

Token Funder

Blockchain | Venture Capital | Toronto | Founded: 2016 | Employees: 12 | <https://www.tokenfunder.com>

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Company Overview

TokenFunder is a Toronto-based fintech start-up using Blockchain technology to create a platform where other start-ups can raise venture capital from everyday investors through Initial Coin Offerings (ICOs) or Initial Token Offerings (ITOs). The company has worked rigorously with regulators to ensure it creates an ecosystem with governance, KYC, and regulatory compliant features.

Senior Management

Alan Wunsche: Cofounder, CEO & Chief Token Officer (2016-Present); Chair & Cofounder, Blockchain Canada (2016-Present); ISO/TC 307 Blockchain Chair, Standards Council of Canada (2016-Present); CEO & Chief Digital Officer, Leading Knowledge Ltd. (2015-Present); Member, CPA Canada (2016-Present). Previous: VP, Credit Info Systems, Scotiabank (2011-2015); Sr. Manager, Strategy & Ops Consulting, Deloitte Inc. (2006-2009); President & CEO, Leading Knowledge Inc. (2001-2006); Principal Consultant, PwC Canada (1991-2000). Education: BSc Chemistry, University of Western Ontario; MBA, Richard Ivey School of Business; Various other programs and certifications from Darden, Schulich, Princeton, and HarvardX.

Laura Pratt: Cofounder & COO (2016-Present); Cofounder, Blockchain Canada (2016-Present). Previous: COO, Project Manager & Project Lead, Leading Knowledge Ltd. (2010-2018). Education: BA Honors Physical Education, Western University (1991); BAS, York University (1997), Various other programs and certifications in Computer Science, Blockchain, and Project Management.

Matt Yang: Tech Lead (2018-Present). Previous: Software Development Engineer II, Amazon (2016-2018); Software Engineer, Facebook (2015); Software Engineer, Microsoft (2015); Cofounder & CTO, iShangke (2014); Developer Intern, IMS (2013); Web App Developer Intern, Boom Digital (2013); App Dev Intern, Genesys (2012). Education: BSE, University of Waterloo (2016).

History

Alan Wunsche and Laura Pratt have been involved in fintech startups since their early careers and were intrigued by the potential opportunities Ethereum posed when launched in Toronto in 2015¹. The emergence of unregulated cryptocurrency assets over the world prompted the two to create a platform that would make it easy for start-ups to use blockchain technology to raise capital in a regulated ecosystem. After incorporation in 2016, the company spent the next year building an advisory team and working with the OSC Launchpad to ensure the business model was compliant with regulations². In October 2017, the OSC approved a 12-month exemption for TokenFunder to launch the first regulated ICO in Canada, after which it would have to register itself with the OSC³. Post-ICO and currently, the company has been developing its platform and establishing its required regulatory registrations⁴.

Funding

After the initial Friends/Family/Fools funding, the next major fundraising effort was through TokenFunder's ICO for its "FNDR" tokens⁵. Between November 1st 2017 and April 30th 2018, the firm tried to distribute 200,000,000 of its 1,000,000,000 FNDR tokens with a goal of raising \$10,000,000. The capital is to cover operational expenses as well

¹ <https://wwwFOUNDERSBETA.com/interview/founder-spotlight-tokenfunder/>

² https://ncfacanada.org/tokenfunder_interview/

³ <https://bitcoinexchangeGUIDE.com/tokenfunder/>

⁴ <https://about.tokenfunder.com/roadmap/>

⁵ <https://www.crowdfundinsider.com/2017/10/123654-token-funder-ico-fndr-token-approved-ontarios-securities-commission/>

as platform development and regulatory costs. The raise had limited success however due to restrictions placed on the ICO by the OSC (e.g. limited liquidity)⁶.

Key Corporate Developments

Press Releases: <https://about.tokenfunder.com/news/>
May 4, 2018: [FNDR Tokens Launched on Ethereum Public Blockchain](#)
October 23, 2017: [Regulatory Approval and ITO Announcement](#)
October 17, 2017 [Ontario Securities Commission Decision](#)

BUSINESS HIGHLIGHTS

Strategy

TokenFunder has two main competitive advantages to its business:

Regulatory Connection: By working with the OSC early and being first to offer a regulated ICO in Ontario, TokenFunder ensured founders and investors will trust the platform knowing KYC and governance structures are in place. This is crucial because of the fraud and dirty money historically associated with cryptocurrencies.

Redefined Value of a Coin or Token: TokenFunder is leveraging technology to create a platform that will allow coin offerings to hold more than monetary value. For example, a FNDR token carries the right to a share of future profit distributions of the company. It could also hold the right to a vote, similar to a common equity share. The enhanced value of a token makes investment through a TokenFunder ICO launch more attractive to investors.

Products and Pricing

Smart Token Asset Management Platform (STAMP): Core business under development that will be offered as “Software-as-a-Service.” The platform will execute ICOs for start-ups while factoring in governance, KYC, investor identity management, investor rights, smart contracts, etc. The platform aims to provide customers with cost and time savings, investor protection, and speed to market in venture capital.

Professional Services: To complement its core business and to leverage its team of advisors, TokenFunder also offers professional services to start-ups. These services include: feasibility study & business case development, token economics & business valuation, token launch strategy & implementation plans, marketing support & communications, investor communications, application development, token strategy, and regulatory implications.

Technology and Distribution

TokenFunder is a web-based platform currently under development. The key technology behind the platform is the public Ethereum blockchain which is programmable and enables the use of “Smart Contracts.” The company also uses APIs that contain modules related to specific features like governance, investor relations, or token management. While the core offering is being developed, the company is using its website as a community page for founders and innovators to connect which can serve as a distribution network in the future.

Marketing/Partnerships

TokenFunder’s key marketing ploy was its own ICO, which gave the world a demo of what a regulated offering would look like. It also gave FNDR investors the right to be the first to try the platform in its Alpha and Beta phases in 2018. Beyond this, the company uses general word of mouth through fintech and innovator networks. The founders’ regular appearances and talks at various fintech forums and conferences (e.g. National Crowdfunding and Fintech Association events) also serve as marketing initiatives.

COMPETITION

At a broad level, TokenFunder competes with all other forms of venture funding, traditional and digital alike. Specific competitors include:

1. [Polymath](#) – (Barbados) Offers tokenized securities for start-ups to obtain venture capital using blockchain.
2. [StartEngine](#) – (CA, USA) Crowdfunding company that connects investors to start-ups for traditional equity crowdfunding, but now also offers regulatory compliant ICO launches to complement core business.

⁶ <https://medium.com/icomplyico/the-truth-about-canada-on-icos-and-utility-tokens-5372a78ca688>