

Three-Dimensional Currencies

CHEN/HARRISON/VALLIS

“Pick a song and dance as though nobody is watching.”
- *His Holiness Gyalwang Drukpa*

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Preface: The World's First Digital Financial Product Marketplace

Dunaton is an ancient Greek conjugation of the Biblical word meaning "mighty", "powerful", "excelling", "strong" and "possible".

These are the words that for us summarize what the world's first ever financial products marketplace looks and feels like. It is mighty and powerful in the way it disrupts traditional capital raising events; its effects on the financial markets and on the way in which start-ups and consumers monetize their assets will be stronger than any financial revolution that has taken place to date, and as a result almost anything - any situation, any purchase, any dream - is made possible by such an innovation coming to market.

Picture the following story: in January one year, overspent and under-liquid following some particularly grueling Christmas season expenses, a man in London securitizes his wine collection and sells it on Dunaton.

By March, this gentleman had used the digital assets obtained from his securitized wine sale to invest in a number of the Metacurrencies listed on the Dunaton Companies Market, which included a variety of eclectic choices. Instead of wine, he now owned a portion of a factory in China, a basket-weaving enterprise in the Philippines, a tech company in Tokyo and a sand provider to five star hotels across the world that was based out of Africa.

By the end of June, just as the weather was getting warmer and the British pubs were starting to spill out over the sidewalks with merry patrons, a few of these companies paid out some handsome dividends in digital gold and silver thanks to recent publicity from the news sites which drove product sales before the subsequent holiday season.

In July, the investor converted the securities into the tokens of the companies he owned via effecting a share-crypto trade after a brief crypto sell-off. When the firms he had invested in raised more capital for expansion, far from finding himself diluted out of existence, his tokens spiked up, earning him even more money.

That seemed somehow more just than his regular stock market holdings. Just the company tokens peaked over 400% higher in a few weeks, he got out and decided to use the excess profits to increase his risk a little.

He speculated on some interesting start-up project ICOs via purchasing token issuances first. During the final quarter of the year, from September to November, he was able to convert back from tokens into shares via partaking in crypto-to-company pre-IPO purchases with his meta cross notes. In one case a company that

had raised far more than expected at one of the ICOs he had participated in was able to pay out one-time special dividends just before the final holiday season of the year!

By December, he was able to use his profits to repurchase his wine collection in digital form and to lay it out on the table for Christmas. But first, he bought a brand-new house to host the whole family for a lavish Christmas celebration that would have been impossible before.

It was amazing because none of this was done using any debt at all: simply a few cases of wine left over from the previous Christmas dinner party had made him rich! This story is not possible to tell today of course, but it will soon be the case that it is.

It is the simple story of mighty, powerful dreams being fortified via the endless possibility of a truly interconnected global financial product marketplace where utility is connected immediately to real value and amplified across a global product marketplace. It is the story that will be told again and again at Dunaton.com - the world's first digital financial product marketplace.

Introduction: Creating an Internet of Things (IOT) Economy

In 2013 Bitcoin began to pop up onto the global radar of most traders across the world when it hit the high three-digits.

It was around this time that a North Chinese coal mining magnate who had just purchased a sprawling commercial-scale French vineyard first turned our attention towards cryptocurrencies.

One evening, over a six-course Shanghainese dinner washed back with a few bottles of King Star Bordeaux, the subject turned to Bitcoin.

If only Bitcoin contained some sort of identifiable value, we complained, it would be comprehensible. Being used to trading gold - the very definition of economic value - the idea that Bitcoin's payment utility network would by itself hold up a multi-trillion-dollar market forever seemed - and still does - a little far-fetched. Our host was as unimpressed by our remarks however as were we with his taste in vintage French wine.

The theme stuck and in a series of talks we held in the winter of 2014, the central question we sought to explore was: how are we meant to pay for an Internet of Things (IOT) using the current financial architecture we have in place?

Nearly three years on, and we don't know anyone who's any closer to answering that question than we were back then mostly because there is no value transference on Blockchain.

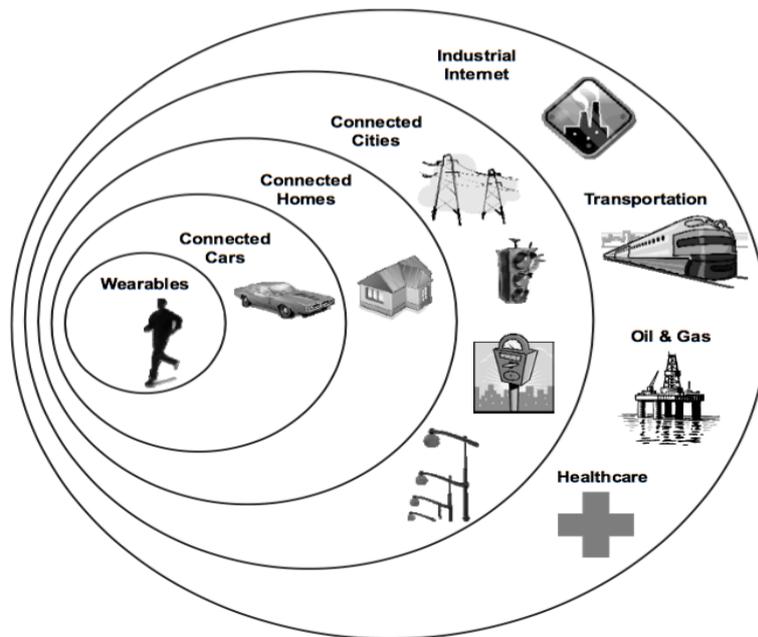
Another of us has owned several large manufacturing and industrial enterprises for over two decades now in the Far East, and we cannot help but notice the impracticality of the sheer lag time between obtaining bank financing, hiring appropriate purchasing and inventory management personnel and training them to execute on delivery while the sales force goes out into the field to catch whatever business they can.

Clearly, a new model for financing the world's economic growth is long overdue if the promise of the virtualized economy is to be fulfilled in anything like the scope that has been presented by some.

In a September, 2014 report titled *The Internet of Things: Making sense of the next mega-trend*, Goldman Sachs economists Simona Jankowski, James Covello, Heather Bellini, Joe Ritchie and Daniela Costa wrote: "Personal lives, workplace productivity and consumption will all change.

Plus, there will be a string of new businesses, from those that will expand the Internet “pipes”, to those that will analyze the reams of data, to those that will make new things we have not even thought of yet.”

FIG 1: THE GOLDMAN SACHS IOT MODEL



None of us was in any doubt this was the case. So, we went out in search of what we had not even thought of yet. What we came back with after our separate but collectively interpersonal half-decade of commercial experiences is nothing short of a landmark in economic history: the first ever 3-Dimensional currency, in which placement payment, profit of value is all enabled at the same time in continuity.

A working value proposition to such effect would probably look a little like the world’s first digital financial marketplace, on which everything could ultimately be securitized and traded - even junk itself - and underneath which the final fabric of the economic order of yesteryear will quickly unravel.

In other words, there must be an Internet of Things Marketplace Economy before an Internet of Things itself can come into being.

Part 1: Three-Dimensional Payments

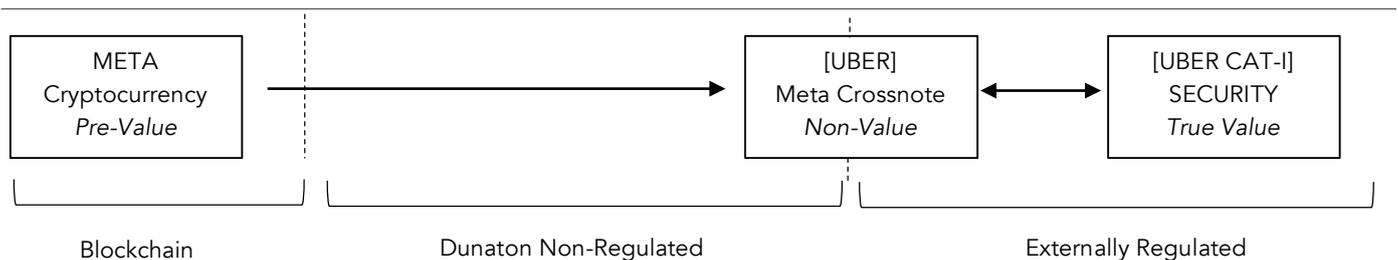
I: Value Blockchain Dynamics

Blockchain is a type of value chain for digital assets. We are only able to identify this chain via the sequence of events that take place over the metacurrency manufacturing process and lifecycle however.

Assume that we start with a cryptocurrency called a Metacurrency Token (META). META is backed by its gross volume weighted average price (VWAP) in British pounds.

Fiat backing of the token serves two purposes: it allows the Blockchain ecosystem to accrue immediate value from the outset in the form of an ex-Blockchain payment value and it also serves to guarantee the purchaser of META with a full or partial refund in the event of non-delivery of the product offered, in this instance the Dunaton Marketplace.

FIG 2: BLOCKCHAIN DYNAMICS OF METACURRENCIES



This underlying value loading mechanism of META will serve to gradually support securities prices in a way in which current digital asset markets are not conventionally supported.

II: A Currency-Based Solution for IOT Market Economics

A cryptocurrency, defined most often by the payment utility that it is employed in effecting, is in fact more a unit of non-value than anything else. Understanding its status as a unit of non-value is essentially to comprehending the difference between cryptocurrencies and what we call Metacurrencies.

Metacurrencies stem from the Greek meta-, which means after, behind, changed, altered, higher or beyond; most often it means something has changed somehow in terms of its placement or condition in the logical order of the universe.

Metacurrencies are the world's first expression of a 3-dimensional currency. In order to understand this, it is helpful to regress the dimensions of currencies as they have been used in society throughout time.

III: Currency Dimensions

A currency with zero dimensions of value is gold or any other commodity source. It should be noted that by ascribing a currency a value dimension we are not suggesting that it is in any way superior to or inferior to one of a higher or lower number of value dimensions.

Depending on the circumstances each has prodigious advantages and sometimes impractical levels of drawbacks for use as a mechanism of value ascription.

When we say then that gold or any commodity is a 0-dimensional currency what we mean is that it has no dimensions of value other than its own core function as is.

Gold is gold, it is not anything other than its own weight and mass. That we ascribe fundamental value to this core unit of mass is indeed what underpins a good deal of today's global economic stability.

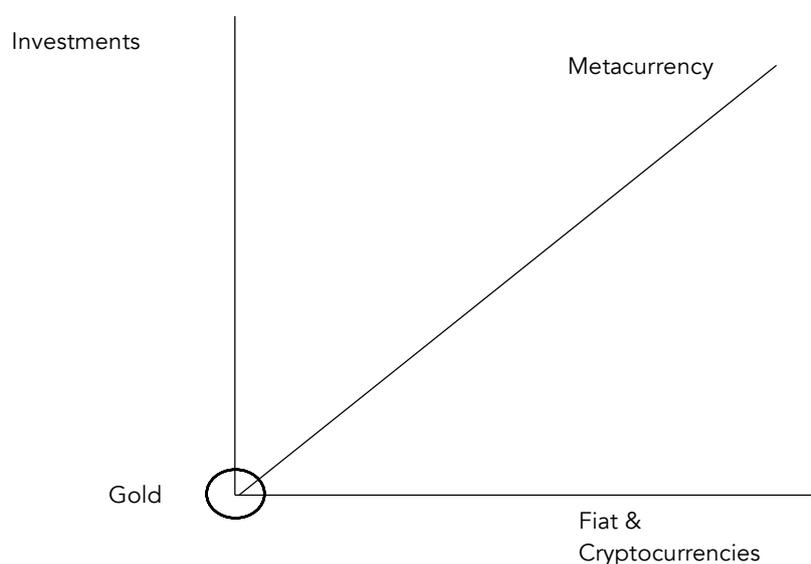
Fiat cash is a one-dimensional currency. That is to say, Fiat currency contains one existing dimension of value to gold.

This dimension is its supply. Unlike gold, where supply is subject to prodigiousness of mining explorations or some other mechanism wherein the natural rates of availability are applied to its value, Fiat currency can be increased in supply significantly by a central government at any point almost without notice. We are not here interested to get into a debate about the virtues of central banking or the unpegging of the gold standard in the early 70s by president Nixon.

Rather let it remain observed neutrally here that this controversial advantage a central bank holds over exercising this one extra dimension of value - wherein it can increase or reduce supply rapidly of the currency at will - shows the sheer power that adding just a single dimension of value into a currency equation has. A 2D currency is a cryptocurrency or a security.

The relationship between cryptocurrencies and securities is one that once again, has gathered a substantial amount of government interest in recent years.

FIG 3: CURRENCY DIMENSIONS



This is not because of the similar features shared between the two assets - on the contrary, they could not be more polar opposite from one another - but rather because the appearance of both assets as two dimensional currencies masks the real purpose each potentially holds in any given economic equation.

The potential that two-dimensional currencies hold in terms of potential ascription of value is that of an investment product.

Securities are investments in an asset of an infinitely dilatable status hopefully increasing in value as a result of income-generating activities; cryptocurrencies are investments in the potential usage of an asset of often finite availability being employed in some sort of process mechanism of digital payment.

Thus, the extra dimension that a 2-dimensional currency has over a 1 dimensional currency been that in and of itself it qualifies as an investment.

While these are entirely divorced from one another specifically with reference to their purpose and fulfilment of roles, they are nevertheless both currencies that have pre-defined or alterable supply quotas while also being currencies that double up as investments.

Here the keen reader will suggest, wait a second: gold, oil and other commodities are investments, are they not? And so, come to think of it are Fiat currencies? But commodities, you suggest, are somehow 0-dimensional and Fiat currencies just 1-dimensional?

To such readers, once again, we do not hesitate to highlight to you the power that additional dimensions of value have over changing the nature and function of value within the global economy!

The reality is that gold, oil and other commodities, as for Fiat currencies too, are only investments when they are securitized or similarly represented in derivatives demand-side and supply-side contracts. If we remove the derivatives purchase and sale functions from such assets they remain non-multi-dimensional currencies.

It is only when they are translated into second dimensional currencies via the process of alternate representation for the purposes of speculation and/or management of future value risk that multidimensionality is the case in such assets.

Taking this observation into context then, if the first dimension of value re-occurrence is supply and demand, then the second dimension of value re-occurrence is therefore value representation, or, in summary, value itself. This is why so much of our modern economic life revolves around bargaining, bartering and selling at just the right time.

It is also clear that something rather strange occurred with the arrival of Bitcoin on the global investment scene around 2010.

This is to say, while the theme of two-dimensional currency remained more or less the same - that being some sort of mechanism of Fiat-traded investment value being employed - the emphasis from income to non-income, from value to non-value shifted almost 90 degrees. This is the very nature of a disruptive technology.

The type of technological innovation that creates disruption is one that doesn't completely redefine the passage of current events but rather, cuts a narrow path down the center of existing status quo. A radical innovation on the other hand completely upends the entire paradigm upon which all current economic activity occurs.

While cryptocurrencies were disruptive to global economic activity, they were certainly not radical. This is where Metacurrencies are different. Unlike their cousin cryptos, Metas are radical innovations, harnessing both the power of the Blockchain and making sweeping changes to the fabric of existing valuation methodology and the practice of investing in it.

What is the third dimension of value? Given that it is involved with the fractionalization, splitting and reunification of value via its crypto-enabled payment

utility bias, it is clearly some form of value transference. Thus, Payment can be considered to be the third dimension of value.

How does this third dimension of value work? Unlike its security cousin a meta is not two-dimensional in value construct, meaning that a meta is not a binary unit of value.

It is in fact constructed precisely to play the two aspects of value and non-value present in second-dimensional currencies off against one another, and in doing so, Metacurrencies gain their characters as three-dimensional currencies.

What this means is that when a metacurrency is in cryptocurrency form it is in such a form in order that it can trade against a security meta for the purpose of effecting a purchase or sale of the security. In security token form, it is a non-value meta that is purchased by or sold to the holder of the security; this holder can then cross back over to an unregulated market and trade the unit of non-value against other cryptos.

In summary, zero-dimensional value is the asset itself without value; first dimensional value is at the point of the supply-demand equilibrium (however hypothetical this may in fact be); second dimensional value occurs at the point that a currency achieves a specific net asset value; and the third dimension of value is where the net asset value, altered by somehow affecting the supply-demand equilibrium of the asset combined with affecting the supply and demand equilibrium of the non-value of an asset produces a new form of value to which we can ascribe meaningful economic activity that was not possible to do beforehand.

Part 2: The Metacurrencies

IV: Defining Metacurrencies

We define a metacurrency as a Blockchain asset wherein external value to that of the network upon which it runs or the technological habitat in which it resides is somehow present and multifariously represented in a way that could not be otherwise so.

Metacurrencies trade against both cryptocurrencies and against Fiat, and contain one additional dimension of value.

This dimension is the value ascription that can assigned to the varying categories of value that constitute securities ownership. Thus, a non-value currency can be traded against a company's income currency and asset currency separately, while being somehow united by way of the non-value currency being the intermediary trading pair. This aspect of the non-value/value status of Metacurrencies combined with the dual trading possibility such assets contain are what make them the first ever fundamentally 3 dimensional currencies brought into being.

V: Manufacturing Metacurrencies

Base value is important for Metas since one of the key distinctions of Metas vs. cryptos is their value-loaded or value-implied character.

For instance, if 1 ether was used to purchase a metacrypto note and the metacrypto note retained via smart contract some fraction of the ether - say, 0.1 ether - then it is unlikely that the metacrypto would fall below the value of 0.1 ether and if it did then the metacrypto note would represent immediate value to the purchaser.

Value-loading of the metacrypto note in turn therefore affects the values of the other Metas being traded on exchange because it provides a minimum value of price support upon the purchase of Metas via the implied value in the purchasing agent.

The way in which value runs within digital assets is not well understood by purchasers of such assets so we will take a minute to explain it.

When a bitcoin purchases an ether, the Fiat value of the bitcoin is a significant factor in determining how that purchase event affects the consequent value of the ether after the purchase. Imagine for example that 1 bitcoin purchases approximately 10 ETH, and now imagine the bitcoin is selling for \$20,000 / bitcoin.

The market capitalization of the ether is now \$20,000 higher after 1 bitcoin has purchased it. Now imagine that the bitcoin is only selling for \$10,000 at fiat value. The same purchase event has had half the level of impact on the pricing of the unit of digital currency it has been used to purchase.

Therefore, the base value of the underlying currency pair that is used to purchase the majority of digital assets is a very important factor in the value increase or decrease of those assets.

By implying a minimum value via the storage of some form of value in a smart contract, the base value of META is always maintained at a very minimum level.

The minimum level will factor in the value support that is offered to the other Metas that META is used to purchase. Note that because the smart contract contains the unit of crypto that the meta can switch for (upon which event it would be destroyed) and is not in any sense therefore backing META. Rather, it is providing an option wherein META can be exchanged for some minimum crypto value, META is therefore not a security. This means that META can be used to effect purchases both on the regulated and the unregulated sides of the exchange.

Metacurrencies are unique in that they comprise both digital assets which are securitized and assets which are non-securitized. The way we here imagine the construct of a metacurrency group is just one way in which such Metas might be constructed therefore; in reality, there are perhaps hundreds and even thousands of variants.

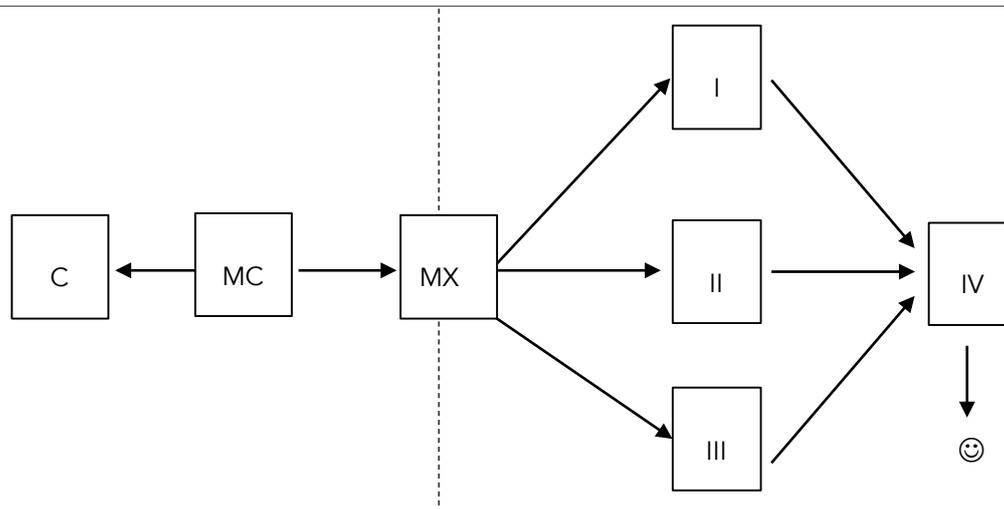
First, we require a meta cross token that can be traded both as an unregulated cryptocurrency in the unregulated cryptocurrency market and as a security on the regulated market side against the unique value categories of its own meta group (e.g. Uber Category I tokens, or Uber dividend shares).

Imagine for example a share of Uber is obtained for the purpose of metacurrency exchange. We can either trade the share of Uber as an individual common share, or we could separate the common share into individual strings of value. There are three strings of value in a common stock: income value (dividends), control value (votes) and asset value (book value).

However, it is also possible that someone may decide they wish to hold all three value strings in one token, exactly the same way they hold them in a share of common stock.

For this purpose, we would create a fourth asset, which would represent a single unit of common stock. Implementing a smart contract solution, a final value string is manufactured upon presentation of all three alternate separate strings.

FIG 5: FRACTIONAL ASSET VALUES



Assuming the share of Uber is separated into three strings of value, the resultant model would be one whereby the metacrypto was traded for any cryptocurrency available on the exchange, against which the unit of non-value metacurrency traded on the unregulated side of the exchange. There would be no requirement to be an accredited investor to purchase the unit of non-value that represents the purchase currency for which Uber value could be obtained. Once the unit of Uber non-value is obtained via purchase via the unit using the metacrypto, it can be carried across to the regulated side of the exchange where it can purchase either one of the three value strings of the Uber share, represented in three separate tokens according to their respective categories.

Via smart contract deployment, a single purchaser can then subsequently use all three tokens combined to convert to a single common share of Uber represented as a metacurrency.

Part 3: Your Money

VI: Metafinance

In Part 1: The Metacurrencies, we discussed the way in which currency value can be represented in a multi-dimensional construct. In such a construct, gold (or any commodity) is zero-dimensional, meaning it has zero dimensions of currency value other than its own source.

Fiat, we hypothesized, is 1D, meaning that Fiat currency as a financial unit contains one additional dimension of currency value; that value is its supply, which is manipulated at source on a frequent basis by a country's central bank.

In 2D we found were securities and cryptocurrencies. While both very different from one another, securities and cryptocurrencies both share the same two additional dimensions of currency value that commodities do not; those are their supply, which is manipulated at will from the outset and sometimes on an ongoing basis by the issuer or the purchaser of the units, and their net asset values, which are loaded with either earnings value or with various digital payment use-cases which give them future value and hence in a speculative sense at least, loaded present value.

Metacurrencies, we found, were different in that they contained all the above value attributes with an additional third dimension of value. The term Metacurrencies is one that we used to describe digital payment units where the primary utility of the unit was to create value.

The additional third dimension of currency value such financial units contained was that of their ability to manipulate payments.

Mostly, we surmised, this occurred via making profitable payments. Profitable payments are an unusual concept to get your head around at first, being an economic occurrence that principally only happen in hyperinflationary and hyper-deflationary economies. With a profitable payment event, the payment itself leads to a profit in the form of another type of payment either immediately or at a later date in time.

Security tokens may be Metacurrencies or they may be cryptocurrencies, depending on how they are expressed. If a share is traded on the Blockchain against a tethered Fiat token or against BTC even, it's just a regulated cryptocurrency. However, if the value attributes of the share are split apart, so the votes, the dividends and the assets are all uniquely expressed as well as by combination, they are Metacurrencies.

This is because as individual units of value that are traded against other alternate units of non-value such as cryptocurrencies, they begin to affect the way in which payment values are effected.

For instance, a share traded in the way described may see a spike in voting units right before an AGM and the same in dividend units right before ex-dividend periods, and these variable units of payment may serve another use as a result of their respective values other than those to which their core functions are necessarily ascribed.

This is not to suggest that securities must be broken up all the time to be considered Metacurrencies however. If the security is very difficult to obtain, or if it is very much in demand among a niche group of economic participants, such as venture capitalists or hedge fund managers for example, then its listing on the Blockchain might also have a similar effect on the unitized value of the digital financial unit as was the case in the hypothetical split security.

This effect that is made on the unit's value as a payment mechanism that is somehow artificially manipulated by necessity beforehand by an issuer is what gives rise to three-dimensional value, and hence, the units status as a metacurrency.

VII: Metacurrency Retail Consumer Securitizations

Perhaps most compelling characteristic of all about Metacurrencies, aside from the immediacy of their structures in bringing exciting and hard-to-obtain private companies such as Uber, Air BnB and Lyft to market prior to the event of any formal public offering of the shares is the reverse: the openness of such instruments in terms of providing immediate peer-to-peer oriented finance to owners of retail luxury goods.

The potential for luxury consumer goods securitizations alone is almost hard to believe but nevertheless, lying in wait for Metacurrencies to sweep up the way the MP3 player swept across the emergent working populations of mainland Chinese consumers in the 90s and 00s.

Especially at the high-end of the luxury and collectable goods market there is enormous value with no practical financing mechanism yet in place to feed the latent demand.

Global aggregate luxury goods sales in 2017 came to \$212 billion, with the top 10 brands making average sales per brand of \$2.1 billion each. At the current growth

rate of 6.8% per annum, that is approximately \$3 trillion to \$5 trillion over the next decade that will be spent on new luxury consumer goods.

Clearly, the potential for securitizations of such products are monstrous. Household debt varies by nation, with Scandinavia coming in at the top of the range, approximately 120% of national gross domestic product (GDP) and the south Asian and south American countries coming in at the bottom range with about a tenth of that. On average, households assume debt of roughly 55% per household.

It is safe to say that there is at a very minimum over \$1 trillion in new high-end luxury retail goods securitizations business that will evolve in metacurrency form in one shape or another over the coming decade.

Assuming a roughly 50% interest rate on such securitizations and accounting for approximately 10 times the amount of existing luxury consumer retail goods in supply today with 60% or so of equivalent annualized value, that is a bare minimum in potential net interest payments of \$6 trillion over the next decade, or \$600 billion a year in potential interest payments. In other words, there are three times the amount of interest payments on luxury consumer goods securitizations potentially lying in wait than sales themselves.

The way in which luxury consumer goods securities might be structured is not dissimilar to how other securitizations would be. Fractional assets would be constructed around categories of consumer goods (e.g. watches, wines, cars) and brands of such consumer goods categories (e.g. Rolex, Chateau La Tour, McLaren). These categories and classes would ultimately feed into a master metacurrency which would represent all the luxury consumer goods combined.

What is especially interesting about the consumer securitizations is how the Met note doubles up as a substitute for the combined category meta.

Because securitizations of consumer items are predominantly credit-based, the capital value of the credit interest payments including the default rates that emerge within such securities are all bundled into the non-value unit of payment (although they could and will most likely represent actual sales and delivery contracts for the underlying items, which may be interesting to retailers in particular where discounts are involved for quantity securities for delivery are concerned).

In other words, if watches pay 50% interest per year in category I Metas, cars pay 40% per year in category II Metas and wines pay 60% per year in category III Metas, then the purchase price of the meta cross note that is used to buy each would

necessarily be round about par value of all the Metas plus 50% average interest payments $((50\%+40\%+60\%)/3)$.

Rates of interest are likely to be much higher than average due to the overall demand for such securitizations. The high rates of interest combined with direct flow of credit capital to an untapped fledgling multi-trillion-dollar market is likely to have a dual growth-on-spending effect among middle class families worldwide the likes of which are hard to understate.

Specifically, families will have access to higher and more immediate sums of cash than ever before at the same time as being able to spend and securitize such cash on relatively instant demand. As we imagine a future digital economy, with an economic paradigm wherein spending, saving and reinvestment is an almost instantaneous sequence of events, this chain of rapid-fire value configuration upon value reconfiguration is what we surely mean when we talk of an Internet of Things. That is all very well, but how would such items be securitized? you are probably asking yourself. Quite simply, by the insurance assessment of the items.

In order to securitize any item, a borrower would simply upload three documents: their KYC documentation (which is essential to being on the marketplace anyhow), the certificate of authenticity of the item concerned with relevant category/serial numbers etc., and their latest insurance assessment of the item (that being not more than something like 3 months old and annually renewed).

The item would instantly be funded by a pool of capital obtained from the initial note offering of the Met note for the luxury goods securitization initiative or perhaps from the category meta (e.g. watches) as the market evolves.

The presence of a verified insurance claim offers the lender immediate security as to the position of the capital at risk, while offering the borrower the opportunity to use, wear and retain the securitized item during the credit period as for any house on mortgage or car loan deal. This will effectively allow individuals to use their newly-purchased items to consistently generate new capital. Needless to say, there must be an upper limit in place here or else the consequences are a market where debt is stacked up high upon debt, which tends to have socially corrosive effects on an economy. Limits therefore might be put in place on a discretionary or automated basis.

Despite the potential risks of enhancing the consumer goods credit market, it is probable that the upside of increased cash-flow worldwide, better savings rates with similar level of risk than is currently obtainable from global financial institutions and the relatively instantaneous financing modelling of such

innovations will have tremendous positive effects for families and individuals worldwide who are laboring day and night to make ends' meet.

VIII: Making Blockchain Value a Reality

Several things are required to transform what is described in the above passages from an academic concept into a business reality. First, it helps to have a working financial services firm.

Fortunately for us, one of us own two of them. Both are based in London. The more established and growth-driven of the two is Autilla, which provides bank infrastructure for the digital trading of precious metals and other commodities and brokerage services to market counterparties.

Only via an established, regulated, well capitalized financial services firm should any entrepreneur ever attempt to launch any sort of financial product. That is not so much because such endeavors as they may undertake will necessarily be regulated ones. Most likely they will not be.

Regulation, contrary to the pervasive view of the utility token market these days, is not the be-all end-all solution to management or market negligence either. You only have to look at how poorly enforced rules and regulations are on many areas of the Asia securities markets these days to see this (China and Thailand are two exceptions to this).

However, what a regulated firm does impose is a military-like internal cultural discipline which installs a highly procedural component of doing business in the status quo, and that translates into a much more controlled handling of volatile price-sensitive retail products.

Simply put, day-to-day the growth is significantly more robust over time under a regulated umbrella, and there is no financial market history where there is an exception to this truth. That robustness, however non-securitized it might have been, certainly was something the early handling of Coeval in July and August 2017 could have done a lot more with, to be sure.

Second, for value to really be present in an investment sense, something other than short-term value-utility must be present to justify the investment thesis of the product. This may sound obvious, but when you look at the utility token market, it is almost entirely void of value. Bitcoin, the incumbent cryptocurrency leader since its 2009 inception, has remarkably little value going for it.

It is slow and clunky; its Blockchain is simple and vaguely Ponzi-like by design, and it represents nothing more than code that will surely outdate and die a listless death in the same way that every other technology that has come before it has done.

To compare Bitcoin to gold is ludicrous. That is not because you can see or touch gold, or because gold has lasted thousands of years of financial turbulence with its price in inflation-adjusted terms still intact, or even because gold is shiny and yellow and men and women all over the world consistently wear it.

It's because Bitcoin is nothing more and nothing less than a technology that will likely outdate very soon (if that process is not already underway) and gold is a natural resource over and above which other natural resources will not be produced to outdate it.

IX: From Sony To Gold: An Investment Analysis of Tech

To grasp what we mean here, think back to the first portable music player, the Sony Walkman. The first Walkman was released on the same day as Monkey Capital went to market its ICO: July 1. Except the year in which the metallic blue-and-silver Walkman TPS-L2 was first sold was 1979.

The product retailed in Japan for around \$150, which is anywhere from \$500 to \$800 in today's terms, depending on which country in the world you were in where it was sold. You can still purchase one of those first 30,000 limited edition Walkman models for roughly the same value, so as investments go, it's not great: while you haven't lost any money, a 0% return isn't going to buy you a Lambo any time soon.

As far as subsequent models go however, the Walkman's net return is dreadful. Check up the price for a standard 1980s Walkman on eBay and you'll find the product, which retailed up into the thousands of dollars in inflation-adjusted terms, is now less than ten bucks in value. While about 0.0075% of Walkman holders have broken even on their portable stereo investments then, the rest are more than 99% in the red.

And yet the portable music market has done nothing but boom, creating trillions of dollars in wealth as it has transited from cassette player to compact disc player to MP3 player, becoming nimbler, more versatile and more durable in each of its latest disruptive incarnations. (Walkman alone made nearly a trillion in inflation-adjusted terms.)

Look at who is making the money, however. It is not the purchaser who makes anything - 99.9925% of lost more than 99.3% of their money buying Sony's

portable cassette player in the subsequent 3 decades. It is the manufacturer and the retailer, who are both capturing short-term profit margin spikes.

And so, it is with cryptocurrencies. The whole reason why tokens ascend so rapidly upon creation is for the same reason all tech products do: they are new and dynamic and you want to have them for that reason. Once you get used to them, their value fades. Their value dies completely once another shiny new technology comes along. Manufacturers of cryptocurrencies are the miners, most of which live near one of us, in mainland China. The retailers are the companies such as Coinbase, with billions in VC funding. Bitcoin will die, and just as for Sony and shopping malls, Mr. Miner and Mr. Wallet Exchange will remain merrily counting profits long into the future, well onto the next new thing by that time.

This is not to suggest that the investor cannot extract a handsome short term gain off speculating on the early launch of newly issued cryptocurrencies. That they most certainly can do.

But to talk of Bitcoin as a sensible long-term investment in which families ought to have niche portfolio holdings for the kids' college fund is sheer foolishness and amateurism.

We are not in the camp that believes cryptocurrencies are worthless at all. Rather, we are in the camp that believes that very soon, if not already, the maximum amount of value that could have been extracted from Bitcoin will have been and there will be no point in holding it any more. That is why none of us owns BTC. The King is dead.

There is nothing unfortunate in that. In fact, it's a stunning feature of modern decentralist economics that clearly propelled Bitcoin into such an aggressive run for so long. But who will be the new King to survive long into the next decade and beyond? That's where Metacurrencies come in.

Metacurrencies are so-named because of the Greek word meta-, which in its most basic sense means to be altered with some non-core but nevertheless fundamental improvement. It is in this exact way that Metacurrencies are cryptocurrency alterations of their own utility-driven economic paradigm.

Their values are directly derived from the profits made off the payments they incur. This means that their value is driven at source of fundamental utility, but unlike a security, that value is not the only aspect of the Meta's utility: it can be used to effect payments in a whole range of ways.

The good thing with Metas as investments is that they don't saturate unless a very obvious cause, such as extant market manipulation or fraud, is saturating their market. The bad thing is they are not as tough tech-wise as some of the more robust Masternode-enabled Blockchain buildouts have been.

But being the central thematic paradigm via which value-enabled tokens will expand, that is really no issue. It's the MP3 player but it's wrapped in Uber shares and gold leaf.

X: Metacurrency Classifications

The root of Metacurrency value is in the classification and trading parameters of value that are made possible.

A lot of people ask us, "what are the differences between security tokens and Metacurrencies?"

For one, Metacurrencies do not mean the same thing as securities, nor do they even necessarily imply securitization. What they do expressly include always however is value.

While securitization is a way of expressing value, it is not the same thing as value itself at all. Value is senior to securitization.

Thus, Metacurrencies by definition are senior to security tokens as a classification. What this means is that Metacurrencies have many more ways of expressing value equations than do securities: securities are just one way in which Metacurrencies express value. Another way might be as a secondary meta. A secondary meta is not securitized.

The way that a secondary meta works is that the issuer sells the notes to investors who then use the notes to purchase securities (or units of value within securities) on an exchange.

The money that is raised in the note issuance is used to purchase the securities which are listed on the exchange for purchase by the notes. The point here is that classification of value can lead to very different interpretations and income opportunities related to two pieces of what amounts to the same value. Think for a moment about a share of Uber.

A share of Uber on a metacurrency exchange could be expressed one of four fundamental ways: as a unit of secondary meta value (i.e. as a currency used to purchase its securities that can also be traded on any crypto exchange), as control

value (representing the votes in the shares), as income value (as dividends) and as asset value (in the claim on assets at the point of liquidation that such a security necessarily holds).

FIG 6: META CLASSIFICATIONS

<p>FUND METAS Products: Financial instruments, derivatives and white label investment products (e.g. ETFs) Issuers: Issued and managed actively by fund management companies Purpose: To make available unusual or rare assets or units of value not found ex-Meta</p> <p>PUBLIC METAS Products: Listed securities (including categories and classes) of public company assets Issuers: Public companies and/or third-party issuers Purpose: Leveraging value or increasing value in their company assets</p> <p>PRIVATE METAS Products: Unlisted securities (including categories and classes) of private company assets Issuers: Private companies and/or third-party issuers Purpose: Leveraging value or increasing value in their company assets</p> <p>ANGEL METAS Products: Unlisted securities (including categories and classes) of start-up company assets Issuers: Start-up companies and/or third-party issuers Purpose: Specifically, for funding and providing for access to development and incubation</p> <p>CRYPTO METAS Products: Secondary Metas and similar non-regulated cryptocurrency instruments Issuers: First person and third party-issuers Purpose: To raise money to enable the purchase of specific assets with such funding and to establish a congeneric category of currency for purchase of a specific asset</p>
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This is what we mean when we talk about how additional dimensions of currency value add exponentially more opportunities to make money out of assets as they are increased.

In the example of Uber, a common share purchased by a VC in a standard convertible loan equity agreement suddenly has four separately-tradeable individually-ascribed and seasonally differential value functions.

We classify value on the Dunaton Congress Marketplace according to the following simple 5 principle categories where the Metacurrency Note (META) is a primary meta which trades against all of the below as a base pair and also forms the foundational funding of the assets at point of capital raise.

XI: Third-Party Issuers

One of the most interesting and controversial aspects of Metacurrencies is the role of a third-party issuer. It is not convention for anyone other than the management or majority owner of a company or asset to seek a listing without the consent of other third-party asset holders.

For instance, if you own 0.01% of Lyft and you want Lyft to go public so you can maximize the valuation premium on your shares, unless at least 50.09% of other shareholders are in agreement with you there is not a lot you can do about the situation.

With Metas that is not the case. If you owned 0.01% of Lyft, and that amounted to 20,000 shares, you could either list the 20,000 shares on the Dunaton Congress Marketplace, or even sub-divide such shares either via categorically unitized value or simply by executing multiple splitting incidences of the shares themselves in order to sub-divide the shares further so the average purchaser wouldn't have to spend as much money.

FIG 7: METACURRENCIES

META	PRIMARY META
B-HWAY	NUNATION META
UBER	SECONDARY META
LYFT	SECONDARY META
ADAT	AUTILLA META
ATEC	AUTILLA META
ADET	AUTILLA DEBT
DNA	PUBLIC META
HIGH	PUBLIC META
DUI	DUNATON META
CAR	ANGEL META

In doing this, it is highly likely you would achieve a substantial premium to market for the Metas that you had converted the shares from, making angel investing in popular or hot companies essentially an arbitrage game.

In fact, we are doing just such a thing with Berkshire Hathaway. Berkshire has traditionally traded for very large sums of money per share, in the \$100,000s and

\$200,000s, making owning a portion of the company essentially only something the richest 1% of individuals can afford.

We are purchasing Berkshire Hathaway shares and splitting them into \$1 or so units in metacurrency format, so that if one share of Berkshire is worth \$150,000 then we will have 150,000 meta notes for sale.

Each meta note will represent exactly the same rights, income and asset values as the much larger listed security, it will simply be more affordable to purchase and thereby open to a much wider investor spectrum.

Needless to say, it is highly probable that the smaller unitized Berkshire Metas will trade at a substantial premium to the market value of the shares themselves due to this significantly widened market opportunity in the form of smaller investors who wish to own a portion of the Sage of Omaha's legendary Omaha, Nebraska-based conglomerate.

To be a third-party issuer does not mean you have any regulation whatsoever. The regulation for trading accredited investments between exchange participants is already covered under the owner-operator's financial services permissions - all you need is to hold the securities of something worth talking about and you are done!

Dunaton Congress will facilitate the rest of the process and the widened market creates its own premium on the less widely-available assets due to their inherent popularity/fame and scarcity.

Conclusion: An Additional Dimension of Value

Metacurrencies are going to be a mainstay feature of modern economics. They are the digital assets that more than any other, are here to stay and revolutionize the way we spend, save and live.

Metas are also the basis upon which an Internet of Things (IOT) economy will necessarily be founded, or else such an economy stands no chance of ever being built at all in any practical sense.

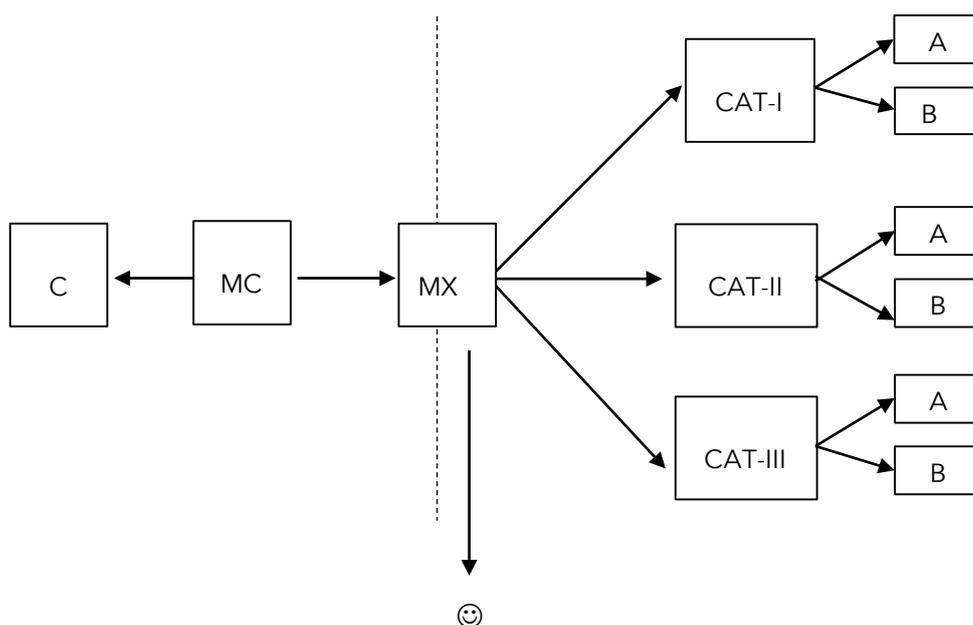
Simply put, the current consumer financing and investment landscape is broken, and has been for a considerable length of time.

Consumers do not understand why it takes credit institutions so long to grant them access to a few thousand dollars of liquid capital that the lenders withhold on their bloated balance sheets into the trillions of dollars collectively.

Consumers have no idea why it is nearly always only the most prominent venture capital fund managers who seem to be the only ones who are able to access early-stage high-growth investments such as Uber in democratically-free political societies.

Meanwhile, the common man left holding the bag on the dead over-the-counter clean energy company they are forced to buy off stock exchanges for what turn out time and again to be persistently inflated valuations.

FIG 8: CONSUMER GOODS SECURITISATIONS METAS



The role of cryptocurrencies was to give the little guy a new payment tool he could utilize without regard for prejudice or judgement of any kind.

The role of Metacurrencies is an evolutionary step on from this noble aim: it is to give that little guy the same sort of access to cash, credit, interest, returns and general economic activity that before now, only the very wealthiest and most established families and financial institutions were able to participate in.

The expansion of the financing market globally via Metacurrencies will in this way be one of the greatest events in financial history, with some of the most profound social consequences long-term.

For synchronous events to happen with no value wastage, all value must be apportioned into separate categories. Whenever your watch speaks to your microwave, there is a data transmission in that activity wherein the watch and the microwave are in communication with one another.

At the moment they are in communication, something happens to value: it is either spent (when the microwave is turned on) or it is discarded (at the moment the value is turned off). This dichotomy of value and non-value that is represented in the transaction is the same dichotomy we find in the cryptocurrency versus security debate. On the one side, there is a tremendous non-value increase, and on the other, a somewhat uncertain prospect for further value utility.

The way in which we segregate and apportion the non-value and the value components of the economy is fundamental to the way in which we succeed at effectively creating a working model of the IOT economy. Thus, Metas are the underlying 3-dimensional value representation for the infrastructure that supports the development of the IOT economy.

That they are built on what appear to be standard Blockchain platforms but that they simultaneously enable a much greater degree of value transmission and effect is emblematic of their increased dimensionality.

Think back to gold, a 0D currency. The minute that Julius Caesar used it and other metals to mint coins for the general public to spend was the minute that he was able to raise an army, conquer a continent and start a religion.

The only tacit expectation of the author is that the reader hopefully finds a rather more productive means of value engagement of this additional dimension of currency than did the first Emperor of the Holy Roman Empire find in his own.

Appendix

A: References

1. Goldman Sachs / The Internet of Things: Making sense of the next megatrend
2. Deloitte / Global Powers of Luxury Goods 2017

Note: All other models, diagrams and references are entirely original and not lifted from any outside sources. In such instances, such as with the 3D currency models, copyright law applies.

B: Acknowledgements

Very many thanks to His Holiness Gyalwang Drukpa for his generous permission in allowing for the use of the quotation from his teachings on page 2.