



CHAI VAULT

Prove. Empower.
Protect. Connect.



Wine and Spirits Market Size

Global
Wine Market

\$489.3B
2021 Value

\$825.5B
2030 Market
Value

Luxury Wines &
Spirits Market

\$971.2B
2020 Value

\$1,213.8B
2028 Projected
Value

Sources: Acumen Research and Consulting, World Health Organization, The Spirits Business

CONFIDENTIAL

Counterfeit & Illicit Market



≤20% of all wine globally is counterfeit



~5% of the wine sold in auctions and other secondary markets is counterfeit



>30% of spirits are counterfeit in some markets



25% of the alcohol consumed worldwide is fake, illegal, and adulterated -WHO



CHAI VAULT

Porous Supply Chain Enables Fraud



Producer

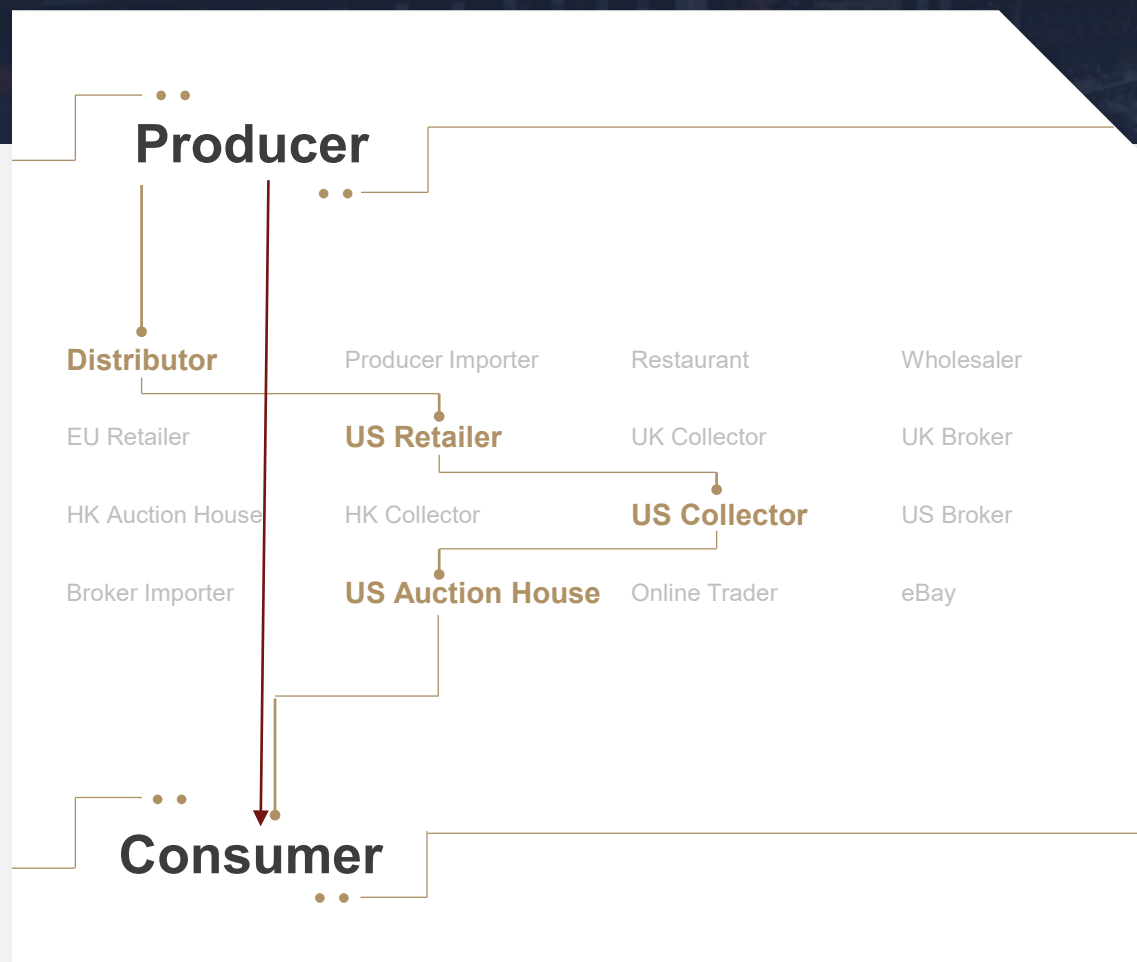
Distributor	Producer Importer	Restaurant	Wholesaler
EU Retailer	US Retailer	UK Collector	UK Broker
HK Auction House	HK Collector	US Collector	US Broker
Broker Importer	US Auction House	Online Trader	eBay

Consumer

The path from producer to end consumer is opaque and full of opportunities for a bottle to be stolen, altered, or substituted with a counterfeit.

Supply chain oversight ensures bottle integrity and authenticity.

Frequent, Secretive Bottle Trades Conceal Fraud



Frequent trading of bottles and sellers concealing and misleading buyers about provenance results in risky purchases and lost investment.

Provable provenance ensures bottle integrity, authenticity and value.

Producers see, connect and interact directly with bottle consumer.

The solution



CHAI VAULT

Innovative, layered, discreet, Web3 solution delivers:

- Bottle-level track-and-trace across supply chain and secondary markets
- Brand and legacy protection
- Access to online proof of authenticity and provenance prior to purchase
- Direct producer-consumer engagement
- Increased consumer confidence & loyalty
- Increased bottle value

Layered • Timeless • Immutable
Transferrable • Track & Trace
Authenticity • Provenance



Chai Vault Certification

Bottles Are Entered & Certified in One of Three Ways

● Producer Certification

Bottles are certified with chip embedded in the capsule at the time of production for discreet security, respecting producer design.

● Primary Market Certification

Importers, wholesalers, distributors, & retailers with proof of direct provenance can input bottles by capping them with the Chai Vault caplet prior to first sale.

● Secondary Market Certification

Following inspection by a TCM® Authenticator, any authentic, healthy bottle can be certified. Collectors, auction houses, resellers, & restaurants can have bottles certified to increase value, selling price or for insurance & risk mitigation purposes.




Chai Vault Software



Powered by proprietary Web3 software based on The Chai Method® inspection process, the Chai Vault solution combines custom chips and groundbreaking capsule tech revolutionizing bottle authentication & tracking.

The innovative Chai Caplets, inlayed with proprietary chips, power the unique solution to deliver unmatched oversight and bottle protection and make significant contributions to all stakeholders in the value chain.

 **CHAI VAULT**

BOTTLE INFORMATION

VIEW LEDGER FROM BARCODE

ENTERING DATA FOR
1041858794

WINE NAME
1993 Domaine Leroy Musigny 750ml

LAST EDITED
11/1/2019

AUTHENTICATOR
Maureen Downey

*Bottle Info

*Provenance

*Administrative

Wine Location

Share & Sale

Bottle Info

The information with this symbol will be shown i

INVENTORY NUMBER, BARCODE OR TCM INSPECTION CODE

26348916

TYPE OF INPUT*

WINE NAME*

VINTAGE*

BOTTLE SIZE*

Authentic

Musigny

1993

750ml

COUNTRY*

PRODUCER*

REGION*

SUB REGION

France

Domaine Leroy

Burgundy

Côte de Nuits

APPELLATION*

WINE TYPE*

WINE COLOUR*

CLASSIFICATION*

Musigny


Still Dry

Red

Grand Cru

Please be sure to fill out the entire form before moving on.

Save & N

 **CHAI VAULT**

WINE LEDGER

VIEW LEDGER FROM BARCODE

MY LEDGERS

CONSUMED LEDGERS

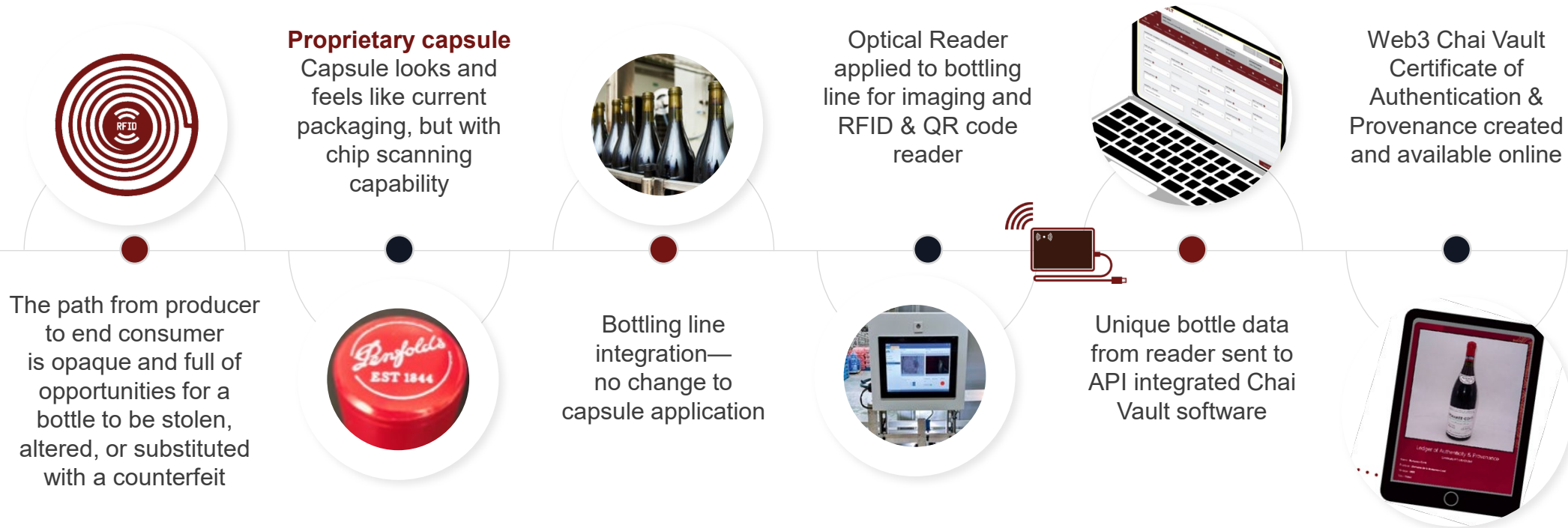
All | Ledgers With Certificate | Ledgers Without a Certificate

Bulk Act

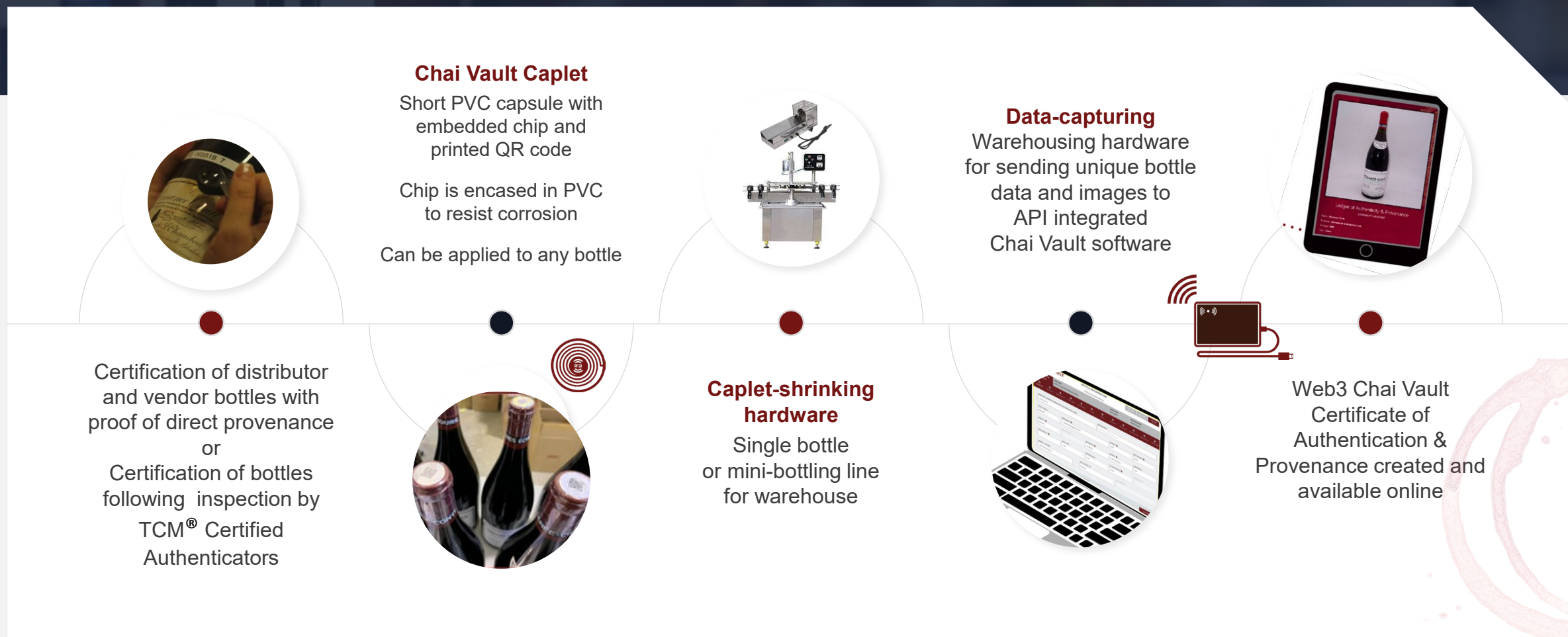
Type any Wine Name...

<input type="checkbox"/>	LEDGER NUMBER ↓	AUTHENTICATOR	BOTTLE NAME	LAST EDITED	CERTIFICATE
<input type="checkbox"/>	1061042330	Maureen Downey	2005 Domaine / Maison Vincent Girardin Bienvenues-Bâtard-Montrachet 750ml	11/1/2019	Certificate
<input type="checkbox"/>	1061024430	Maureen Downey	2002 Claude Dugat Chapelle-Chambertin 750ml	10/31/2019	Certificate
<input type="checkbox"/>	1060412430	Maureen Downey	1996 Henri Jaye Vosne-Romanée 1er Cru Cros Parantoux 750ml	10/31/2019	Certificate
<input type="checkbox"/>	1057588578	Maureen Downey	1996 Louis Latour Bienvenues-Bâtard-Montrachet 750ml	11/1/2019	Certificate
<input type="checkbox"/>	1049764706	Maureen Downey	2005 Domaine / Maison Vincent Girardin Bienvenues-Bâtard-Montrachet 750ml	11/1/2019	Certificate
<input type="checkbox"/>	1042095170	Maureen Downey	1997 Domaine de la Romanée-Conti Romanée-Conti 750ml	10/25/2019	Certificate
<input type="checkbox"/>	1041858794	Maureen Downey	1993 Domaine Leroy Musigny 750ml	11/1/2019	Certificate
<input type="checkbox"/>	1041681180	Maureen Downey	1995 Domaine Leroy Clos Vougeot 750ml	11/1/2019	Certificate
<input type="checkbox"/>	1039602548	Maureen Downey	2000 Domaine de la Romanée-Conti Richebourg 750ml	10/25/2019	Certificate
<input type="checkbox"/>	1035289995	Maureen Downey	1990 Lucien Jaye Echezeaux 750ml	11/1/2019	Certificate
<input type="checkbox"/>	1026211202	Maureen Downey	2006 Domaine / Maison Vincent Girardin Bienvenues-Bâtard-Montrachet 750ml	10/31/2019	Certificate
<input type="checkbox"/>	1017118744	Maureen Downey	1978 E. Guigal Côte-Rôtie La Mouline 750ml	11/1/2019	Certificate
<input type="checkbox"/>	1015205193	Maureen Downey	2005 Bernard Dugat-Py Pommard La Levrière Vieilles Vignes 750ml	10/31/2019	Certificate

Producers Input Workflow



Primary & Secondary Market Input Workflow



Online Ledger of Authenticity & Provenance



Bottle Image

Specific bottle, not stock image, taken by bottling line or warehousing hardware, or by TCM® Authenticator

Hyperlink

Producer, distributor, vendor or authenticator logo hyperlink or layer an NFT on the ledger



Condition Report

Updated at time of sale by licensed vendor

Provenance

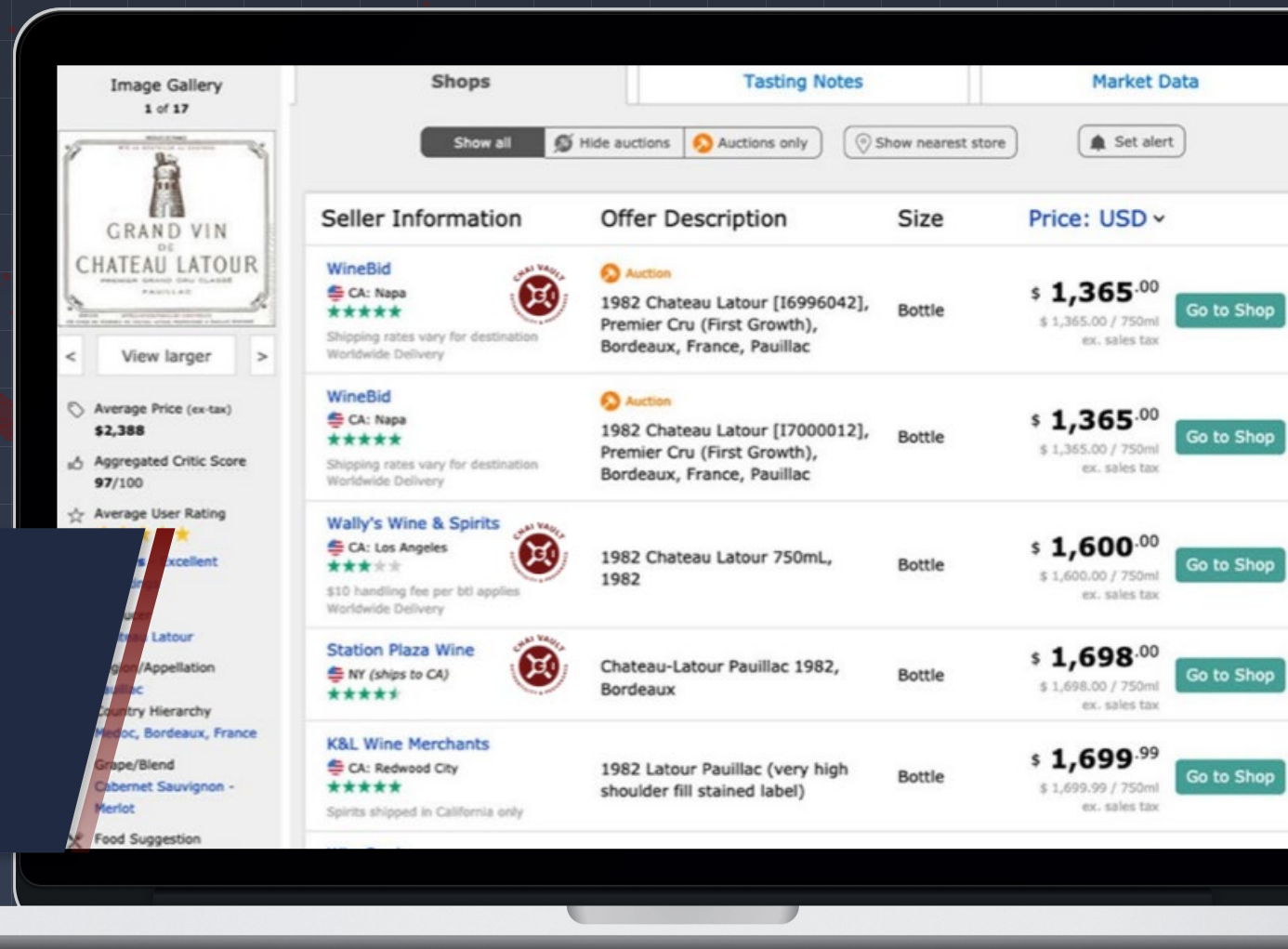
Expanding provenance panel scrolls for complete history

Authenticator

Name of individual responsible for creating ledger

Provable Authenticity and Transparent Provenance Available Online

Certified bottles displayed on vendor and aggregator sites via hyperlink to bottle's Chai Vault Ledger of Authenticity & Provenance.



Competition



Unlike Chai Vault, competitor solutions fail to deliver:

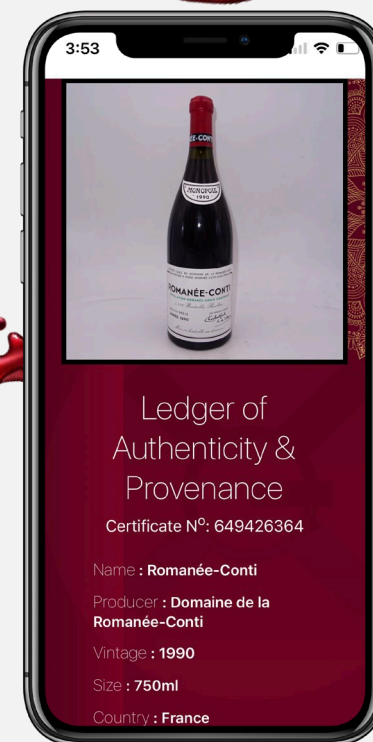
- Bottle-level oversight across supply chain and secondary markets
- Proof of both authenticity and provenance data remotely and prior purchase
- Timeless and transferable data
- Producers' insight into bottle holders and direct contact with end consumers

Only Chai Vault offers certification of bottles to vendors, wholesalers, and secondary market collectors, providing remote proof of direct provenance to potential buyers, with the added benefit of inventory management.



Intrusive, unsightly tags do not protect against refilling and do require proximity to scan

VS



Differentiation



Only Chai Vault

- Discreet, layered solution addresses antifraud, supply chain and market movement oversight, inventory control, and facilitates direct producer to consumer engagement
- Enables bottle-level oversight across supply chain and through secondary markets
- Delivers Web3 based immutable, timeless, and infinitely transferable proof of both authenticity and provenance
- Deters theft and the swapping of like bottles in transport, storage, and sale
- Innovative capsule technology provides discreet security, protecting the closure to prevent refilling or resale while maintaining current packaging design and elegance
- Simultaneously protects producer brand and legacy and consumer investment
- Provides remote proof of authenticity and provenance for pre-purchases assurances and investment protection
- Increases bottle value

A full suite of superior solutions benefiting all parties in the lifespan of the bottle

Benefits Across the Value Chain



Brand Protection

Cutting-edge, multiple-level, Web3-secured anti-fraud security



Brand Trust

Brand trust reinforcement through registration and provenance tracking



Risk Mitigation

Decreased liability and counterfeiting risk through supply chain oversight and informed purchases and sales of certified bottles



Bottle Visibility In Supply Chain & Markets

RFID-enabled bottle tracking and integration with supply chain



Allocation Oversight

Real-time detection of leakage, grey market activity, and identification of “bottle flippers”



Customer Confidence And Loyalty

Increased trust and patronage from customers receiving assured authentic bottles of provable provenance



Increased Bottle And Asset Value

Certified bottles are more valuable

Benefits Unique to Producers

Tradition • Heritage • Legacy

- **Respect for producer packaging and branding**
Seamless integration of UHF RFID without marring the look and feel of existing packaging and branding
- **Inventory control**
RFID-enabled tracking of bottle movements through warehouses and cellars
- **Bottle visibility in secondary market activity**
Visibility of producers' bottle ledgers available for sale
- **Targeted location of individual bottles**
Fast and discreet QAQC issue resolution
- **Collector engagement**
Targeted marketing and sales offers to loyal collectors

Bespoke, customizable solutions for diverse producer needs, bottle types, and tracking options:

Affordable high-volume-production bottle solutions providing inventory tracking and proof of authenticity functions without provenance ledgers



Benefits Unique to Distributors and First-Sale Vendors



Targeted location of individual bottles
Fast and discreet QAQC issue resolution



Inventory control
RFID-enabled tracking of bottle movements through warehouses and cellars



Security
Reducing risk of theft



Monetization
New revenue streams from provenance updates to ledgers following sales



Collector engagement
Targeted marketing and sales offers to loyal collectors

Benefits Unique to Collectors and Consumers



Remote proof of provenance and authenticity prior to purchase results in sound, risk-free, worry-free purchases



Secure Guarantee
Preventing bottle substitution
in storage and transport



Asset protection
Reducing risk of theft
including bottle swapping



**Engagement
and opportunity**
Direct contact and offers
from producers

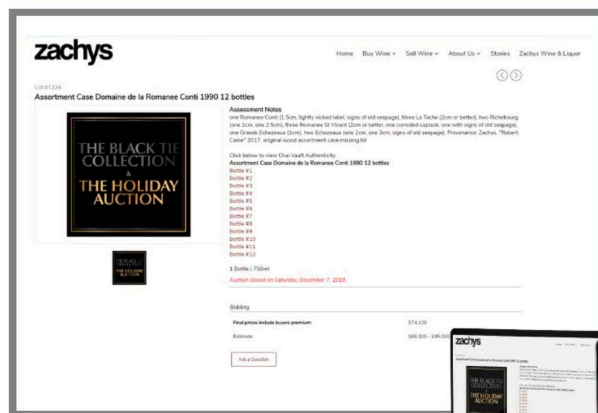


Asset Value
Increased bottle values
and asset ROI

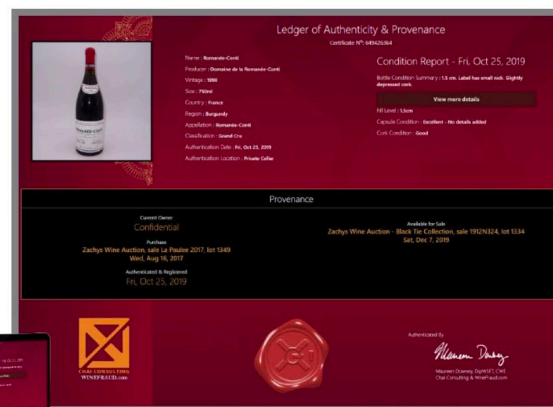
Certified bottles are more valuable*

*Producer direct bottles achieve >20% more at auction

Proof of Concept



The Black Tie Collection
ZWA Dec 7th 2019



Winners transfer ownership of
wine in Chai Vault, keeping
provenance current and complete

**Ledger of Authenticity & Provenance
available for every bottle in every lot
in the online catalogue**

\$3M

Auction of Chai Vault
Certified Bottles
by Zachys Auctions

Core Team



Ronan Sayburn, MS
Chief Executive Officer

Ronan is a highly decorated, globally recognized Master Sommelier. Over three decades of crafting award-winning wine programs at multiple 3-star restaurants in Europe and being the wine expert behind the 67 Pall Mall clubs has resulted in a network of unparalleled relationships with top producers and collectors. As CEO of the international Court of Master Sommeliers, he oversees global educational standards. He also co-chairs the prestigious Decanter Wine Awards.



Decanter
WORLD WINE
AWARDS

67

PALL MALL



Maureen Downey
Chairman, Chief Wine Officer

Maureen is the foremost global authority on counterfeit wine and authentication and wine and spirits fraud. She has advised the FBI and worked for the DOJ to investigate and prosecute fraudsters. Internationally, she is also recognized as a leading expert in fine wine collecting and valuation and runs the world's only authentication training program.

- “50 Most Powerful Women in Wine,” *Drinks Business*
- “The Sherlock Holmes of Wine,” *Wine Spectator*



Ed Baum
Chief Strategist

Ed is a distinguished Silicon Valley tech executive with decades of experience driving strategy and operations of technology businesses and advising startups. He held multiple executive roles at Cisco including heading up strategy and planning for Cisco Services, a \$10B+ group, and was GM of multiple Cisco Cloud business. Ed has served as a CEO mentor for more than a dozen start-ups through Alchemist Accelerator.



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