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EXECUTIVE SUMMARY

Phireon Global Partners LLC ("Phireon" or "Company") is a Florida limited liability company formed to engage in the development of a proprietary blockchain platform focused on increasing trust, integrity and efficiency (the "Phireon Platform") for governments, municipalities, corporations, and communities ("Phireon Customers").

The Phireon Platform, when deployed, is intended to increase efficiency in the following areas ("Phireon Applications"):

- Increased transactional security, transparency and trust
- Real-time voting transparency and security
- Highly efficient, secure and accurate blockchain tax collection utilizing complimentary digital currency
- Increased opportunities for incentivized and robust economic development
- Implementation of both quantitative and qualitative metrics for a holistic economy
- Payment tracking, transparency, security and verification of receipt by the intended recipient(s)
- Effective utilization of data for predictive modeling, budgeting and resource allocation
- Mitigation of fraud, corruption and risks associated therewith Effective, scalable and secure electronic communications.

The foundations upon which the Phireon Platform will be built are (1) trust, (2) security, and (3) efficiency. The system is designed to increase the validity of consensus decisions while decreasing the time it takes to arrive at that consensus. Validity is the basis of trust, and verifying network behaviors and transactions utilizing a blockchain inherently justifies validity due to behaviors and transactions being witnessed and securely recorded by multiple sources (or nodes).. This can be a financial transaction, a vote, or in the specific case of Merit, a person's rolling score, reputation or value to the system.

Trust is omnidirectional, including trust of:

- people to each other
- governing bodies (private and public) to individuals
- people to governing entities.
- People to Planet

Phireon is a platform designed to operate as a trust network that provides effective coordination of trust sources, transparency, inter-connection of data systems, and a complete underlying technical foundation for all types of certification, distributed applications, transactions and other services. By organising available open source software advancements and combining it with Phireon's proprietary intellectual property that is engineered around social merit, voting, multi-chain dynamics, and micro transactions, it will be possible to provide a scalable government and economy management system on a single platform. This would also be known as an 'out of the box' or a la carte system' that would be immediately deployable to communities, governments , corporations and organisations.

Thus, the Phireon Platform is architected to provide a turn-key integrated solution that provides Phireon's Customers (i.e. governments, municipalities, corporations, and communities) with a rapidly deployable on-ramp to be an effective player in effective, trustworthy and secure governance, economic transactions, taxation and validation. For developing nations Phireon enables substantial leapfrog advancements into the technologically integrated global economy and governance that will become standard across the globe in the near to long term.

By applying Phireon systems to their governance infrastructure and economic development, developing economies and nations stand to increase their relevance and economic fortitude on the geopolitical and global economic landscape. The reductions in bureaucratic spending relegated to antiquated methodologies replaced by by a system like Phireon opens up previously unavailable financial resources . That is to say, the cost savings of governing and managing a system like a nation with solutions provided by Phireon makes deploying the system worthwhile for their increased efficiency, cost savings, and relevance. The actual cost plus revenue generated for them by a frictionless taxation system alone increases their earnings on top of their savings by orders of magnitude.

The base of our platform's user interface has been acquired from Gravity Network. The interface is a robust, fully functioning, multi-application platform developed by Gravity Network and Skylab over five years and provides the following features:

- Social Merit methodologies which are augmented by our proprietary algorithms.
- Social chat and broadcast features allowing for direct communication between governments and their citizens or corporations and their people..
- A robust user interface that shall become the foundation of and nexus between our clients, their constituents and other clients ecosystems.
- Training program infrastructure allowing end users to advance their standing in and trust levels in the ecosystem they are taking part in.
- A marketplace for direct consumer to provider interaction.
- A profile and ID system that provides for transparent and real time data and analysis.
- A built in rewards system that can be deployed to award tokens and access based upon user behavior.
- An organization structure allowing users to increase their say/voice and find the topics and votes that appeal to them.
- A voting system which decreases the time it takes to come to consensus while increasing the validity of that consensus.

The base functionality of the Phireon interface has already been deployed on the web and mobile interfaces. Phireon will be integrating its "Multi-Chain" development strategy using best-of-breed blockchain technologies to bolster and make fully functional the various aspects of Phireons platform to support greater trust, security and efficiency of the Applications on the Phireon Platform for Phireon Customers.

Rather than use a single chain to house and validate all the multiple functions of a complete system, Phireon uses Multi Chain Dynamics which allows specific functions to be relegated to specific blockchains designed to house those specific functions. This means any change to a person's profile and ID will be engaged through the user interface and adjust that person's specific data on the chain designed to house that particular information. A transaction from their wallet will be processed through the chain that is most applicable to those kinds of functions, and so on. All the data of every chain will be continuously backed up to the master chain of the system on an ongoing basis to keep record. The necessity of speed will not be a factor in this primary backup, allowing for expediency on those chains which require it.

This methodology increases the security and efficiency of the overall system as any attacks would be quarantined to a specific data set rather than the whole system.

The following three parts of the ecosystem will be heavily developed throughout Phireon 's development:

The Technological Ecosystem "The technology"

Phireon's core team, developer and user community, and partners/clients will work together to form a group of interdependent teams in the development of online distributed applications, enabling all parties to successfully operate secure and effective decentralized systems. Members will be trained and earn levels of trust to help validate the transactions and maintain the system as a whole.

The Application Ecosystem "The application"

Partners from all backgrounds can provide certification, lifestyle and other services deployed as distributed systems for their online and offline businesses using Phireon. Various distributed applications will be connected in a large ecosystem providing a better user experience by enabling trustworthy collaboration amongst all entities.

The Governance Ecosystem

Phireon values the strengths of its partners. The Phireon platform will consist of certified service providers, application developers, communities, individuals, and more. Phireon Global Partners Governance Ecosystem, strives for the technology development, governance transparency, security, and harmony of the entire ecosystem.

An infrastructural issue addressed by Phireon relates to what can be called informational infrastructure. This encompasses the roles, policies and procedures needed to secure the electronic transfer of information. Currently it is not yet in place in many developing countries and Phireon aims to address that.

INTRODUCTION

What is Phireon Global Partners and the token powering its ecosystem?

Phireon Global Partners is currently in research and development of the Phireon Platform, which is intended to provide Phireon Customers with a turn-key platform to manage their own economies and governance ecosystems. The first deployment of the platform will be to a member-owned decentralized self-governing Swiss foundation with its own private economy that operates on our proprietary social governance application. It is the demonstration flagship product of Phireon Global Partners which is the 1st company on the market that architects economies of scale along with governance on the blockchain for governments, municipalities, and multinational corporations in an easy to use application.

PHIRE or Phireon Token is the first crypto asset generating token on the market that represents the value and profits of Phireon Global Partners and its clients. PHIRE token holders get a percentage of all the tokens created and curated by Phireon Global Partners. The Profits of Phireon Global Partners will be derived from crypto holdings, off grid mining operations, real estate for downside protection, businesses, a percent of every currency designed for clients including governments, and a percent of the entire GDP of the economies we create. Our target client pipeline includes four nations, two global multinational corps, various communities, and two famous celebrities. The combined revenue of our clients GDPs and new tokens created translate to billions of dollars in revenue for Phireon, of which a percentage gets distributed to PHIRE token holders as new tokens.

Phireon Global Partners works to be one of the world's premier blockchain implementation and solution providers for Governments, NGO's, Communities, and socially responsible corporations. Our expertise is in advising and helping governments and enterprise corporations determine a proper blockchain strategy and implement it well. Specifically, we focus on infrastructure and "last mile" infrastructure development, proper token mechanics and currency design, proper uses of the blockchain, the state of the blockchain space, governance, economies of scale, and security. We were the first to negotiate a blockchain solution with a sovereign nation and now we continue helping large clients determine the best strategy and solutions for their blockchain development goals.

Phireon Global Partners' Business model will involve upfront licensing of our proprietary social governance software and intellectual property processes that reduce the time it takes to come to consensus while increasing the validity of that consensus. We also license our proprietary currency designs and economy architecture. This upfront revenue is in addition to a negotiated percentage of tokens that are created of those economies. Depending on the velocity and usage of those currencies and assets we also gain a percentage of all transactions of that economy. A portion of all the coins we create for clients gets distributed to PHIRE token holders in our proprietary wallet, thus giving it the moniker of the 1st crytpo asset generating token on the market.

As a demonstration of the technology, economy architecture, currency design, and improved governance, Phireon Global Partners will deploy Phireon, the global cooperative corporation as a use case good will project managed by its members around the globe. This project will effectively demonstrate each of the proprietary technologies designed by and owned by Phireon Global Partners available for deployment to clients, communities, nations, and organizations around the world. Our clients can replicate the system whole, or piecemail depending on their needs and requirements.

Phireon Global Partners anticipates developing a rewards and incentives systems for participants on the network that create value based upon objective and clear performance metrics.

PROBLEM

Overview

Currently, the systems for governing economies, communities, and citizens is extremely inefficient. Decisions are made in communities, round tables, courtrooms, and at a national level, in boardrooms with advisors. Even with the advent of time saving e-platforms one cannot be certain that data has not been corrupted on a central server. Thus, as levels of complexity in managing an ever growing civilization, even down to the municipal level, have increased, while the security in validating that governance and management has decreased. Government infrastructure, the regulatory environment, performance metrics, supply chain and economic system are antiquated, inefficient, subject to tampering, fraud, and corruption and do not address the requirements of a rapidly changing digital world.

Indeed, the security of large governance and management systems have become one of the central weak points of such systems with hacks and sensitive data being lost and or stolen. Even large corporations have suffered from these losses. The solution to solving the veracity of consensus and transactions relies upon a distributed ledger.

This has become commonly known as a blockchain. While the blockchain has been developed and deployed to ensure that transactions and information are secure and tamperproof, utilizing a blockchain inherently slows down the process by its very nature of distributed verification. This problem is being addressed by various organizations seeking to increase the speed of various chains. Phireon Global Partners believes this to be helpful over all to the ecosystem, however, our approach to overcoming this inherent slowness is twofold. One way Phireon could speed up the process of validating data and transactions is to utilize various chains for systematically singular purposes. That is to say we will incorporate the best chains and custom chains for specific kinds of transactions. The second way Phireon addresses the speed factor in blockchain utilization is to create private chains whereby the users are vetted and provided secure ID to enable their use of the chain. Utilizing various methods of permissions and secure onboarding, the speed of a chain can be greatly increased by relying on a custom validating nodes scheme requiring fewer validating nodes.

Some examples of previous use cases for a blockchain and potential problems that Phireon solves in various government services follows:

Public Goods and Services

In most developing and emerging economies, governments are, in principle, the main providers of public goods such as justice, security, health and education, among others. However, this does not imply that governments themselves deliver such goods. Most times, implementation is outsourced to private partners, both for-profit and nonprofit. This is happening with power, lighting, water and more.

This is the case for the design and current implementation of blockchain technologies. The fact that local regulations are lagging behind, new technologies have provided fertile ground for this to take place as has already happened with other technologies.

Since a part of the Phireon platform allows for direct interaction with citizens between each other and their representative government, public goods programmes become streamlined and made more efficient. Both Taxes and building Licenses, for instance, become frictionless and can be handled directly within the app.

Government Services

Blockchain technologies could be used for providing government services that involve the overall handling and management of public documents which, at least in many developing countries, people have a hard time obtaining. More generally, blockchains could be used to support the overall provision of most public goods to citizens and stakeholders, especially those that demand personal interaction and require individual identification

As the Phireon platform grows in use and is deployed in a nation, the government can provide things like subsidies direct to their citizens through the citizen management functions of the application as they will have direct lines of communication and comprehensive data on those citizens. Something like a pre approved micro loan system based on their visible credit score becomes a very viable project and revenue generator for the government.

Land Titles

Land titles were perhaps the first area where blockchain technology planning and potential deployment took place in a developing country. In 2015 the government of Honduras signed an agreement with Factom, a US startup, to utilize blockchains aimed at managing land title registration, and to help mitigate fraud and corruption.

This was achieved via a local foundation promoting libertarian values who initially approached the startup, and then proactively built the bridge between the technology company and the central government. A confidential agreement was subsequently signed. However, a few months later the project came to a halt for reasons that are still unclear.

Last year, similar initiatives were also launched in Georgia and Ghana. In the case of Georgia, world-renown economist Hernando de Soto is involved as a member of the advisory board of BitFury, the blockchain startup implementing this initiative. The case of Ghana is perhaps more interesting as a local not-for-profit startup, BitLand, is using Bitcoin's blockchain to manage land titles and settle land disputes. BitLand is closely working with local institutions whose mandate is to issue land titles and are willing to try new technologies to solve issues that has been outstanding for decades. BenBen81, is yet another startup in Ghana working on the same topic.

While the initiatives in Ghana seem to have fizzled out, Sweden is successfully moving ahead with its own land titles project, thus moving beyond the proof-of-concept stage. In any event, this seems to suggest that blockchain deployments in developing countries face complex challenges.

As a part of Phireon's platform utilizing multi chain dynamics Phireon Global Partners can assist governments in securing land titles on a private government controlled chain within the citizen management function of the application.

Identity Services

This seems to be one of the most promising fields for the successful application of blockchain technologies as reflected by the increasing number of startups working in this area. Blockchain technology-based identity can be effectively used for managing passports, birth and wedding certificates, national and electoral IDs, and handling e-residence programs, among others.

A prerequisite for utilization of the Phireon Application is proper identity and KYC applications (it would be simple to include biometric data and verification). This would help governments verify their citizens and have proper knowledge of their identities. Thus, a secure online ID backed up on a blockchain within the governance app would become ubiquitous throughout the nation utilizing our platform.

Private Goods

The provision of private goods in the blockchain ecosystem has an internal financial sustainability component that strongly attracts suppliers - as long as prices are competitive. Even so, billions of people around the globe do not have access to such goods, particularly in the case of banking services. When they do have some minimal access, poor people must pay extraordinarily high fees to use private services, as we see with remittances. Agriculture is another sector where private goods are pervasive - and a sector that provides livelihoods to most of the world's poor population. Intellectual property rights are also an area where blockchain technologies could be effective for protecting digital and non-digital assets and ensuring royalties flow towards creators and innovators.

In each of these cases the Phireon Platform provides insight, efficiency, and security. As explained earlier, a person's credit score and user data contributing to that credit score are housed on proprietary chain specifically constructed for ushc data as part of Phireon's process of KYC and AML. This data can be seamlessly integrated into a government or private service for micro loans, administered and collected directly and frictionlessly on the app.

MARKET OVERVIEW AND TRENDS

Emergence of Blockchain-Based Governance for Governments, Large NGOs, Large Multinational Corporations, Communities, and Others

Phireon solutions utilize blockchain technology which allows individuals and communities to redesign their interactions in politics, business and society at large, with an unprecedented process of disintermediation on a large scale, based on automated and trusted transactions. This process might rapidly change the tenets that underpin existing political systems and governance models, calling into question the traditional role of State and centralized institutions. Indeed, many blockchain advocates claim that the civil society could organize itself and protect its own interests more effectively, by replacing some of the traditional functions of State with blockchain-based services and decentralized, open source platforms (e.g. Ethereum, Cardano, EOS, etc). Driven by the enthusiasm for the new possibilities offered by information technology, along with a profound dissatisfaction with the current political systems, they encourage citizens to be part of the blockchain revolution and self-create their own systems of governance, in which centralization, coercion and hierarchies are replaced by mechanisms of distributed consensus.

Phireon Global Partners shares the view that a blockchain based system would prove a more efficient, decentralized and consensus-driven public repository, which can have a number of applications in order to make citizens less dependent on governments, yet within a society that is ultimately founded upon the State authority. In the short term, Phireon views itself as a complementary system that would provide cover for more traditionally based governance as it transitions into a more efficient form. In the long term, Phireon is keen to define the future models that will replace the current systems alongside its future government partners.

While the details exposed here regarding governance are brief and provide only a birds eye view for Intellectual property reasons, Phireon Global Partner's vision for governance is deep and detailed relying on a proprietary social merit system which is broadly distributed across nine vertices of capital. Social capital, Educational Capital, along with Financial Capital and more. This proprietary social merit algorithm deployed in Phireons social governance system allows for rolling and changing scores based upon behavior and thus influence. Positions of power are voted on by the membership and should the voted party's rating go down based upon their behaviors to their constituents or sphere of influence, their tokenized access to the functions within the app are revoked until such time as their score goes back up to a sufficient level or someone new is voted in to take their place. This allows for a more efficient and effective representative governance.

Coupled with this direct democratic system is a consensus model based upon the golden ratio or PHI, where a specific consensus is reached when the golden ration factor is met between the quorum voting body. Applications of blockchain technology are still in a defining stage and they represent an extremely fast-moving field. It is strongly believed that the Phireon Applications stated above offered on the Phireon Platform will provide highly needed, valuable and differentiated applications so needed by Governments, Large NGOs, Large Multinational Corporations and Communities.

The Blockchain Technology and the Era of Trust-by-Computation

In a white paper published in November 2008, Satoshi Nakamoto proposed Bitcoin as the first electronic payment system based on a decentralized peer-to-peer network, without the need for a trusted third party. The core technology of this protocol, the blockchain, is widely acknowledged as a major breakthrough in fault-tolerant distributed computing, after decades of research in this field. In overly concise terms, the blockchain can be defined as a database containing all the transactions ever executed in the Bitcoin network. It consists of a permanent, distributed, digital ledger, resistant to tampering and carried out collectively by all the nodes of the system. The formidable innovation introduced by this technology is that the network is open and participants do not need to know or trust each other to interact: the electronic transactions can be automatically verified and recorded by the nodes of the network through cryptographic algorithms, without human intervention, central authority, point of control or third party (e.g. governments, banks, financial institutions or other organizations). Even if some nodes are unreliable, dishonest or malicious, the network is able to correctly verify the transactions and protect the ledger from tampering through a mathematical mechanism called proof-of-work, which makes human intervention or controlling authority unnecessary.

The rationale for this protocol is the decentralized trust or trust-by-computation and its importance can hardly be overstated: indeed, it represents “a shift from trusting people to trusting math” (Antonopoulos), with applicability that goes far beyond the creation of decentralized digital currencies. As an irreversible and tamper-proof public records repository for documents, contracts, properties, and assets, a blockchain can be used to embed information and instructions, with a wide range of applications. These include, for instance: smart contracts; namely, automatized, self-executing actions in the agreements between two or multiple parties; multi-signature transactions, which require the consent of multiple parties for their execution; smart properties, namely digital ownership of tangible and intangible assets embedded to the blockchain, which can be tracked or exchanged on the blockchain itself. In these cases, the advantage of the blockchain consists of removing the need of a trusted third party (e.g. a notary) and enforcing the execution of instructions by a cryptographic code, with protection of participants against risks of fraud and a significant reduction of management overheads. Because of the remarkable advantages related to automation, transparency, auditability and cost-effectiveness, the blockchain may represent a disruptive innovation for many varieties of contracts and business activities.

The fields of application of the blockchain paradigm are potentially countless, since it allows “the disintermediation and decentralization of all transactions of any type between all parties on a global basis”, “with the potential for reconfiguring all human activity as pervasively as did the Web”. For this very reason, the blockchain has been described as “fundamental for forward progress in society as Magna Charta or the Rosetta Stone” and it is often referred to as a “Black Swan” – namely an accident of major impact in history that cannot be anticipated, creates surprise to the observer and can only be rationalized by hindsight (Taleb).

The Blockchain-Based Governance: Fundamental Principles and Assumptions.

Swan, M. (2015). Blockchain. Blueprint For a New Economy. Sebastopol, CA: O'Reilly offers a detailed overview of possible applications of the blockchain technology, including government services. That said, the main principles of blockchain-based governance can be summarized as follows:

(a) Centralized organizations and the problem of scale

Throughout history, centralized political organizations like State, bureaucracy and representative democracy have been a solution to a scaling problem. They have been mostly developed for the purpose of reaching consensus and coordination between heterogeneous or distant groups of people, facilitating their mutual interactions.

(b) State as a Single Point of Failure (SPOF)

Although they were built in response to specific historical necessities, organizations with top-down centralized coordination and hierarchical structures tend to be inherently inefficient: they are often based on coercion and they may lack flexibility and capacity to evolve, providing inadequate responsiveness to challenges and to the growing societal demands. In particular, governments are proved to be systematically exposed to significant risks, such as lack of transparency, corruption, regulatory capture, misuse of power and even regression into authoritarianism, due to the concentration of power in the hands of few.

"Power corrupts. You can read about that in the writings of the ancient Greek philosophers, and nothing really has changed – only that scale of power, and the scale of misery that can be created when that power is wielded to do bad things" (Andreas Antonopoulos interviewed by Spark, 2014).

Which leads to the classic matter: "Quis custodiet ipsos custodes?" (Who will watch the watchmen?). A centralized authority in any hierarchical organization can be defined in computer terms as a Single Point of Failure (SPOF): if its functioning is not optimal, the whole system and its participants will be negatively affected by it See http://www.webopedia.com/TERM/S/SPOF.html, defining SPOF as " a generic phrase for any component of a system that upon failure will cause a malfunction in the entire system.". Decentralization aims to reduce or prevent such concentration of power and it is a fundamental condition for citizens to achieve political efficacy, equality, transparency, and freedom.

(c) Distributed architecture and trust-by-computation:"Code is law"

Centralized vertical authority has become the main organizational model in society, simply because there has not been a better alternative so far. For the first time in history, citizens can now reach consensus and coordination at global level through cryptographically verified peer-to-peer procedures, without the intermediation of a third party. The blockchain technology ushers in a new era of decentralization on large-scale, in which human factor is minimized and trust shifts from the human agents of a central organization to an open source code. In such distributed architecture, "code is law": the protocol is open-source and it can be review by anyone; the network is neither owned, nor controlled by any single entity; data are simultaneously kept by all nodes, thus ensuring proper redundancy. Neutrality of the code, distributed consensus and auditability of transactions can significantly reduce or overcome frictions and failures inherent in decision-making process of centralized organizations (e.g. lack of transparency, corruption, coercion, etc.). Many new decentralized governance models and services can therefore be implemented and experienced through the blockchain, without the oversight of governments (Swan, 2015).

(d) Power of individuals and politics by instant, atomic interactions

While the State bases its action on coercion, the blockchain can provide governance services in a more efficient and decentralized way, without having to relying on force. This allows a more horizontal and distributed diffusion of authority, in which the source of legitimacy are the individuals themselves. Using the blockchain as a permanent, encryption-secured public record repository, human agents as representatives can be replaced by smart contracts and Decentralized Autonomous Corporations (Swan, 2015). The collective relationship between individuals and the State can be fully or partially automated by "a series of instant atomic interactions." Quoting Vitalik Buterin "Instead of a hierarchical structure managed by a set of humans interacting in person…via the legal system, a decentralized organization involves a set of humans interacting with each other according to a protocol specified in code, and enforced on the blockchain". Under economic and political point of view, these consensus-based models are more efficient than pooled-models and may offer "a more representative and equitable way of interacting with reality" (Swan 2015, p. 47).

(e)"Putting a nation on the blockchain"

The blockchain technology allows more granular and personalized government services. Using the blockchain as a permanent public records repository, it is possible to store all government legal documents, such as contracts, identification cards, passports, land deeds, etc. in a cheaper, more efficient and decentralized way. Anyone can create their own blockchain nation and decentralized do-it-yourself-governance system. The issue here is trust. While traditional models of governance rely upon a centralized structure for control and ostensibly trust, blockchain models are completely decentralized and inherently rely upon trust, trust of the coders, the other on the chain, and the chain itself. Neither of these extremes provide the requisite trust needed to manage an entire ecosystem or nation. Rather it is a balance of the two which provides the "sweet spot" needed for system scalability, functionality, and trust.

"Blockchain-based governance systems could offer a range of services traditionally provided by governments, all of which could be completely voluntary, with user-citizens opting in and out at will" (Swan 2015, p. 48).

"Governments could shift from being the forced one-size- fits-all 'greater good' model at present to one that can be tailored to the needs of individuals. Imagine a world of governance services as individualized as Starbucks coffee orders" (Swan 2015, p. 46).

"Through simply downloading an app on your smartphone, you can choose your code of law, your preferred arbitration method, write a smart contract, and get married, title your land, notarize a will, incorporate a company, get health insurance, and much more, in just a few minutes for a couple of dollars. It is backed by an ID and reputation system, dispute resolution, and an app library where people can upload and share or sell their own do-it-yourself governance apps" (Bitnation-blog.com, 2015).

So, while the problem is systemically overly centralized control systems of inefficient and outdated governance, so too is the pendulum swing in the other direction. A completely decentralized trustless system does not adequately solve the problem. Rather, it is the elegant and systematic blending of those two extremes where Phireon lives and advocates for. Phireon Global Partner's system relies upon a centralized "walled garden" blockchain where all parties are vetted, Identified, and transparent. After all, some administration of the system is required and it is important that those parties are known and accountable.

(f) Border-less, globalized government services

Through the blockchain, governance services can also become global and borderless. "The idea is to uplift transnational organizations from the limitations of geography-based, nation-state jurisdiction to a truly global cloud" (Swan 2015, p. 32).

"Just because you live in particular geography should not restrict you to certain governments services and mean that you have only one government provider". Indeed, "individuals are increasingly mobile between nation-state and could benefit from one overall governance system rather than the host of inefficiencies in comply with multiple nation-state" (Swan 2015, p. 49).

Realistically, we cannot expect the entire world and its various governments to allow a borderless world. There are too many moving parts. Just reconciling the distinct and varied legal systems around the world would be restricted in this endeavor. However, interoperability where you can seamlessly switch from one nation's user experience to another's, automatically getting the required documents electronically delivered to your token access system, is possible and frankly inevitable. Phireon's system will allow for this kind of functionality.

(g) Systems of direct democracy

Democracy can become more effective through the direct participation of citizens in the decision-making process. Blockchain technology can implement new models of participation, such as Liquid Democracy (http://liquidfeedback.org; Swan, 2015) and random-sample elections.

This of course relies upon an educated and conscious populous. With Phireon's inbuilt training system and video education section, users can be required to complete a training and educational series on each subject prior to voting. That is to say they would be issued their voting token, which can be designed to disappear after the voting period ends, once they complete the training on the subject. Coupled with discussion rooms where the populous can interact and discuss the ramifications systems can increase the likelihood of an educated and informed populous. This ensures that every voting member gets the basic required information on the subject they are voting on before they make their decisions. Again, a direct democracy doesn't mean the majority of wolves get to vote on having the sheep for dinner. Combined with a consensus model utilizing the PHI ratio, governing systems can ensure a consensus' validity while decreasing the time it takes to come to that consensus.

(h) Futarchy: "Vote for values, but bet on belief"

Futarchy was proposed by economist Robin Hanson as an engineering approach to public policies. The system essentially consists on prediction market speculating and betting through cryptocurrencies and tokens. It based on two processes:

"Individuals first vote on generally specified outcomes (like 'increase GDP'), and second, vote on specific proposals for achieving these outcomes" (Swan 2015, p. 53).

"If the proposal is accepted, then all trades on the rejection market would be reverted, but on the acceptance market after some time everyone would be paid some amount per token based on the futarchy's chosen success metric, and vice versa if the proposal is rejected" (Buterin "An Introduction to Futarchy. https://blog.ethereum.org/2014/08/21/introduction-futarchy/).

Discussed as a new possible governance model based on Ethereum, futarchy represents "a quintessential example of the potential transformative power of blockchain technology" (Swan 2015, p.53).

(i) A decentralized society, still based upon the State authority

To decentralize services through the blockchain does not mean to dismiss the State, but to promote good governance. "This is not some kind of crazy 'we don't need governments' manifesto. It's simply that we can make better governments when we don't concentrate power as much in the hands of a few people" (Andreas Antonopoulos, interviewed by Sparks, 2014). "The end point is not lawlessness and anarchy, but that legal frameworks become more granular and personalized to the situation" (Swan 2015, p. 17).

Society will be hence transformed into a blockchain-based, self-sustainable system, run by algorithms and free-market rules.

"I envisage a situation where governments aren't necessary. That the free market will be able to provide all the goods and services to secure your life, liberty and property without having to rely on coercion. That's where this all ultimately leads. The end result is that governments will have less power than free markets. Essentially, the free market will be able to provide justice more effectively and more efficiently than the government can. If you think about it, what is the reason for government? It's a way of reaching global consensus over the theory of right and wrong, global consensus over who's guilty and who's innocent, over who owns what. They're going to be losing legitimacy as more open, transparent systems are able to provide that function without having to rely on force."(Daniel Larimer, interviewed by Sparks, 2014).

Quoting Mark Antonopoulos "It will take time for the idea of decentralized trust through computation to become a part of mainstream consciousness, and until then, the idea creates cognitive dissonance for those accustomed to centralized trust systems"

"A side benefit of blockchain governance is that it might force individuals and societies to grow into a new level of maturity in how topics like governance, authority, independence, and participation are conceptualized and executed. We are not used to governance being a personal responsibility and a peer-to-peer system as opposed to something externally imposed by a distant centralized institution… Authority floating freely has already happened in other industries such as information… It might seem harder to let go of centralized authority in matters of government…but there is no reason that social maturity could not develop in similar context (Swan 2015, p.54).

Overview re: blockchain for public sector

Properly implemented blockchain tools represent a valid solution for governmental online services. Applications that Phireon addresses include, for example: ID cards and driving licenses; land, school, medical records; certificates of birth, marriage, and death; tamper-proof and auditable e-vote systems; tax collection, etc.

Blockchain solutions deployed by Phireon focus on not only properly governing by software code, but they also aim to provide proper compliance with legal code. By utilizing appropriate use of specified chains for specific tasks which will increase security and scalability, deploying direct consensus models that increase efficiency and validity of that consensus, and properly vetting users on the system for a fast and secure private chain, we increase the viability of Phireons system. This helps Phireon Global Partners meet the needs of ever increasing complexity of nationwide governance and provides flexibility to meet the legal requirements of all clients, especially in the realm of KYC and AML.

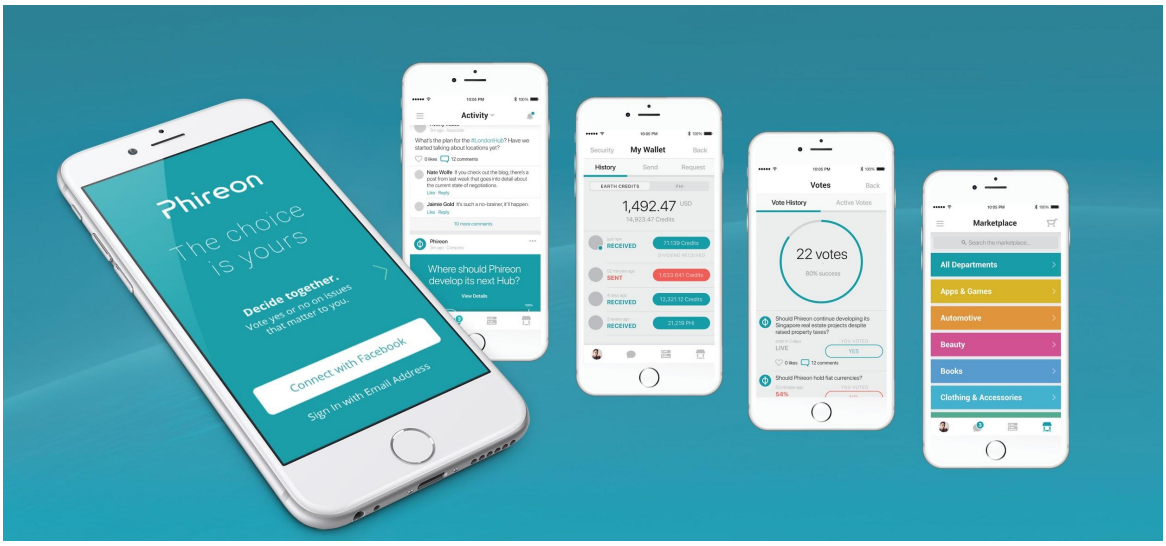
Government services and the technological imperative of decentralization

The point is not to challenge the centralized model of governance at any cost: decentralization presents trade-offs and it "can be instrumental in promoting development and good governance but it is not an end in itself" quoting *From Government Decentralization to Decentralized Governance.* In G. Shabbir Cheema & D. Rondinelli, Decentralizing Governance: Emerging Concepts and Practices (1st ed.). Washington, DC: Brookings Institution Press.

Hence, it should not be uncritically embraced in the name of anti-government feelings, technological imperative or wish for innovation at any cost. In this regard, it also worth recalling that innovation is "the specific tool of entrepreneurs" (Drucker, P. 1985. Innovation and Entrepreneurship. New York: Harper & Row.): as such, it generally belongs to a market-oriented vision of the world, which sets as priorities profit, competition and commercial interests, but it does not necessarily represent the most desirable characteristic for government services, which are connected to preservation of social, economical and political rights, and must rather prove security, reliability and long-term durability, in the face of societal evolution.

Far from any political dimension, the utilization of governance-by-computation or Decentralized Autonomous Organizations – namely large scale automated procedures would represent the ultimate triumph of Homo Economicus: an agent renowned for being "autonomous, instrumentally rational, psychologically self-sufficient, 'under socialized' and motivated into action by the utilitarian principle of maximizing pleasure" (Bourque, R., Harrisson, D., & Szell, G. 2009. Social Innovation, The Social Economy, and World Economic Development. Frankfurt am Main: Lang), see also the "Liberty and the pursuit of Happiness" being a focus of the United States Declaration of Independence. Phireon Global Partners believes a balanced approach to governance and self determination, alongside properly architected currencies, utilizing the the appropriate implementation of the technological advancements of the blockchain and secure direct representation, brings about a more sane and balanced world.

PHIREON'S SOLUTION OVERVIEW



Custom Professionally Architected Currencies and Economies of Scale in a White Labeled Proprietary Blockchain Based Administrative Application

Benefits include:

- Secure online Identification and Wallets
- Increased transactional security, transparency and trust
- Real-time voting transparency and security
- Highly efficient, secure and accurate blockchain tax collection utilizing complimentary digital currency
- Increased opportunities for incentivized and robust economic development
- Implementation of both quantitative and qualitative metrics for a holistic economy
- Payment tracking, transparency, security and verification of receipt by the intended recipient(s)
- Effective utilization of data for predictive modeling, budgeting and resource allocation
- Mitigation of fraud, corruption and risks associated therewith
- Seamless inbuilt micro loan programs
- Effective, scalable and secure electronic communications.

Cashless Economies

- Utilising the latest in cryptographic currency technology, you can manage, maintain, and govern all transactions without hard currency.
- An entire nation's economy can be transparently tracked and secured on their own private blockchain.
- Hard currency can still be deployed and simply printed on any piece of paper or as a designed credit note from a custom ATM.
- ATM's can also serve as community hubs disseminating information, helping citizens manage their online accounts, government subsidies, and voting.

Secure ID and Wallet

- Blockchain based cryptographic architecture enables a secure unique ID for all citizens tied to a sim card.
- Embedded is data that could include; personal details, biometric data, or any variable required by the client.
- Secure and unhackable details can be stored replacing the need for personal identification such as passports or driving licenses.
- Can link to a custom built social media platform fostering trade and commerce between members of the system.
- The amount of data and client involvement is variable.

Frictionless Taxation

- Governments or clients will be effortlessly capable of receiving instant tax payments built into every electronic transaction.
- Replaces the bureaucratic burden of employing thousands of tax inspectors
- Makes tax evasion virtually impossible.
- All tax will be calculated real time and deducted or adjusted as necessary with every transaction.

Secure Voting in Real Time

- Nations, governments, communities and local governance will be able to connect taxation with programmes that benefit the citizens.
- A transaction can include a range of options of where the individual would prefer their tax be employed.
- National voting systems can be employed at a low cost within an environment protected by blockchain technology.
- Votes can be tracked real time with no chance of fraud or backdoor tampering.

Mass Communication

- Directly contact every citizen or group without wait and with no bureaucratic waste.

Mass Data

- Embedded is unlimited data on individual and collective transactions providing clients with the data necessary to form policies on a wide range areas of serious interest to governments.
- Governments and organizations will have everything they need to properly manage their constituency, including Predictive modeling, trending, issue identification, budgeting and resource allocation.

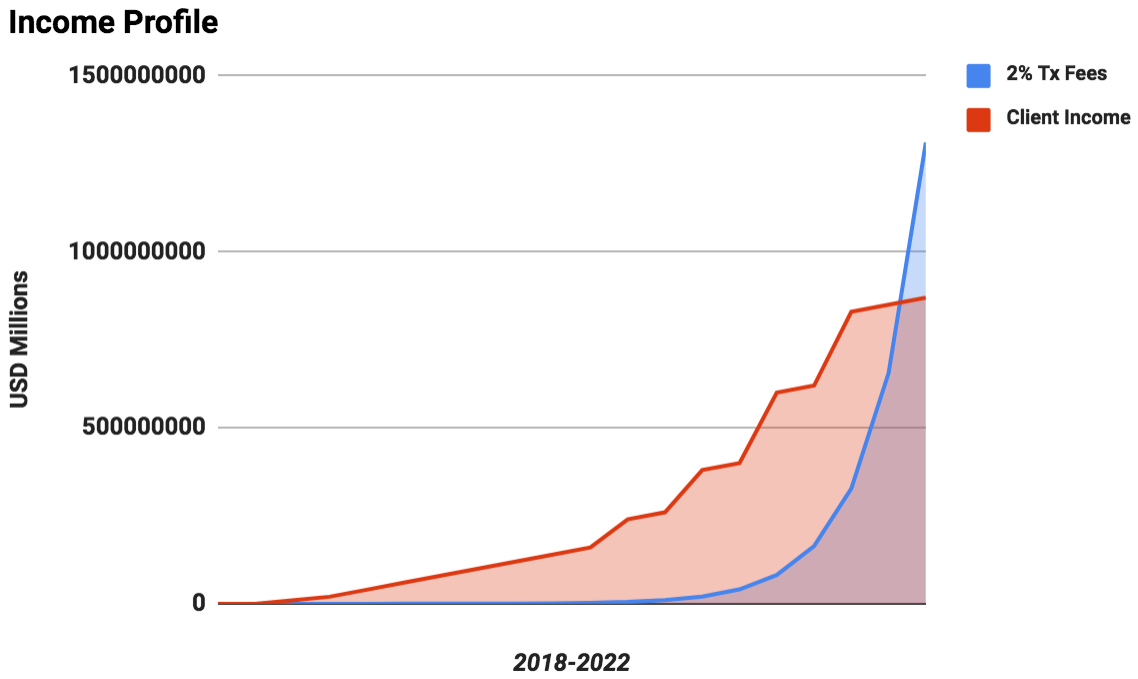
Fraud Prevention and Microloans

- Track personal details as well as the entire history of any transaction ever made on the system.
- Every account will be connected solely to a registered individual making everything traceable, trackable, and its users accountable.
- Algorithms flag any unusual transaction or purchase history, creating an environment where it is impossible to launder or gain money via illegal means.
- Small loans can be administered and paid back automatically without the need for loan managers, banks, or human interference.
- Ensure funds, goods and services are received by their intended beneficiaries

Universal Basic Income

- The technology provides a simple and productive means of providing citizens with basic living wages to offset AI and 3D printing job loss.
- Recent studies have shown across all industries this new industrial revolution is thought to extend to almost 70% of all current jobs.
- To avoid societal collapse, Universal Basic Income will become necessary to fuel a service and entertainment driven economy.
- Phireon solves this problem and involves the citizenry in order to keep them engaged and our clients informed.

REVENUE



Phireon Global Partners generates its revenues in four primary ways:

1. UPFRONT LICENSING FEES - Phireon Global Partners licenses its proprietary governance app and economy management in a box with an upfront fee to governments, large NGO's, Large Multinational Corps, communities, and others. This code buyout process secures payments in the nine and ten figure range depending on the client, the size of their economy, assets, and projected usage. A portion of which gets distributed to PHIRE holders.

2. PERCENT OF COINS - Phireon Global Partners gains a percentage of the coins/tokens created for clients at the genesis event and any ongoing recurrence of that issuance. Once more depending on the size and market cap of those tokens created. If a conglomerate with billions of dollars in holdings create an asset backed dividend paying coin backed by their holdings and they have only 30 Billion in holdings and monetize those holdings in the form of an asset backed cryptocurrency we design and we get only 1% of those tokens PGP stands to gain 30 MM worth of tokens of theirs, a portion of which get distributed to PHIRE holders.

3. ONGOING TRANSACTION FEES - Phireon Global Partners negotiates a percentage of all transactions in the clients GDP depending on the size of their economy, the design of their currency, and the velocity of that currency. A small client nation with a transactional gdp of 8 billion a year could easily return 40MM a year for PGP at only a ½% transactional fee a percent of which is distributed to PHIRE holders..

4. PHIREON REVENUE - Phireon Global Partners' demonstration piece Phireon, the global cooperative corporation, not only demonstrates the technology and intellectual property but also functions as a template for governance in the future with its own GDP and distributed global economy. It alone generates revenue in four primary ways which like the above PGP specific occurrences also distributes a portion of revenues to PHIRE holders. Those four ways are outlined thusly:

    a. RENT IN PHIREON HUBS - Phireon operates a series of live work environments called 'Phireon Hubs.' These hubs provide the tenants with extra amenities they would not find in other locations, namely fresh food grown on site delivered to their door, access to offices, child care, cleaning services, power generated on site, smart IOT infrastructure, and more. It is all rolled into their rent. Only members would be allowed to live in a Phireon Hub, and therefore they would pay their rent in Phireon's company in-house token system. In choosing new locations to serve as a Phireon hubs distressed multi tenant retail properties, unique designs, and custom multi-use facilities would be sourced. With a strategy of identifying and capitalizing on profitable real estate markets, we stand to not only provide greater value for our tenants, but also to raise property values with capital investment in amenities and luxuries. Land ownership acts as a hedge and enables the profitable provision of housing services. If it could be assumed a $10K profit margin after taxes on a 20 million dollar mid-rise building in San Francisco with 80 units Phireon would net $800,000 per year on a San francisco hub before factoring profits from the Vendors and other amenities in the Hub. Obviously these figures go up in economic zones whose rental prices are not controlled. Add the Energy sold back to the local grid at $2400 dollars a day or an added $876K a year and there would be a yield of $1.6 million in revenue per hub per year.

    b. TRANSACTIONS - Before Phireon builds its first Phireon Hub and as soon as the Social Governance App is built, Phireon will be able to onboard new vendors and begin building the network economy. With a corporate procedure for onboarding vendors in a seamless and frictionless way, Phireon will begin providing value to its members by giving them access to goods and services from around the world. The main focal point for including new vendors will be distribution of the POS and accounting mechanism and the API or app to local events such as festivals, concerts, markets, and more. Instead of members using their credit cards or checks to pay their rent at the hubs, buy goods and services in Phireon's marketplace, and travel in the Phireon network, they will use Phireon's proprietary in house token for all their needs within the network. New vendors will enjoy the benefits of being able to directly target, communicate, and market to our exclusive network of interested buyers. Our target market cap of a conservative 300 million GDP per year equates to 6 million in revenue per year with a service fee of only 2%.

c. ASSOCIATE INITIATIVES - One of Phireon's quintessential value offerings is allowing vetted members to suggest Initiatives and Special Purpose Vehicle (SPV) initiatives for Phireon to undertake. These can range from Restaurants and Food and Beverage Providers, to Farms, Power stations, Retailers and more. These initiatives agree to a joint venture with Phireon for the duration of their project in addition to any discounts or promotional advantages to patrons from Phireon. There is a special curation process that ensures only the most profitable, well developed, and promising initiatives go to vote before the general membership. Each initiative that makes it to this point needs at least 62% of the body politic (phi ratio golden mean consensus) to vote yes on advancing the project. To get a project into a vote and initiative phase it needs a vetted business ambassador to sponsor it and become a consultant to the project.

d. DEMURRAGE AND REDEMPTION - A secondary mechanism of profit is opened here when you factor in Phireon's demurrage and redemption fee for redeeming Phireon's internal Token. One of the capabilities available to blockchain assets is the ability to determine coin age. This unique factor along with a tiered member stratum allows Phireon to incentivize the velocity of the Token in the marketplace and de-incentivise redemption into fiat. To illustrate this point we will use the ubiquitous and charming example of "Disney Dollars." Imagine going to Disney world and purchasing their in house novelty currency "Disney Dollars." You cannot at this time redeem Disney Dollars should you not use them completely at the venue. This is purposeful, obviously, as they make a profit selling you an internal accounting token that is not accepted anywhere else. Similarly Phireon's token is not accepted anywhere else. However, Phireon will redeem unused Tokens. For example:
    i. A number of tokens will never be redeemed nor will their users become members.
    ii. The exact % of unredeemed tokens is unknown until such time as Phireon has metrics and data on the useage.
    iii. If only 2 medium sized festivals utilize Phireon Tokens and only 10 million tokens are purchased collectively at those two festivals in the first year of Phireons operations, and of those 10 million tokens only 5% are not redeemed or used then that means a slush fund of nearly $500,000 in the first year.
    iv. Figuring those same percentages of both redemption penalties and non usage and expand the figures to our target market cap of 300 million per year then the non usage slush fund is 15 million dollars worth of tokens in reserve and 11.25 million in redemption penalties revenue.

PROJECT GOALS

While addressing the problems and challenges presented in the Overview section, Phireon Global Partners will accomplish these specific goals:

1. Development of the Social Governance App MVP which will include:
    a. A biometrically secure online blockchain ID
    b. A biometrically secure wallet attached to the online ID
    c. A global marketplace of goods and services
    d. A consensus model that makes governance more efficient
    e. 6 proprietary patents on governance on the blockchain

2. Contractual deployment of our system for potential private clients and nations
    a. Nations
    b. Multinational Conglomerates
    c. Communities around the world
    d. Famous Indivuals

3. Development of client asset backed Tokens
    a. Architectural design of the currencies
    b. Launch strategy and facilitation of token sale events
    c. Dividend paying architecture
    d. Curate the economy

4. Development of an internal accounting token for Phireon
    a. Strategically capped
    b. Fixed-value
    c. Demurrage system designed for use, not storage

5. Development of a bounty system for growing the Phireon Network
    a. Incentivizing growth of our network
    b. Training a professional cadre of ambassadors
    c. Meeting and exceeding performance metrics

6. Deploying and developing a micro payment system for the Phireon membership contributions
    a. Quantifying values across different types of capital
    b. Ensuring the system is not manipulated
    c. Establishing appropriate financial parameters

7. Acquiring and deploying our kiosk system called Phireon Nodes
    a. Last mile infrastructure deployment
    b. National ID services
    c. Festivals
    d. Schools

8. Acquiring, designing, and opening four initial Phireon Hubs in
    a. The United States
    b. The United Kingdom
    c. East Asia
    d. South America

9. Installing renewable energy production at each hub
    a. Hydro
    b. Wind
    c. Solar

10. Installing a crypto mining operation at each hub
    a. Compensation structure
    b. Mining goals
    c. Projected requirements
    d. Diverse mining portfolio

11. Designing and deploying the social merit algorithm.
    a. Personality questionnaires
    b. Allocating proper reward structures
    c. Rating system
    d. 8 forms of capital implementation

12. Deploying the Phireon blockchain voting mechanism
    a. Recallable tokens
    b. Issuance to members at each vote
    c. Real time monitoring

13. Developing and deploying a Phireon debit card
14. Deploying our VaaS (Validation as a Service) model for micro to macro environments
    a. Voting
    b. Accounting/ frictionless taxation
    c. Land rights
    d. Biometrically secure ID

TEAM

Xavier Hawk, Founder and CEO

Entrepreneur, blockchain expert, permaculture design expert, currency design consultant, speaker, artist, and humanitarian. Key highlights in Xavier's career include founding Permacredits, a vanguard digital currency whose main architecture provided solutions for a range of economic based challenges while fostering growth in the clean energy, sustainable housing, and regenerative agriculture sectors. The success of Permacredits led to Xavier becoming C.E.O. and founding partner of Phireon Global Partners alongside the chief architect of the Euro's convergence and exchange mechanisms, Bernard Lietaer, where he negotiated one of the first deals in the world for a sovereign nation to acquire its own digital currency. Further projects of significance include co-founding one of south Florida's leading multi-million-dollar home Health agencies, as well as Colony Earth, an experiential education facility and Eco Development company in the mountains of North Carolina. The business model he developed for profitable Eco Developments has since been adopted and implemented at locations across the globe.

William Knox, Co-Founder and Vice Chairman

Educationalist and entrepreneur, William worked alongside Xavier during the formation of Permacredits and Hermes Global Partners sharing Xavier's passion and helped to shape the vision of the Phireon Global Partners Corporation. After reading an English MA at the University of Aberdeen, William has had an extensive career in Education and Educational Management in the UK and abroad that includes national oil companies, banks and various governmental and non-governmental organisations. His interest in education and the future applications of technology prompted him into founding one of the earliest virtual language schools in 2011. His expertise progressed into international educational projects with NGOs through his involvement with Carfax Education, which led to an interest in human systems and the role future technology will play in defining the human story. William supports several charitable organisations.

Erik Wesley, Chief Operating Officer

Erik is an entrepreneur, strategic management consultant, logistics consultant and investment adviser representative. After finishing his degree in Philosophy at the University of Freiburg, Germany, Erik operated within the consultancy sector in Shanghai prompting him to found the strategic management and sourcing firm as well as Cast Steel Solutions in 2012, before moving into investment consultancy and portfolio management in 2016.

Nate Wolfe, Head of Design

Nate Wolfe is a seasoned design professional with a robust background in visual media and company branding. His vision and eye for detail has been in constant demand for nearly a decade by top name clients, and his expertise in designing the Phireon website is demonstrative of the quality of his work. Nate oversees and creates the Phireon branding, and will head up the company's creative department after launch.

Anfisa Bashkirova, Head of Business Development

Anfisa has built extensive project management career in Oil & Gas, IT, Finance and Educational projects internationally. Her wealth of operations and finance experience, combined with proficient project management techniques are offered to ensure Phireon's ICO is well executed. Looking forward, Anfisa will oversee Phireon's portfolio of investment projects along with other members of the Board. Currently Anfisa is also a candidate in the MSc Major Programme Management programme at the University of Oxford Said Business School.

Gelyana Garyaeva, Governance & Compliance Officer

Experienced corporate paralegal and compliance specialist, Gelyana is leading Phireon's efforts in risk management, compliance and governance. In the future she will continue overseeing the legal formation, contracts and legal risks mitigation. Gelyana has an LLP Bachelor of Law with Honours, Oxford Brookes University.

Joseph Burrier, Lead Developer

Joseph has a background in chemical and biomolecular engineering, with a full-spectrum scientific aptitude. He started coding for process simulations and systems modeling. He has since cloned blockchains and implemented them in both sandbox and live processes. His proficiency in the blockchain and full-stack space is complemented by his rigorous scientific background and passion for automation. His interests include graphene, physics, economics, and agriculture.

James Smith, Security Developer

James has a long history in corporate security. He has developing an automated Threat Intelligence platform codename: NightVision. His Specialties are: Penetration Testing, Threat Analysis, Vulnerability Management, Zero Day Exploit Discovery & Development, UNIX/Linux Systems Security and Administration. James has also custom built a blockchain designed to stop DDOS attacks from scratch.

Alex Lightman, Investment Portfolio Advisor

Alex Lightman is CEO of TokenCommunities Plc., CEO of Millennium Energy, President of Fidei Technologies, the first columnist for ICO Crowd magazine, Amazon.com best-selling author, keynote speaker at Blockchain conferences, and advisor to 20+ companies on coin/token offerings. He has been called a "modern renaissance man" and a "super-intelligent polymath" in the Blockchain community. Educated to be a thought leader in technology and policy at MIT and Harvard's Graduate School of Government, he has won four global awards for technology and a national award as one of America's ten most innovative educators. Of these awards, the most significant is the first ever Economist magazine Reader's Award, for "the innovation most likely to radically change the decade 2010 to 2020", on behalf of 4G wireless.

Advisory clients who have successfully completed ICOs include Science (famous for incubating Dollar Shave Club and selling for $1 billion cash), BLOCKv, Sense, and Propy. Other Blockchain advisory clients include Stars, Blockchain Industries (OTC Markets BCII), Academy for Blockchain Technology, African Potash, Phireon Global Partners, FR8, LightStar, BitSpeed (now partnered with Google), GINET, SensorComm and Millennium Energy.Lightman lives in Santa Monica and is runner with a mile PR of 4:20 and a 2017 PR of a 5 minute mile. He has completed 16 marathons.

Bernard Lietaer, Chief Advisor

Civil engineer, economist, author and professor, Bernard studies and has written the definitive book on monetary systems and promotes the idea that communities can benefit from creating their own local or complementary currency, which circulate parallel with national currencies.

Bernard Lietaer, the author of The Future of Money: Beyond Greed and Scarcity and New Money for a New World, has been active in the realm of money systems for close to 40 years in a wide variety of functions. With the publication of his post-graduate thesis at MIT in 1971[1] (which included a description of "floating exchanges") and the Nixon Shock of that same year which eradicated the Bretton Woods system by unhinging the US dollar value from its gold standard and inaugurated the new era of universal floating exchanges (previous to that time the only "floating exchanges" involved some exotic currencies in Latin America), the fledgling management consultant suddenly found himself to be at the center of the financial world's attention.[citation needed] The techniques that he had developed for those marginal Latin American currencies were overnight the only systematic research which could be used to deal with all of the major currencies of the world. A major US bank negotiated exclusive rights to his approach which required that he begin another career.[2] While at the Central Bank in Belgium (National Bank of Belgium) he implemented the convergence mechanism (ECU) to the single European currency system. During that period, he also served as President of Belgium's Electronic Payment System. His consultant experience in monetary aspects on four continents ranges from multinational corporations to developing countries. *Source: Wikipedia October 2017.*

Bernard plays a key role assisting Phireon with the architecture of the currency, the governance, and commons structure of Phireon.

David Orban, Product Advisor

Founder & Managing Partner at Network Society Ventures, Advisor to the Board. David is an experiences investor into disruptive technology companies, driven by the 8 Pillars of Change: Energy, Manufacturing, Food, Health, Learning, Finance, Security, Policymaking. His expertise lies in the mechanics of marketing, sales development, localization and globalization. the global technology landscape, applying cycles of accelerating technological change to the needs of high-growth organizations. David was also one of the key players in the Blockchain space's 1st ICOs. Considered by many to be the godfather of ICOs and blockchain token architecture, David is one of the key figures in the Token Sale world with the experience and business relationships to facilitate Token Sale Events of the highest calibre. He also has a deep understanding of the needs and mechanics of both product marketing, sales development, localization, and globalization. Leading teams excel under the pressures of competitive business conditions. David is a key advisor on the Phireon board helping to define the structure and strategy in taking Phireon to its token share.

Demetri Argyropolous, investment advisor

Demetri leads strategy, performance, implementation and corporate governance of Avant Global. Demetri is highly regarded in the global business community for his proven track record in building successful relationships. Demetri performs a vital role in helping to succinctly negotiate and close deals between parties. Since founding Avant Global, Demetri and his partners have been involved in forging relationships, creating opportunities, and generating over $15 billion in value creation across a range of projects and businesses. He has been the catalyst for successfully originating, co-founding, or seeding over 50 new companies, across a variety of industries ranging from medical devices to Internet advertising.

Demetri is a cofounder of Owl BioMedical (recently acquired by German multinational Miltenyi Biotec) and on the advisory boards of Juggle Labs, Sword Diagnostics, bSpot, TGZ Capital, and Ripple.com. In addition to his business interests, Demetri's has raised tens of millions of dollars for charity working with numerous multinational foundations, charities and non-government organizations including the Clinton Foundation Global Initiative, Promitos, the Santa Barbara Historical Society, 1199 Foundation, Lotus Land Foundation, American Lung Association, Muscular Dystrophy Foundation, Santa Barbara Symphony, American Hellenic Institute, and the Ronald Reagan Presidential Foundation. He is a member of the National Hellenic Society, YPO-WPO International, Milken Institute Young Leaders Circle, Tiger 21, L100, the Harvard Business School Alumni Organization, and the California Republican Advisory Council. He is also serving as an Engagement Officer on the Executive Committee of the Global Diplomacy Network.

In 2016 in recognition of his achievements and humanitarian actions, Demetri was inducted into the Order of Merit of Savoy, an order of knighthood bestowed by the Royal House of Savoy, the last Kings of Italy. Demetri was also the recipient of the 2010 Gusi Peace Prize for achievements, ideals and values. He is an honorary Naval Aviator, has been recognized as one of the 'Top 40 business leaders under 40' by the Pacific Coast Business Times, and was named as one of 'Greek America's Forty Under 40 Class of 2014.' He was also awarded the 2003 National Leadership Award and the 2003 Business Man of the Year Award by the National Republican Congressional Committee.

John Johnen, Software Scalability Advisor

Mr. Johnen boasts a robust background with some of the world's largest technology firms as a Systems Engineer, Entrepreneur, and Project Manager. Commercial industry experience across staff, product, program, project and P&L management, predominately in small and mid-range systems including open systems standards such as UNIX (all distributions) in addition to WinTel products and systems. Development experience includes client/ server, databases, transaction processing, UNIX, security, real-time products and neural net languages. Proficiency in project management, program management, product marketing, business development, capacity management planning, performance analysis, workload analysis, kernel performance analysis, IT management, business value chains. Past clients include, but are not limited to, Sun Microsystems, HP, and Visa. Currently he is the founder of Ocean Systems Inc. and has spent the last three years working alongside the Apache Nation across a broad range of technological projects.

Jeremy Nichele, Investment and Software Advisor

Mr. Nichele has over 15 years of experience Founding high performing technology startups in the sectors of Mobile, Virtual and Augmented Reality, Platform Development, Marketing, eCommerce, Gaming, Telecom and Finance. Currently he is the Founder and Chairman of Gravity Accelerator, a Benefit Corp that incubates an extensive portfolio of blockchain technology solutions, professional management services, access to capital and ICO opportunities. Previously from 2010 to 2012 he was the Chief Executive Officer of Wonton Media Inc, a local digital advertising firm in Vancouver Canada where he Co-Founded, drove to profitability and then sold to private equity along his co-founder Ernst and Young's Tech Entrepreneur of the Year Elton Pereira. Mr. Nichele founded Macro Media Marketing in 2007, a media buying and deployment firm that has delivered over 10 billion impressions on proprietary software in the digital advertising space. Mr. Nichele acted as Chief Executive Officer for Zooplr, Inc. from 2012 to 2014 an innovative Mobile Learning Platform which he saw through fundraising and subsequent exit. Recently he acted as Senior Vice President of Product at Mobile Inc., which is developing an emerging and disruptive platform for the collaborative economy sector. Mr. Nichele began his technology career at age 20 when he became the youngest Executive Director in the history of Excel Telecom, a global telecom provider. In this capacity he was awarded the prestigious Entrepreneur of the Year award. Mr. Nichele's experience and studies include Technology, Entrepreneurship, Leadership, Finance and Real Estate at Sauder School of Business. Mr. Nichele is a graduate from Stanford's Executive Business Mergers & Acquisition Program.

Karen Korponai, Delegate and Representative Advisor

Karen is a business development and marketing professional who works with companies interested in making a difference via international development or socially responsible projects. Her motto is "Promote the paradigm– People, Planet and Profits." With a business career spanning 17+ years, she has held marketing and management positions with Fortune 500 companies, medium size companies and family owned businesses including management positions in global businesses for celebrity brands such as George Foreman, the family of Bob Marley and Akon. She is an MBA graduate of the Thunderbird American Graduate School of International Business and is bilingual English and Spanish.

Most recently, Karen has played a strategic role in the business planning and marketing of the Akon Lighting Africa initiative bringing solar energy solutions to over 1 million rural households in 17 countries. Strategic partnerships fostered by Karen led to the first "made in Africa" solar street light assembly plant in Mali and to donating solar street lights to the Red Crescent and UAE Royal family initiative to support Syrian refugees in the Mrajeeb Al Fhood Camp in Jordan.

Karen's professional skills derive from developing business plans and executing marketing strategies to grow businesses, and identifying strategic partners. Career highlights include: planning and executing the communications strategies for the Guinean Presidency at events such as the World Economic Forum in Davos, Mining Indaba Africa and researched country branding. Karen was a founding member of House of Marley leadership team and launched the brand in 33 countries in 3 years. Responsibilities included developing and executing a marketing plan/budget, overseeing external agency relationships as well as managing over 10 yearly conferences with the goal, to create a better world and spread Bob Marley's vision through earth-friendly products. She was also a founding member of the 1Love.org charity and in collaboration with Little Kids Rock raised over $800k for music programmes for children. Karen played a strategic role in growing an Oster brand category division sales by 50%placing the U.S. brand as #1 in that category. Other highlights include publishing an export document through the Stanford Research Institute presented to government officials in Egypt, and a black belt Six-Sigma certification leading to over US$500k company savings and patenting two product designs.

SECURITIES AND MECHANICS

The language from the SEC and FinCen are very clear. We happen to agree that every token we have seen that fluctuates in value is a security despite the legal and grammatical gymnastics that has up until now taken place in the market. We have always maintained and continue to maintain that any crypto token that fluctuates in value is a security. Thus, we are treating the sale and distribution of PHIRE as a security. We are filing the correct paperwork, limiting involvement to accredited investors domestically, registering with the proper regulatory agencies internationally, and administering the sale of Phireon Tokens as though they were a security.

Phireon Tokens or PHIRE will be issued as ERC-20 Basic tokens. This provides immediate functionality to purchasers in various wallets. The function of distributing a percentage of PGP's future clients coins will be based upon PHIRE holders having their PHIRE tokens in our specialized wallets whereby the new assets will be automatically airdropped into their wallets by way of the PHIRE tokens themselves.

The term 'wild west' is often bandied around when describing compliance and accountability for digital currencies. Phireon strongly believes that the utmost attention should be paid in ensuring that all monies and assets are maintained in a manner most closely resembling modern laws on securities and exchanges; indeed, it seeks to further define accountability of the industry and lead by example in its transparent interactions with the necessary departments and government.

USE CASES

There are many use cases for Phireon's platform. While we will focus on the Phireon Global Cooperative as the first use case, once the system is developed and finalized we can provide it for various clients including, but not limited to:

LEAPFROG NATIONS

- Governance on blockchain
- Frictionless taxation
- Secure Gov ID
- Asset Backed Crypto Currencies
- Special access based on token holdings
- Profits on transaction fees for country

MULTINATIONAL CONGLOMERATES

- Monetizing Assets
- Backing value
- Expanding global digital operations
- Special access based on token holdings and redemption

FAMOUS CELEBRITIES

- Monetizing fan base
- Asset backing dividend paying relationship with fans
- Special access based on token holdings

VENDORS

- No more exorbitant credit card processing fees
- Gain profits from transactions
- Gain direct marketing access to members
- Gain access to prequalified exclusive buyers primed for purchases

MEMBERS

- Gain discounts to goods and services
- Gain opportunities to earn money
- Gain access to travel and hubs
- Gain an impactful and rewarding lifestyle

FESTIVALS

- Promoters make extra % on all transactions
- Promoters gain better accounting for Vendor %'s
- Promoters gain real credibility for ecological responsibility

SCHOOL TOKENS

- University or school gains extra revenue from all transactions
- Phireon will take advantage of the reluctance of educational institutions to use and keep currency on site
- Restrictions in school funding will also further incentivise schools to find extra resources

HUBS

- Multi use inspiring ecological luxury live work environments
- Renewable power generation on site
- Crypto mining on site
- Agriculture grown on site
- Cultural events planned on site
- Technological test bed and IOT implementation

NODES

- Last mile infrastructure kiosks,
- Retina biometric scanning for secure KYC
- Facial recognition
- Remote populations can join global and national economies

ROADMAP

March

- Raise Seed Pre-ICO for $1M
- Market analysis and strategic planning
- Tax & International Design, Strategy & Structure

April

- Raise Public Pre-ICO for $25M+
- Phireon coding for Social Governance App begins
- Onboarding Phireon Global Partners begins
- Begin development of Phireon bounty system
- Portfolio diversification and investment
- Targeting and analysis of clients
- Targeting and analysis of real estate markets in US, Asia, Europe, and South America for 1st four hub locations begins
- Targeting for festivals, street fairs, and other micro economies sales begins
- R&D for Phireon Nodes begins
- Strategic partnerships for Phireon crypto debit cards initializes
- Design and implementation of Phireon internal token architecture

May

- Complete International Entity and Account Formation and Structure
- Crypto mining operation begins
- Social governance app MVP beta testing begins
- Analysis and adjustment of social merit algorithm
- Analysis of adjustment of micro payment salaries begins
- Analysis of Phireon internal token architecture
- Security testing for nodes, social governance app , tokens, wallets, and hubs
- Targeting for universities, colleges, towns and other meso economies sales begins
- Development of Phireon nodes begins
- Developing Phireon training manuals and procedures

June

- Real estate for hubs purchased
- Continued analysis of social merit algorithm
- Continued analysis of bounty system
- Continued analysis of micro payment salaries begins
- Beta testing POS system and token at local farmers markets
- Sales for small and medium sized festivals begins
- Research for key Phireon node locations begins
- Develop vendor onboarding mechanism

July

- Marketing for Phireon app begins
- Renovation of Phireon hubs begins
- Power generation at Phireon hubs begins
- Beta testing Phireon nodes
- Testing of Phireon debit cards
- Public ICO

August

- Begin sales for Phireon enterprise clients and economies in a box
- Sales for small and medium sized festivals continues
- Sales for colleges and universities begins
- Beta test Phireon voting system
- 1st series of Phireon nodes deployed strategically around the globe

September

- Phireon public launch June 21st
- Deployment of POS and token at small to medium festivals
- Phireon hosted festivals and events
- Local marketing for first Phireon hub begins

October

- Deployment of POS and token at small to medium festivals
- Deployment of Phireon nodes to festivals
- First hub open for public
- Phireon school credits project begins

November

- Deployment of POS and token at small to medium festivals
- Deployment of Phireon nodes to festivals
- Phireon voting begins
- Sales and development of BaaS (blockchain as a service) for macro economies and nations Begins

December

- Phireon Hub and educational projects
- Testing and analysis of voting
- Research and development of artificial intelligence system assistant “Aisa”
- Beta testing of Phireon Initiatives process

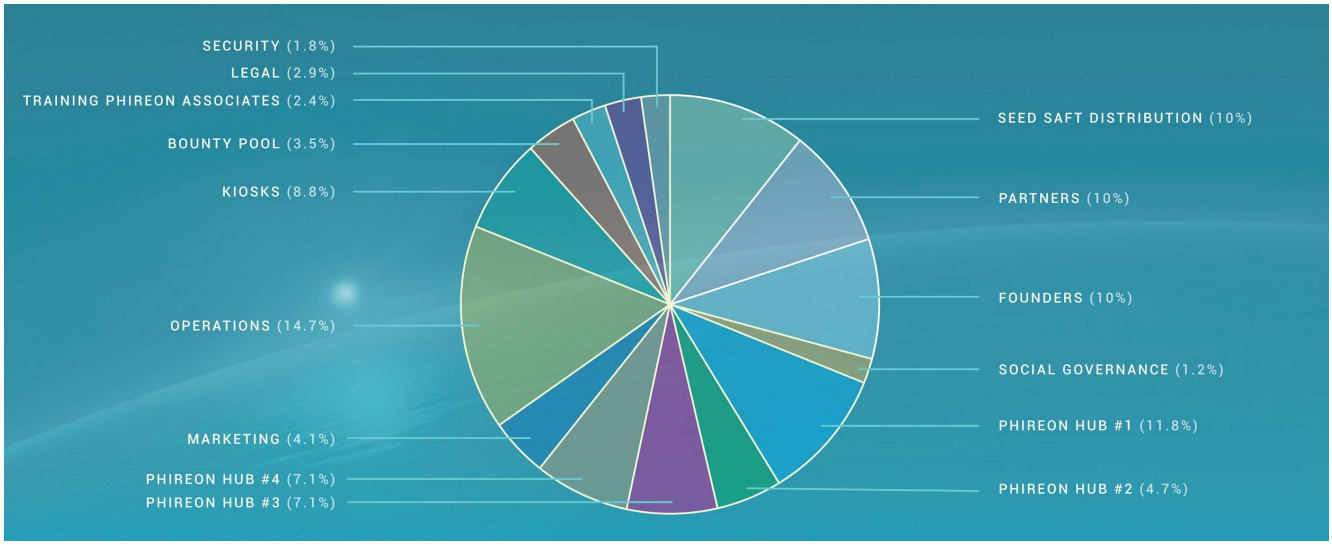
January 2019

- Begin Phireon initiatives
- Company appraisal and analysis
- Year two key strategy determination
- Analyze initiatives process

February 2019

- Implement adjusted year two strategy
- Analyse initiative's success against goals and metrics
- Begin planning for next series of Phireon Hubs

FINANCES



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APPENDIX: LEGAL CODE VS TECHNICAL CODE

Quoting from A report by the UK Government Chief Scientific Adviser "Distributed Ledger Technology: beyond block chain" the financial system is both a set of legal obligations between institutions and a set of digital records of these obligations. Both the legal and the digital spheres are governed by rules, but the nature of these rules is different. In a seminal text on the subject, Lawrence Lessig of Harvard University addressed how these legal and digital rules interact to govern activity. Lessig argued that in a digital environment both laws (legal code) and software/hardware (computer code) regulate activity, and that the impact of both needs to be considered when constructing a theory of regulation. In this chapter we refer to technical code rather than computer code. This definition covers both software and protocols, as distributed ledgers rely on both to function.

One fundamental difference between legal code and technical code is the mechanism by which each influences activity. Legal code is 'extrinsic': the rules can be broken, but consequences flow from that breach to ensure compliance. Technical code, in contrast, is 'intrinsic': if its rules are broken then an error is returned and no activity occurs, so compliance is ensured through the operation of the code itself. Another characteristic of software is that a machine will rigidly follow the rules even where that compliance produces unforeseen or undesirable outcomes. This leads to some striking differences in the operation of distributed ledger systems compared with the current financial system.

Current Financial & Government Systems:

The modern financial and government systems are ruling via legal code is already largely digital and heavily reliant on technical code. This technical code governs the creation and amendment of the digital records of the legal obligations between institutions. Financial regulation is aimed at the effects these legal obligations produce: for example, whether a bank has sufficient capital or liquidity. The financial system is already governed by this combination of technical code and legal code, but financial governance and regulation has traditionally focused on the latter.

Enforcement of the public element of the legal code falls to a specialised group of financial regulators charged with ensuring compliance by participants in the system. Participants must provide the information that their regulator needs to assess whether they are in compliance with the system's rules. If an institution is not in compliance then the regulator can take action to bring them back into line. This is not to say technical code has no influence on the existing regulatory process — all the information provided to the regulators is digital, and the product of technical code — but governance and regulatory aims are pursued by producing legal code rather than by changing the technical code.

Distributed Ledger Systems: Ruling via Technical Code

Distributed ledger systems such as Bitcoin have shown that they can function without legal rules. Instead, the rules that each participant must follow are defined and enforced only by technical code. Each participant in the network runs the same or compatible software that defines what kinds of transactions are permissible. For example, the Bitcoin software allows participants to spend only balances that they can prove they own with cryptographic keys. The Bitcoin software also regulates how new currency is issued, and places an absolute cap on the size of the money pool. There are no bylaws or other legal documents stating these rules, and no humans to enforce them — distributed ledger systems are solely governed by their own technical code.

To prevent participants from modifying their copy of the code to issue transactions that are against the rules, each transaction needs to be verified before it enters the ledger. In an 'unpermissioned' distributed ledger system like Bitcoin, verifiers (known as miners) are chosen by lottery. The system seeks to assure their integrity through a system of economic incentives, in a process governed by the software. In a 'permissioned' distributed ledger system, verifiers are appointed by the system's proprietor, and their integrity is assured through conventional means, such as a legal contract.

In summary, distributed ledger systems differ from the conventional financial system in that they are ruled by technical code rather than legal code. One advantage of this is that compliance costs are low: participants need only use a compliant software package to issue transactions. It might seem that enforcement costs are lower, too, but this is not necessarily the case because the mining system that is used to verify transactions in all of the most popular distributed ledger systems consumes significant computational resources. That cost must eventually be borne by the system's users.

Governance vs Regulation: Two Types of Rule-Making

Because the current financial system and distributed ledgers are primarily governed by different types of rules, we must therefore ask the question: who makes the rules?

Current Financial System: A Mesh of Private & Public Rule-Making

There are many places where legal code is being produced in the current financial system, but these can be broadly divided into two categories: private rulemaking (governance) and public rulemaking (regulation). An example of private rulemaking is the Visa Core Rules promulgated by the financial services company Visa Inc. to govern the actions of all the participants in the Visa system. Such private rulemaking is done by proprietors of private financial networks like Visa, as well as by private associations of financial institutions wishing to coordinate their activities to one another's benefit. An example of public rulemaking is the statutory oversight of Visa Europe's payment system by the Bank of England.

The design of the public legal code in the current financial system is the province of policymakers who have to consider the effect of regulations on the different institutions of the financial system (a 'microprudential' approach) as well as the impact on the system as a whole (a 'macroprudential' approach). As the financial system is global, international bodies such as the Basel Committee on Banking Supervision convene policymakers from around the world to reach voluntary accords that can then be translated into legislation in a specific jurisdiction.

Distributed Ledger Systems: Ad Hoc Private Rule-Making

Unpermissioned distributed ledger systems are sometimes thought to exist independently of human rule-making, and governed only by mathematical algorithms. This is a misconception. Just like legal code, technical code needs to be produced and maintained by humans who define the rules that the code embodies. Using Bitcoin as an example, the initial version of the software was published by Satoshi Nakamoto (a pseudonym). In 2010, Nakamoto handed control of the project to Gavin Andresen, an Australian-born programmer living in the United States. Like any software, Bitcoin needs to be regularly updated to address bugs, security issues, and changes in the operating environment. Such an update can in principle change any aspect of the software, including accounting and ownership rules. Who gets to write the software and how that process is governed is therefore critically important to all participants in a distributed ledger system.

In the case of Bitcoin, the software is governed by an ad hoc process involving a handful of informal institutions and power holders. Figure 1 shows who has written most of the current Bitcoin code. The software is open source and anyone can suggest changes to it, but technical authority to admit changes to the official version of the software is held by a team of five core developers appointed by Andresen. The core developers' power is constrained by an informal self-imposed charter, which states that significant changes to the rules require broad consensus from the community. Any update to the software must furthermore be installed by a majority of the miners (as measured by the computer processing power they contribute) for the changes to become effective. A handful of individuals who manage so-called mining pools are therefore very influential in determining whether or not miners ratify a software update in this way. This governance process worked well when the changes to the code were uncontroversial bug fixes, but it has started to show signs of breaking down recently, because some decisions require choosing which stakeholders' interests to prioritize over others'. Andresen and others have stated that the process needs to become more formal. The community is debating what such a formal governance system should look like, but this is complicated by the fact that Bitcoin was founded on an ethos of anti-institutionalism. This is an interesting conundrum, as it demonstrates the worth of legal code and shows that technical code alone does not produce an optimal outcome.

In permissioned distributed ledger systems, governance of the software is made simpler by the fact that there is usually a proprietor with clear legal and technical authority over the code. It is up to the proprietor to determine how the code is modified, and up to the users (often customers of the service) to decide whether they are comfortable with having the proprietor exercise authority over the software. Service level contracts and other conventional means can be used to establish responsibilities and enforce them. Permissioned distributed ledger systems are in this respect not very different from conventional private financial networks like Visa or software-as-a-service (SaaS) systems.

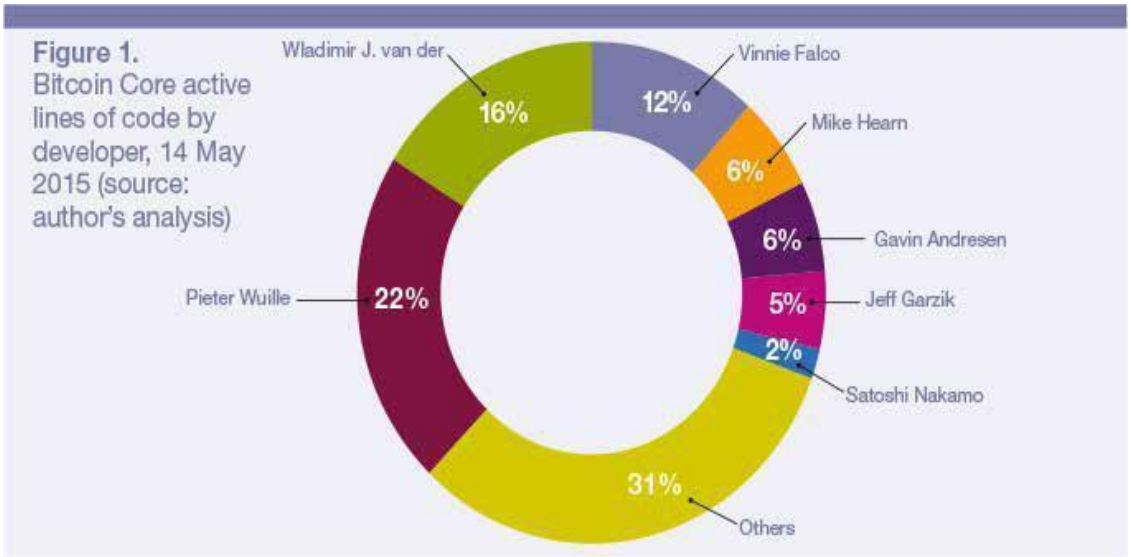

Figure 1. Bitcoin Core active lines of code by developer, 14 May 2015 (source: author's analysis)