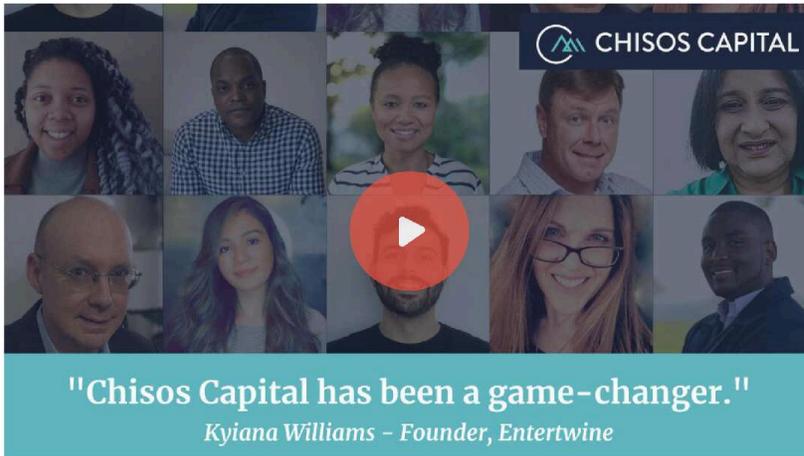


**Fast, flexible capital for great entrepreneurs.  
More reliable returns for investors.**



chisos.io Santa Monica CA

Main Street Software Technology Social Impact B2C

**OVERVIEW** UPDATES 3 WHAT PEOPLE SAY 16 ASK A QUESTION 7

## Highlights

- 1 Addressing the \$4T blindspot in startup financing by backing high-potential, overlooked founders.
- 2 Unlike banks, we evaluate founders based on future potential, not just assets & financial history.
- 3 Chisos' Convertible Income Share Agreement uncaps equity upside for investors & flexibility for founders.
- 4 Wefunder investors receive 3X PREFERRED waterfall position for profit distributions.
- 5 Raised \$550K pre-seed operating capital & \$500K Fund I; currently raising \$10mm Fund II.
- 6 Developed platform with proprietary underwriting algorithm; automated application & diligence process.
- 7 200% online application increase in 2021; 10 completed investments to date.
- 8 Proof: ~\$20K ISA repayments; Returning ~10% of Invested Capital to Fund I LPs in 2021 (est.).

## Our Team



**William Stringer** Co-Founder & CEO

Leads investment strategy at Chisos w/ over 10 years of investing experience, including 4 years as Sr. investor at a \$1B+ AUM family office driving and managing public and private opportunities, IB at Merrill Lynch. Angel & digital asset investor.

The idea of utilizing a person's future earning potential to secure funding seemed like a natural evolution of the capital markets. As I dove deeper I realized the magnitude of the problem. Current funding options fail 83% of entrepreneurs. There is an immense amount of talent denied the entrepreneurial path due to lack of access to capital.



**Stephen Grinalds** Co-Founder & CTO



Heads investment platform tech initiatives & infrastructure. Expert in distributed systems, awarded several patents, co-founded 3 early stage ventures, & advises the UN infotech research division. Former VP Engineering of Emergent Labs.



**Ken Aseme** CFO

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

SEE MORE

## Why Chisos?

### CHISOS FILLS A MASSIVE GAP IN FUNDING NEEDS

Did you know that personal savings, credit cards, and family contributions make up 83% of all startup funding? Or that, according to a Morgan Stanley report, traditional VCs have a \$4T blindspot when it comes to women- and minority-led businesses?

Chisos provides a unique source of alternative financing for overlooked and under represented entrepreneurs.

Your investment will help build the platform to connect great potential founders with capital.



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)

### ACCESS TO CAPITAL IS LIKE A PRIVATE CLUB

Fewer than 23% of founders who receive VC funding are minorities, and only 2% of all VC funding goes to women-led groups. Meanwhile, new ventures can't qualify for bank loans.

Chisos solved this problem by pioneering an innovative investment approach: the Convertible Income Share Agreement (CISA). The CISA purposefully combines the best features of two commonly known instruments, SAFEs and ISAs.

How? We receive an ISA from the founder and a SAFE in the founder's business.

Founders get the capital they need to start and grow their business, and investors benefit from a de-risked approach with uncapped upside. Win-win.

THE PROBLEM

CHISOS OPPORTUNITY SCORE

- 83% of new businesses are failed by existing funding options.
- Banks / Traditional Debt accounts for ~16% of business funding, and only serve businesses with successful operating history or hard assets.
- Venture Capital / Equity lacks diversity\* AND only accounts for 0.5% of business funding
- The remaining 83% comes from personal savings, family or credit cards (Many would-be founders lack this privilege)

Source: Kauffman Foundation

**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**

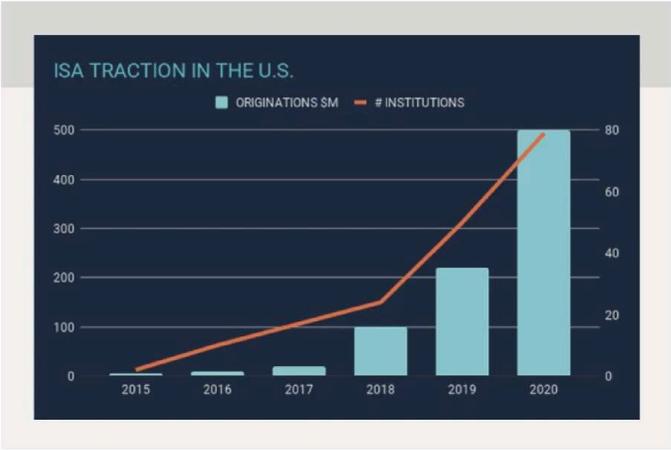
- Use of proceeds
- Growth potential
- Current state
- Tech-enabled solution
- Current investors
- Future capital needs

## WE HAVE TRACTION

We've raised \$550K pre-seed operating capital, \$500k in Fund I investment capital, and we're currently raising \$10mm in Fund II. More than 350 founders have applied for capital through our online app, (over 60 alone in March 2021), with 10 investments complete.

We developed a FinTech platform with our proprietary underwriting algorithm, as well as an automated application and diligence process to source, underwrite and service thousands of applications and hundreds of investments.

-  **Proprietary** underwriting algorithm
-  **10** investments complete + **2** in due diligence
-  **\$550K+** raised in pre-seed operating capital, **\$500K** in Fund I investment capital
-  **350+** applications (over **60** alone in March 2021)



## GROWING FAST IN A HUGE, UNTAPPED MARKET

More individuals are seeking to start their own businesses: this translates to

There's also a strong demand for new business funding of \$3 billion+ per year in the U.S. alone. Millennials and Gen Zers are 188% more likely than baby boomers to have the aim of creating a side business.

New entrepreneurship will surge, and we'll be there to meet the moment.

Millennials and Gen Zers are

# 188%

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

Source: Salesforce, 2019

## AS SEEN IN TECHCRUNCH

Our CEO, Will Stringer, has been featured in TechCrunch's "12 'flexible VCs' who operate where equity meets revenue share," as well as on Angels and Entrepreneurs, S²TV and the Opt Out Life podcast.

**WILLIAM STRINGER – INVESTING IN ENTREPRENEURS**

1 MONTH AGO · 47:42

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

Founders seeking non-dilutive funding: start here

## FOUNDERS WE'RE WORKING WITH RIGHT NOW

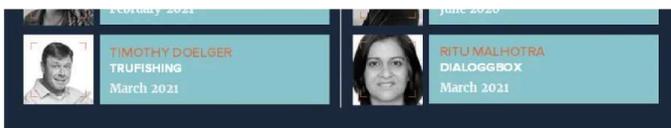
We have ten (10) portfolio companies in our first fund, and two more in diligence.

Over 2/3rds of the portfolio companies are led by underrepresented founders.

Our Investments in each range from \$15K to \$50K.

A third of the portfolio is already making regular ISA payments, and the first to achieve a Qualified Financing to reduce the ISA was Re-Nuble Inc. (in November 2020).

<p><b>JENNIFER KIESEEWETTER</b> CROSSWALK HEALTH February 2021</p>	<p><b>ARMEN ROSTAMIAN</b> GRUV June 2020</p>
<p><b>AMANDA LEVAY</b> REDACTABLE January 2021</p>	<p><b>TINA PINA</b> RE-NUBLE May 2020</p>
<p><b>GREG FOSTER</b> VIZEN ANALYTICS December 2020</p>	<p><b>STEPHEN ALRED</b> KNOWCAP INTERACTIVE July 2020</p>
<p><b>KYIANA WILLIAMS</b> ENTERTWINE February 2021</p>	<p><b>DAVID ONYEADOR</b> FUNWALLET June 2020</p>



## OUR TEAM KNOWS HOW TO BUILD SUCCESSFUL COMPANIES

Our powerhouse team is backed by a world-class board of advisors with experience growing multi-billion dollar businesses. Including:



**SIMONE GARREAU**  
Advisor - Risk Mitigation

Operational and compliance risk expert with an MA in Global Security and Intelligence from Johns Hopkins University.



**SAMIRA SALMAN JD, LL.M.**  
Advisor - Investments & Legal

Business advisor with a \$5.5 billion successful record of structuring, funding, growing, and exiting global ventures. Has a BS and JD from Louisiana State University and an LL.M. in taxation from the University of Houston.



**ROBERT HATCHER**  
Advisor - Investments & Legal

Executive Chairman at Avalon Advisors with over 35 years of investment and deal structuring experience. Received BBA from Southern Methodist University and an MBA and JD from Tulane University.



**THOMAS COWEE**  
Advisor - Finance & Accounting

40 years of experience as a financial and accounting executive, including 15 years as a Chief Financial Officer. B.Sc. in accounting from The Ohio State University.



**JOE VANDER ZANDEN**  
Advisor - Business Development

With leadership roles in Business Development at Samsung, Consensus, Cisco, and Paypal, Joe Vander Zanden brings business development, strategic partnerships, go-to market strategy, and strategic planning to FinTech ecosystems.



**ERIC BUNTING**  
Advisor - FinTech

Founder and Managing Partner at Overbrook Capital with over 25 years as partner in private equity funds, private investor, operating executive and advisor to over 80 companies representing over \$1 billion of invested capital.



**BRENT GRANADO**  
Advisor

An accomplished investor, board member and executive with extensive knowledge in global markets with regard to technology, healthcare tech and consumer products. Assisted numerous companies with strategically leveraging the greatest value out of their intellectual property as well as intellectual capital.

## BOTTOM LINE: FOUNDER SUCCESS IS OUR TOP PRIORITY

We're making first money capital investing better for founders and investors.

Here's how we're founder-friendly:

- When selecting investments, a founder's financial background is only one—but not the sole—factor used to determine eligibility.
- We offer flexible start-and-end ISA payback with an equity clawback option (up to 2/3), plus the 1X payoff cap with a Qualified Financing.
- Founders also get a clean cap table, as the ISA obligation is decoupled from the equity (SAFE).



*"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."*



"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

## THIS IS A BETTER WAY TO DO EARLY STAGE INVESTING

With Phase II underway, we are operating as an asset manager to get capital into the hands of entrepreneurs using our CISA funding instrument.

Phase III takes the FinTech infrastructure built and utilized by Chisos, and offers it to other entities and investors (universities, corporate innovation, municipalities & individuals) for their own early stage / CISA investing efforts.

### Chisos - Today. Tomorrow. Future.

#### 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.)

#### 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

#### 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

Our end goal is to take the CISA global, enable undervalued entrepreneurs anywhere to leverage their own potential to raise that first investment check.

This outcome creates a global fintech organization with significant shareholder value.

### Global CISA Funding Platform



#### PROVIDING THE INFRASTRUCTURE

- Application Process
- Algorithmic Underwriting
- ISA Management & Payments
- Investment Management & distributions
- Licensing Fees to Chisos



#### INVESTORS

- Individuals
- LPs/Funds
- Foundations



#### THEMATIC, REGIONAL/PRIVATE FUNDS

- ESG
- University Fund
- City/Country Innovation Fund



#### MENTORING /COMMUNITY

- Best practices content portal
- University Fund
- Future funding source ecosystem



#### IDEA, EARLY STAGE & SIDE HUSTLE FOUNDERS

There's no better time than the present to invest with us! Income share agreements are gaining traction in the US, predominantly in the education sector. 2020 ended with over \$500 million in ISA projections, which included the job training and philanthropy spaces, respectively. We fit perfectly within the

current startup ecosystem, partnering symbiotically with upstream and downstream ecosystem players.

## WHAT THE FUTURE HOLDS FOR CHISOS

Over the next five years, we project tremendous revenue growth, both in terms of asset management and licensing/SaaS fees.

The latter category represents the bulk of those gains, with over 75% of a projected total of more than \$45M coming from licensing fees in 2026.

In that same timeframe, we expect asset management revenue to double every year from 2024 to 2026, reaching the \$10M mark by the fifth year. (NOTE: these figures are forward-looking projections that cannot be guaranteed.)

### Financial Projections

