyed by individual users for free.

**Outspoken** – we give our users a voice, inviting users to share their ideas, vote for content, and point out shortcomings and recommend improvements.

### MARKETING STRATEGIES AND IMPLEMENTATION

PerksCoin Transaction Platform' business model calls for aggressive marketing and social media campaigns to spread awareness, elicit development of our transaction system, initiate PCT token implementation, and expansion of the PTP ecosystem.

#### **MARKETING STRATEGY**

We will run a progressive marketing campaign in several languages to spark interest and awareness of our project. Our campaign will employ such marketing strategies as online social media marketing, attending and sponsoring trade shows and conferences, publishing press releases, articles, direct marketing, signature/bounty campaigns, radio and text ads.

#### SALES STRATEGY

CannaSOS sets a special priority on forming long-lasting relationships with our customer base. The foundation of all sales will be a properly trained sales team that would target new, and strengthen existing business connections. Presently CannaSOS has a team of 18 Sales Representatives with 2 Territory Sales Managers. The agents are trained to provide knowledgeable advice and friendly customer service, making sure that onboarding process is fast and easy. Our marketing team will undergo additional training to be well-versed in the features of PerksCoin Transaction Platform and the use of PCT token. In addition, CannaSOS will provide incentives to our users, such as awarding bonus tokens for using PCT, barter trade, discounted fees, promotional membership packages, free self-serve API implementation, free statistical tools, etc. Moreover, the PCT Transaction Platform will be free to use for all participants of the ecosystem.

#### **COMPETITIVE EDGE**

CannaSOS is ahead of the competition as it has been successfully operating since 2014 and providing a comprehensive one-stop platform for users worldwide. The many components of the platform generate numerous leads and gather valuable statistics. Furthermore, to stay on the top of the game, CannaSOS will utilize extensive market research and keep an eye out on the latest technology and market trends, providing customers with knowledge and expert advice.

#### PCT TRANSACTION PLATFORM (PTP) OFFERS:

**Implementation of decentralized blockchain technology:** PCT Transaction Platform (PTP) will run on decentralized blockchain technology to guarantee transparency and proper record of all financial transactions involving PCT tokens.

**Global reach:** PTP aims to provide services globally, engaging different languages, and catering to the financial needs of the worldwide cannabis industry.

**Crossing into other markets:** PTP design will not be specific to the cannabis industry, the platform can be successfully implemented in any industry, likewise, the PCT token can be integrated into any niche marketplace.

**Comprehensive platform:** Being developed by CannaSOS team has many advantages. As of today, CannaSOS has a vast social and informative component, including strain database with peer reviews, news and advice section. All these social features provide access to statistical data and allow for further targeting and development of products/services that would successfully accommodate the mainstream user.

**Engagement of the cryptocurrency market:** The PTP will implement the PCT token, allowing companies to board the cryptocurrency market with ease, providing transparency for all financial transactions, eliminating third-party engagement and high fees, resulting in higher profits.

**Safety Features:** PTP will offer a Secure Sale feature that will guarantee the security of all financial transactions, protecting Buyers from unverified Sellers, protecting businesses from unverified wholesalers, etc. The Secure Sale feature will target and eliminate any fraud in the marketplace

### **PROJECT DEVELOPMENT OVERVIEW**

The PerksCoin Transaction Platform (PTP) development will consist of three consecutive and one continual stage.

#### The three consecutive stages include:

- 1. Issue of ERC20 tokens based on Ethereum smart contract. This will allow integrating PerksCoin token swiftly into the infrastructure of our partners, with whom CannaSOS has signed Memorandums of Cooperation at the time of the ICO.
- 2. The design, development, and implementation of decentralized blockchain mechanism along with Secure Sale feature as part of PerksCoin Transaction Platform.
- 3. The development of auto-regulatory function involving emission and withdrawal of PCT tokens from circulation for purpose of token liquidity.

Each stage will go through alpha and beta testing, the finished product will be released through blockchain hard-fork system.

The continual stage will include the development of infrastructure solutions such as wallets for various devices, explorers for viewing blockchain, solutions for mining pools, etc.

Along with the development of infrastructure, a legal and accounting team will be created. Since cannabis is considered to be an illegal substance in many parts of the world, we need to employ a competent legal and accounting team to advise us on nuances of the market and legal issues at hand.

# ROADMAP

November 6, 2017	Announce registration of participants for PCT Presale. A bonus discount of 40%-30% for all pre-sale participants.
November 25, 2017	Start ICO.
February 28, 2017	End ICO.
March 10, 2018	KYC Verification.
March 15, 2018	Token listing on recognized coin/token exchanges.
March 15, 2018	CannaSOS Ads Manager will begin accepting PerksCoin Tokens. Start development of Partnership platform for publishers and advertisers. Start development of PCT Transaction Platform (PTP). Unite CannaSOS Wallet with Cryptocoin Wallet.
March 30, 2018	Start development of E-Store that will use PCT token for transaction.
May 1, 2018	Start development of Loyalty Platform for retailers.
June 20, 2018	Begin marketing campaigns concerning Loyalty Platform and PCT.
August 15, 2018	Start development of Security Sale feature based on decentralized blockchain technology.
August 20, 2018	Engaging CannaSOS business users to test partnership program.
September 1, 2018	Start developing Self-Regulatory function for PTP

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# **BENEFITS FOR BUYERS OF PERKSCOIN TOKENS (PCT)**

The majority of projects posted on ICO are at the infancy stage, being brainstormed in the minds of their creators and committed to paper. We stand apart from the greater part of contenders, because:

• CannaSOS' social and advertising platform is a fully operational project that has been addressing the needs of the worldwide cannabis community since 2014. This means that you can test out all features of the platform yourself simply by going to <u>cannasos.com</u>.

• The complexity of the CannaSOS' advertising platform illustrates the devotion, knowhow, and the skill CannaSOS' team will bring to design and develop the PCT Transaction Platform.

• Since its conception three years ago, CannaSOS' founding and development team have remained the same, staying true to the project and chaperoning it on the way to success.

• The founders and key developers are shareholders of the enterprise, hence they are all highly motivated in maximizing platform's performance and profitability.

• CannaSOS has an experienced sales and marketing team that works day and night to acquire new customers and expand awareness within worldwide canna community.

• CannaSOS' team will develop and monitor the PCT Transaction Platform (PTP), and integrate it with an existing CannaSOS advertising platform, valuable strain database, and contribution system.

• The purchasing of PCT tokens provide colossal reward possibilities as the ICO offers PCT tokens at lower market value, which will increase with time, as the number of issued PCT tokens is limited to 100,000,000.

• A PerksCoin token has value as it can be used within the CannaSOS' advertising platform to purchase ad space and membership services right after the completion of Crowdsale and token generation event. After the launch of PCT Transaction Platform (PTP) users will be able to conduct more transactions using the token, including purchasing and sale of products and services offered by the PTP ecosystem. An increase in a number of transactions involving PCT token, will increase demand and hence the value of the token.

• As more countries legalize cannabis, the cannabis industry will continue to grow at fast pace, creating a larger pool of businesses that will subscribe to using PCT Transaction Platform (PTP), incorporating PCT tokens into their daily business routine, including purchasing products and services, advertising and engaging in loyalty programs. This expansion of PCT implementation will increase the demand for PCT token, driving up its value.

• With an expansion of the cannabis market and formation of canna-conglomerates serving cannabis purchasers, retailers, there would be a huge demand for advertising and incentive driven reward systems. We will work hard to bring the newly-formed canna-conglomerates on board and implement PCT tokens within their network.

• CannaSOS has an existing community of 315K+ registered members and over 950+ active businesses onboard. They are very active, extremely supportive and cannot wait to use PCT token.

# **PERKSCOIN TOKEN (PCT) ISSUANCE**

PerksCoin (PCT) token is an Ethereum based ERC20 token. Acquiring PCT token will help us develop financial and interface infrastructure based on blockchain technology, which will ultimately stimulate the implementation of the PCT into the PTP ecosystem and increase the value of the token.

Total tokens to be issued for public sale:	100,000,000 PCT
Name:	PerksCoin
Ticker:	PCT
Based on:	Ethereum

A total of 100,000,000 PCT will be generated with no further production of tokens, hence over time, the PCT tokens in circulation will increase in demand.

Since only 100,000,000 tokens will be generated, the distributed value and frequency of token production are important factors in token price. The tokens will be introduced in three stages.

Token crowdsale will be conducted as follows:

- 10,000,000 tokens allocated to CannaSOS controlled reserve to maintain price support of the PCT tokens. These tokens can be bought or sold to keep the token circulation stable.
- 500,000 tokens allocated to CannaSOS for supporting transactions on PCT Transaction Platform (PTP).
- 14,300,000 tokens allocated to CannaSOS for Marketing on PCT.
- Founders and team members who own PCT will be prohibited from liquidating the tokens at a rate of more than 35% of their position within the first calendar year. This rule is implemented to prevent dumping and keep token price stable. It keeps their interests aligned with CannaSOS ecosystem.
- Reserved PCT token crowd sale funds will be inaccessible for any other purpose than future token crowd sale events.

## THE GATHERING OF FUNDS WILL BE DONE THROUGHOUT THESE 4 STAGES:

- 1. Private Presale for Whitelist participants: tokens will be sold at a 40%-30% discounted price.
- 2. Public Presale: tokens will be sold at a 25%-10% discounted price.
- 3. Crowdsale: tokens will be sold at the nominal price
- 4. Post ICO: tokens will be sold on digital assets exchanges.

## PRESALE AND WHITELIST TERMS

By participating in the CannaSOS presale, you will have an opportunity to receive the largest bonus possible during the token sale process.

In order to ensure that you do not miss the presale, fill out the form on this website: https://cannasos.com/crowdsale-ico. Make sure to indicate your full name, email, Ethereum address, and the amount you want to contribute.

Whitelisted participants will receive first priority and your place on the list will be determined by your contribution amount.

## PRESALE DETAILS FOR WHITELIST PARTICIPANTS

**Time and Date:** TBD Pre-sale to early Purchasers – Presale cap: 10,000,000PCT with 40% Discount (Minimum purchase per deal - \$500USD)

**Time and Date:** TBD Pre-sale to early Purchasers – Presale cap: 10,000,000PCT with 30% Discount (Minimum purchase per deal - \$100USD)

## **PUBLIC PRESALE DETAILS**

#### Stage 1 Time and Date: TBD

Pre-sale to early Purchasers – Presale cap: 5,000,000PCT with 25% Discount (Minimum purchase per deal - \$50USD)

## Stage 2

**Time and Date:** TBD Pre-sale to early Purchasers – Presale cap: 10,000,000PCT with 15% Discount (Minimum purchase per deal - \$50USD)

## Stage 3

**Time and Date:** TBD Pre-sale to early Purchasers – Presale cap: 25,000,000PCT with 10% Discount (Minimum purchase per deal - \$50USD)

## **CROWD SALE DETAILS**

**Time and Date:** TBD Pre-sale to early Purchasers – Presale cap: Left PCT Price: \$0.80USD

## **POST ICO**

#### The first stage will be done through an exchange;

CannaSOS, throughout the span of two weeks after the end of the Crowdsale and creation of the Smart Contract will put up for sale 5% of all unsold PerksCoin Tokens on the DAE.

#### Second Stage:

Three months after the end of the Crowdsale, CannaSOS will put up for sale additional 10% of all unsold PerksCoin Tokens.

#### Third Stage:

Six months after the end of the Crowdsale, CannaSOS will put up for sale additional 20% of all unsold PerksCoin Tokens.

#### Fourth Stage:

Nine months after the end of the Crowdsale, CannaSOS will put up for sale additional 30% of all unsold PerksCoin Tokens.

Twelve months after the end of the Crowdsale, CannaSOS has the right to sell any amount of the remaining unsold PerksCoin Tokens.

During the whole time, CannaSOS has the right to sell PerksCoin privately in any amount not exceeding 40% of all tokens, and at any price above the market price.

Because of our confidence in the success of the project, CannaSOS will not sell all PCT tokens on the first day of token sale on the Digital Assets Exchange (DAE). However, in the future, as the company will require additional funds for further project development, CannaSOS will engage in the sale of PCT token on as need to go basis.

# **ICO USE OF PROCEEDS**

**25% Business Development:** The main objective is to develop numerous blockchain based features and integrate them with the existing platform, which would allow for the platform to develop and the ecosystem to grow. To accomplish our goals, we will be seeking accomplished professionals that have experience and will allow for CannaSOS to realize its full potential.

**20% Software and Infrastructure:** We need to expand our development team to ensure that the platform is running on forefront technology, guaranteeing seamless user experience, safety, and security.

**25% Marketing:** Our goal is to build brand awareness within the cannabis community, promote the utilization of PCT within and outside of CannaSOS ecosystem, and acquire larger user base. To achieve this, we will employ out-of-the-box marketing strategies, partnerships as well as traditional advertising methods.

**15% Legal and Administration:** Since marijuana has not been legalized/decriminalized in all parts of the world, we are in need of a strong legal and accounting team that will ensure our compliance with regional and state laws, while keeping our user base safe.

**5% Contingencies:** There may be some unforeseen expenses that are linked to the implementation of new features and technologies, thus a certain amount of our budget will be allocated to deal with those types of circumstances.

**10% Acquisition of Assets:** CannaSOS is aiming to expand its ecosystem through partnership as well as the acquisition of companies that hold advantageous technology, statistics, or other information related to the cannabis industry.

## **SUMMARY**

In the next five years, more countries will legalize and/or decriminalize cannabis, allowing for marijuana to become more mainstream in society, hence contributing to a continuous expansion of the cannabis market. With more canna-related businesses opening their doors worldwide, a need for a secure, easy to use, canna-friendly, financial transaction platform will grow. As competition for local customer base will become fiercer, implementation of loyalty programs and effective advertising models will give businesses a competitive edge.

CannaSOS offers a perfect solution to address industry challenges of today and tomorrow. A mainstream adoption of PerksCoin token and PerksCoin Transaction Platform (PTP) will solve financial and advertising challenges faced by most businesses in the cannabis domain. Blockchain-based, PTP will provide speed, security, and transparency to all token-based transactions, merging fiat currency and cryptocurrency together in a user-friendly interface.

Further PTP will support PerksCoin token liquidity by employing token emission and destruction mechanisms. In addition, PTP will offer Secure Sale and arbitration services to protect buyers and sellers within the digital marketplace.

Likewise, by adopting the PerksCoin token as a payment medium, CannaSOS' advertising platform will solve issues pertaining to advertising and loyalty programs. We will offer the multibillion-dollar canna industry best available solutions to grow their brands, expand client base, reward clients, and advertise products and services.

The possibilities of our multi-level transaction platform within the cannabis market space are boundless. Most importantly, we strive to achieve security, safety, and transparency while giving businesses the ability to grow and maximize their profits.

## THE TEAM



Oleg Cheine Founder, CEO

Oleg has over 17 years of experience, specializing in sales and management, as well as the implementation of marketing plans and strategies. Oleg's expertise is in business development, creating and overseeing website functional and architectural design, software design, generation of sales and maximizing profits. To achieve project success, Oleg employs his superior analytically skills, works well in a team environment, and enjoys a challenge.



Luba Kay

Founder, CFO, Researcher, and Advisor

Luba has over 8 years of successful entrepreneurial experience within the health industry and over 3 years within the canna-space. She is closely involved with researching strains, communicating with patients and businesses in the industry. Luba has good knowledge of latest rules and regulations within Canadian canna market. She is highly professional, a good spokesperson, and a team player.



#### Vas Shestakov

Co-founder, Director of Development Department, Software Architect

Vas is top-level software architect with over 13 years of experience in software development. Vas has extensive knowledge in the development of web-based applications, Flux architecture, SSR applications and much more. He has been an overseeing developer of CannaSOS platform for past 3.5 years. Vas is an excellent team leader with deep knowledge of the IT industry and good communication skills.



Andrey Shevtsov CTO, Blockchain Developer

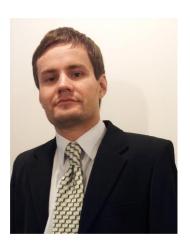
Andrey has strong analytical skills combined with deep understanding of blockchain technology. Andrey likes to seek ways to incorporate blockchain technology into successful business practice, providing solutions to most common blockchain related problems. Based on his knowledge and experience, Andrey is confident that the PCT Transaction Platform designed by CannaSOS will have an immensely positive impact on the cannabis industry.



#### Vit Ivanov

Co-founder, Senior Developer

Vit has deep knowledge and over 10 years of experience with Javascript, AngularJS, NodeJS, ReactJS, MongoDB, PostgreSQL. He enjoys challenges, searching for and implementing out-of-the-box solutions. Vit is highly creative, he has been ensuring CannaSOS technological advancement from the start. Vit is a team player that treats CannaSOS team as a second family.



**Sergey Shnerson** Co-founder, Network Administrator

Sergey is a system architect and DevOps engineer with over 15 years of experience. His involvement with different projects, including telecommunications, billing systems, and entertainment, allowed him to gain insight and valuable knowledge of different networks. Sergey is an expert in Linux, Docker, Kubernetes, CI/CD, SQL/NoSQL databases, Monitoring, Alerting, Cloud services, mail servers, and more. For the past 3 years at CannaSOS, he has created and implemented a "bulletproof" network that is advanced and superior to many competitors on the market.



Anton Yakovlev Co-founder, Frontend Developer

Anton is a top of the line front-end developer with more than 10 years of experience. He always pays great attention to UX/UI, performance optimization, responsive and adaptive interfaces. Anton has deep knowledge in building user-friendly interfaces using Javascript, Angular, React, NodeJS, HTML, CSS (Less, Sass, PostCSS, BEM), Git, Mercurial, Gulp, Grunt, Webpack. He enjoys building and implementing agile development methodologies like Agile and SCRUM. Anton is a team player with great understanding of the project and deep professional expertise.



Anton Danilov Co-founder, Full-Stack Developer

Anton has over 8 years of experience in the industry with deep knowledge of JavaScript, Node.JS, AngularJS, React, React-Native, JQuery, MongoDB, PostgreSQL, Gulp, Grunt, Webpack, Git. He loves to search for and solve website performance problems, offering excellent analytical skills, teamwork, and knowledge.



**Daniel Cheine** Co-founder, Account Manager

Daniel is an Account Manager and Co-Founder of CannaSOS. Starting as a Social Media Marketer for the company, Daniel played a huge role in helping the website reach 314,000 members without any marketing campaigns within the span of 1.5 years. Currently, he is responsible for HR, sales, marketing, business relations, and anything else that will benefit the company. He is a "jack of all" trades.



Steve Prosniewski West Coast Territory Sales Manager

Steve brings his extensive start-up and business development experience to CannaSOS as a Territory Sales Manager covering the West Coast of the U.S.A. Starting in the Dot-Boom, Steve has had an uncanny eye for growth and potential in the digital space. With his entrepreneurial attitude and work ethic, Steve has increased CannaSOS identity and growth strategy, all the while building strong business relationships by creatively helping businesses and consumers connect in a way that positively affects the bottom line.



Bennett Cook East Coast Territory Sales Manager

Bennett is a Territory Sales Manager that covers the sales process on the East Coast of Canada and parts of the U.S. He has generated thousands in sales for the company and is a leader that allocates a large amount of time towards further developing his sales team. Bennett's expertise is in digital sales and marketing via various internet platforms. He has worked for businesses and influencers in the past, helping them with media strategy and planning.

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<sup>6</sup> Berke, J. (October 27, 2016). Deloitte: Legal weed could be a \$22.6 billion industry in Canada. Retrieved from <u>http://www.businessinsider.com/deloitte-weed-could-be-226-billion-canada-2016-10</u>

\**DEFINITION* of '*Hard Fork*' As it relates to blockchain technology, a *hard fork* (or sometimes *hardfork*) is a radical change to the protocol that makes previously invalid blocks/transactions valid (or vice-versa), and as such requires all nodes or users to upgrade to the latest version of the protocol software.

\*\* <u>https://cointelegraph.com/news/imf-could-issue-international-cryptocurrency-to-replace-dollar</u> and <u>https://cointelegraph.com/news/christine-lagarde-cryptocurrencies-should-not-be-ignored-by-governments</u>