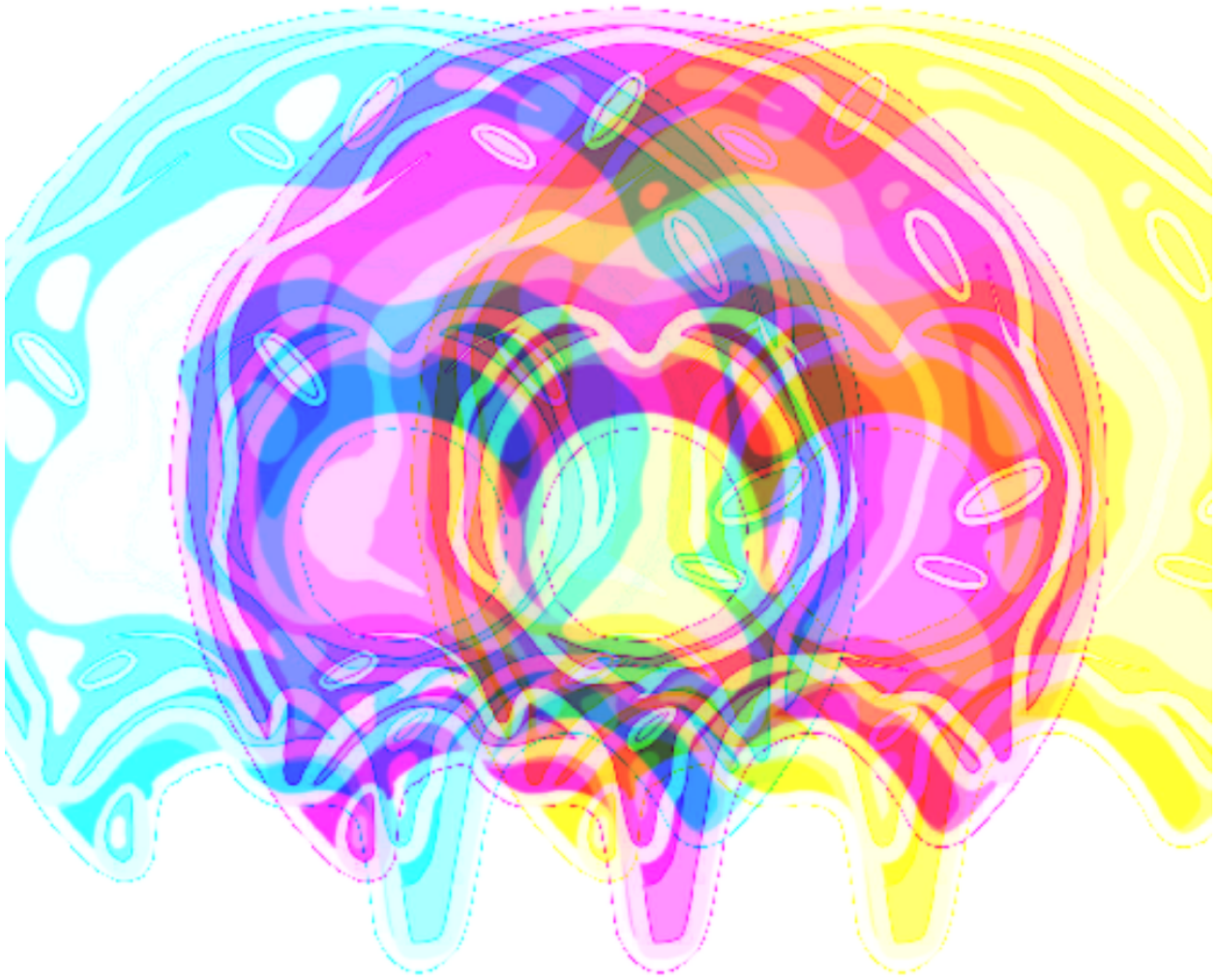# MUNCH Whitepaper V3.0

10.10.2021

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Throughout this whitepaper ("Whitepaper"), the use of the word "MUNCH" or "MUNCH TOKEN", can refer interchangeably to either the Company (or any of its subsidiaries).

The purpose of the information contained in this Whitepaper is to summarise certain developments with respect to the Project which may be of interest to the recipient. The views expressed in this Whitepaper are the subjective views of the MUNCH Project personnel, based on information which is believed to be reliable and has been obtained from sources believed to be reliable, but no representation or warranty is made, expressed or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of the information and opinions. Certain information contained in this Whitepaper constitutes forward-looking statements, which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "project", "estimate", "intend", "continue", "believe", or the negatives thereof or other variations thereon or comparable terminology. The information contained in this Whitepaper is current as of the date indicated in it.

The project as envisaged in this Whitepaper is under development and is being constantly updated, including but not limited to key governance and technical features. The token (as described in this Whitepaper) involves and relates to the development and use of experimental platforms (software) and technologies that may not come to fruition or achieve the objectives specified in this Whitepaper. If and when the platform is completed, it may differ significantly from the platform set out in this Whitepaper. No representation or warranty is given as to the achievement or reasonableness of any plans, future projections or prospects. Nothing in this document is or should be relied upon as a promise or representation as to the future.

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Table of contents:

EXECUTIVE SUMMARY

In 2020, Visa generated $6.3bn from transaction fees around the world. Also in 2020, almost every humanitarian crisis was accelerated and added to by the global pandemic.

The events of the year demonstrated how the financial system is built on imbalance. As the need for asset distribution grew more urgent, global wealth became more concentrated.

Through cryptography and blockchain technology, individuals are now able to decentralize their financial power and have more control over the distribution of accumulated wealth.

MUNCH uses a transaction fee on buys and sells to distribute resources to charitable causes. This fee is converted to Ethereum (ETH) at the point of transaction and sent directly to the charity wallet.

The idea was born from the idea that the money people invest in DeFi is money they can afford to risk. This is also money they can afford to donate to causes that interest them. MUNCH is aimed at people that want to improve systems that they have so far been locked out of. People that want to establish a standard where financial services have inherent redistribution of equity built in via a more egalitarian system.

By allowing the community to choose the distribution and donation ratios, and the causes (from an approved and accredited shortlist) every holder of MUNCH is invested in taking a bite out of inequality.

Quick facts:

- 7% transaction fee
- 2% fee to be distributed to token holders
- 3% fee to charity (directly to the charity, we don't own the wallet)
- 2% fee to marketing and reserved for token buybacks to increase liquidity

N.B. The original distribution was designed to be 2% in distribution and 1% in donations but this was changed to the 5 and 5 model after feedback from the community. The initial tokenomics was 5% to charity and 5% in reflection. This was updated on August 15th to reflect changing market conditions.

TOTAL SUPPLY: 100,000,000,000,000, (100T)

- 15% to burn during specific burn events (15T - Time-locked for specific burn events)
- 10% team allocation with a range of ownership between 0.5% and 2% per person
- 5% presale with a max of 0.5% per person held across 10 accounts
- 12% marketing budget
- 5% development budget
- 8% liquidity and exchange listings
- 45% pooled

This gives us a circulating supply of 85T, but as the burn wallet holds 15T and will receive tokens in distribution from all transactions there is also a deflationary reduction to the total supply.

N.B. In the initial token distribution, 30% was allocated for burning. But, after community feedback, burn distribution has been reduced in order to fund major exchange listings and additional marketing.

DEFI TOKENS: A GROWING MARKETPLACE

DeFi (Decentralized Finance) is a peer-to-peer decentralized, pseudonymous, and open system that enables financial services.

DeFi tokens, such as MUNCH offer decentralised financial applications via blockchains which recreate traditional banking and finance concepts, in a decentralised manner. Automated and trustless systems make third party go-betweens unnecessary.

By creating a parallel financial system, DeFi tokens are creating new expectations for transparency with significantly lower costs and faster processing. This allows users to conduct financial operations, such as earning interest, receiving loans, network staking and derivatives, to insurance, gaming and trading synthetic assets. DeFi tokens enable decentralised applications to run on their network infrastructure.

INDUSTRY CHALLENGES

Disreputable operator activity

By far the biggest challenge to DeFi's adoption for financial services is the trust issues caused by a number of bad actors currently operating within the space. MUNCH aims to set the standard for legitimacy and trust in the industry, and help people recognize the signs of a sustainable DeFi project in the future.

The first, and most common example of such practices are known as 'Rug pulls'. Tokens can be launched with a single wallet controlling a large proportion of the circulating supply, or a number of wallets controlled by a coordinated group of people.

Once liquidity reaches a certain threshold, this wallet, or group of wallets, sells all their tokens, removing all liquidity and leaves holders without the option to sell their tokens as there is no liquidity remaining. Without locked liquidity, and with a single source holding a high proportion of tokens, these pulls can leave token holders with no recourse.

The second challenge comes from what is known as 'Pump and Dump' schemes. This is where individuals with a large amount of resources inject huge amounts of liquidity into a project, without an interest in the function of the project. They rely on hype to push the price up further and then withdraw their funds in large single transactions, creating a panic-sell.

MUNCH has implemented a structure to guard against both:

- **Locked liquidity**
  The initial liquidity, provided by the core team and pre-sale, has been locked using Unicrypt. This locked liquidity means the project will continue to exist regardless of price fluctuations.

- **No mint function**
  There is no ability to generate new tokens beyond the existing supply.

- **Minimal single ownership**
  The core dev team split 10% of the total supply, ranging from 0.5% to 2% depending on

the initial liquidity they provided, which has been locked.

- **Minimal distribution and pre-sale**
  To ensure there was no single wallet or person that could disrupt the project, pre-sale was limited to a maximum of 0.5% per person with a maximum of 10 pre-sale investors.

- **Vetted and trusted early investment group**
  The early investment group was hand-picked by the core team and are also contributors to the long-term success of the project.

  Clear and transparent community communication
- To keep the community engaged through potential volatility, we make our developments and plans as transparent and clear as possible.

- **Accessible core team**
  The development team is public and available through all communication channels for questions and submissions.

- **Organic growth**
  MUNCH is a long-term project as such we are targeting developments to increase our legitimacy, trust, and utility for the community, rather than substanceless promotion.

The MUNCH contract has also been independently audited by **Solidity** to assure these standards.

Source of funds verification

The second issue facing the DeFi industry and charity tokens is the source of funds verification. Crypto transactions are anonymous by design so highly accredited charities can be wary of accepting large donations from anonymous sources.

To help MUNCH work with the widest range and most effective charities we are committed to only working with accredited exchanges that conduct rigorous KYC procedures. All exchanges

undergo a due diligence process to ensure we attract genuine community members and investors.

We also agree donation terms with highly accredited charities in advance of donations starting from MUNCH. Using the block chain ledger to track funds enables us to monitor wallet addresses that have been highlighted for unscrupulous practices and take efforts to address this such as withdrawing from any exchanges with multiple addresses with negative reputations.

Use cases

The DeFi space is also currently heavily represented by so-called 'Meme Coins' with no real utility or future roadmap. The coins use popular cultural symbols to attract initial interest and rely on speculation and mania to generate momentum. While this can generate impressive numbers, it is unsustainable and fails to utilise the potential of DeFi technology.

The success of MUNCH relies on differentiating from this group and proving the standards of the financial model and the future use-cases for the protocol.

MUNCH SERVICES

MUNCH offers a unique financial model that rewards its community and distributes resources to where they are needed.

Community distribution

2% of every MUNCH transaction is redistributed back to the holders. This means, every transaction will increase your total amount of MUNCH. Being a MUNCH holder means you are invested in the future of the project and have a say in the causes supported by it.

Similar to network staking, holding MUNCH means users receive rewards from the future transactions on the network. This distribution is proportional in relation to the holding to prevent users creating multiple addresses solely to receive distribution tokens.

Charitable donations

3% of all transactions are sent directly to a charitable cause, chosen from an approved shortlist by the MUNCH community.

These tokens are never stored in escrow in a wallet owned by MUNCH, they are converted to ETH at the transaction point and sent directly to the charity address.

By converting each transaction to ETH, and not storing multiple transactions, it makes the process trustless and automated. The community never has to trust that a person or team has to send the tokens to charity, it is locked into the design of the contract.

This also means that there is not a large build up of donations that would represent a major sell-off when sent to the charity. With MUNCH, the charity address receives a steady stream of ETH, keeping MUNCH stable and allowing the charity to extract the full value of the donation.

Deflationary growth

When the burn schedule is complete, 30% of the initial MUNCH supply will be held in an inaccessible 'burnt wallet' which means that these tokens can no longer be used in circulation.

This wallet will continue to receive tokens distributed from the transaction fees so a proportion of tokens will continue to be burnt, creating a deflationary supply. **THE MUNCH DONATION ECOSYSTEM**
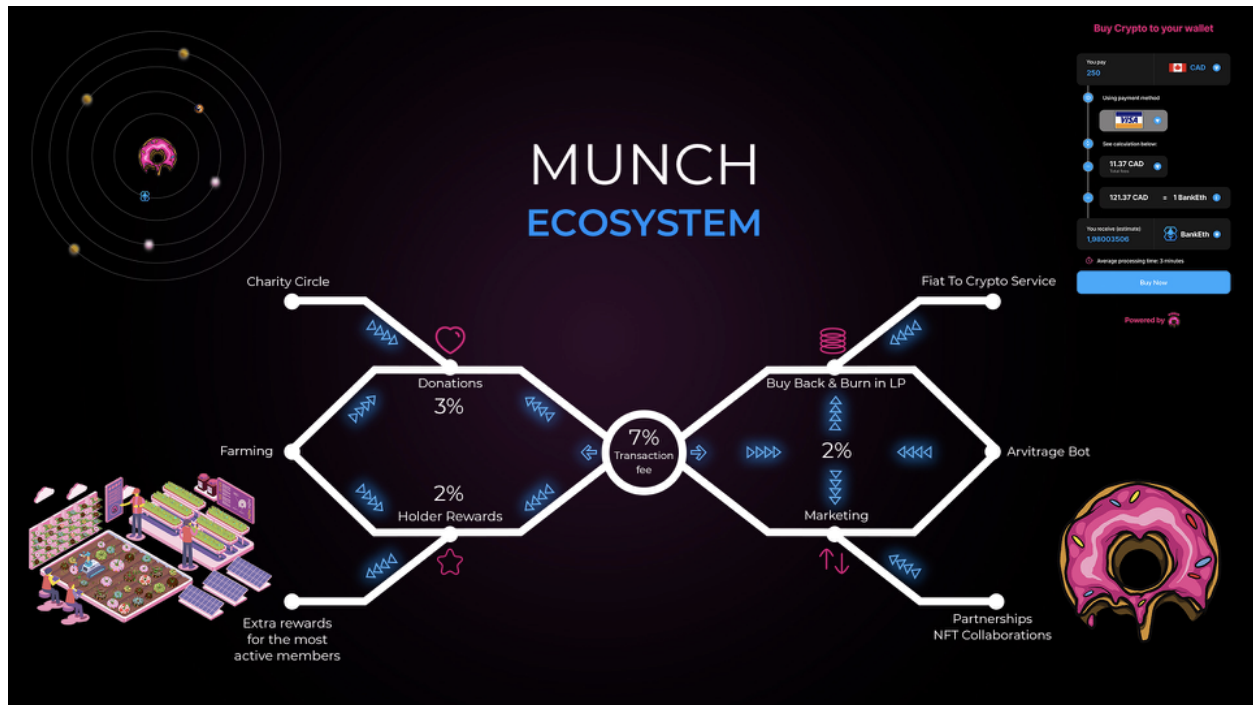
The DeFI revolution has made the use of money 'fluid'. Being able to program currencies to perform specific functions and adapt to dynamic conditions allows people to exert direct control over their assets.

It is the goal of the MUNCH project to be an ecosystem for crypto to interact with charitable and worthwhile projects, and enable people to have direct control over how their transactions can impact these causes. The MUNCH donation ecosystem also enables other crypto projects to interact with the charitable projects we introduce to crypto donations.

By making donations a fraction of transactions, empowering the community to be part of the process, and removing questions of trust or traceability, MUNCH removes psychological and logistical barriers that commonly prevent donating directly.

MUNCH means people are no longer donating. They are not 'giving something away', they are paying a pre-agreed fee for the value of actively supporting a selected cause and taking a position on a potentially appreciating asset. Passive becomes active and active is automated.

As more transaction sources are added and transaction volume grows, the cadence between cycles will become faster, allowing the MUNCH community to be more reactive to causes with a wider selection of potential causes

Charity Circle

Many crypto investors and projects want a way to donate to good causes using crypto. Yet, many charities are not yet set up with a crypto donation model. The charity circle is a way for other projects to leverage MUNCH's crypto to charity pathway for trustless and automated donations of their own.

Before MUNCH charities are voted on, they are thoroughly vetted and onboarded to accept crypto-based donations.

The MUNCH charity circle enables other projects to donate directly and gain recognition and visibility from the causes they donate to, without the need to establish lines of communication or a new wallet. Contracts can be set to donate to the charity address meaning other projects can also automate donations.

The charity circle helps us attract high-profile charities to the MUNCH ecosystem and provides a pathway to direct donations for others in the crypto space.

Farming and staking

MUNCH is a project designed to reimagine how people control their assets. By giving users control over dynamic rewards and donations, we're creating a customizable payment system that can be instantly reactive and better distribute portions of assets we are willing to transact.

As part of a major development on this concept, the MUNCH team has created a farm to stake assets, either through liquidity pool token staking or single asset staking, and control how you give and get back with MUNCH.

The percentage of your rewards going to charity can be changed at any time, allowing holders to control how much of their asset is donated as it grows.

Fiat to crypto

Fiat to crypto is a solution to bring the DeFi ecosystem to the masses. By providing a streamlined way to buy any DeFi token with a credit card, projects can convert new people.

With a complicated,unintuitive,and high-risk learning curve for new investors, projects risk creating an 'echo chamber' where they communicate with the audience, multiple times.

Rather than listing on tier 2 exchanges that attract already-familiar audiences, have the same onboarding hurdles, and don't support dynamic tokenomins, the fiat to crypto will be the on-ramp for the second generation of crypto adopters.

Partnerships and collaborations

An ecosystem requires input to survive. While projects can be maintained on speculation, MUNCH will generate transaction volume through exclusive offers and partnerships.

We have created partnerships with digital artists to create original NFTs and artworks that are bought and sold using MUNCH. As all transactions are subject to our tokenomics, these transactions contribute to the community's causes.

As we create more partnerships and offer additional exclusive goods and services in the MUNCH ecosystem, volume will contribute to the donation model without relying on price speculation.

MUNCH aims to develop a platform that will, ultimately, become the "Go fund me" of crypto. This platform will allow users to select from different charities and social causes to support individually and offer goods and services to be transacted using MUNCH.

THE MUNCH ECONOMY AND COMMERCIAL MODEL
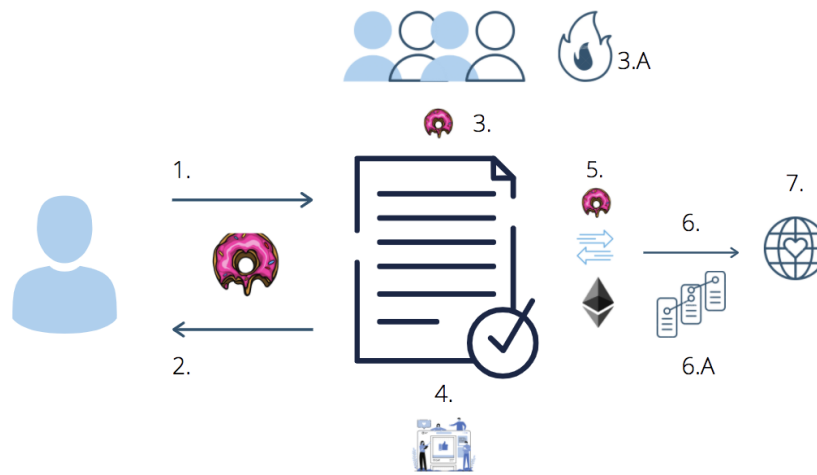
1. A user buys MUNCH tokens through an exchange or Uniswap.

2. A 7% transaction fee is collected, meaning they receive 90% of the original transaction value in MUNCH in return for their origin currency (USDT, BTC, ETH)

3. 2% of this amount is then distributed back to holders of MUNCH, based on proportional holdings.

3.A As the irretrievable burn wallet contains 30T MUNCH tokens (after the full burn schedule is complete) tokens will be distributed here, creating a gradually deflationary supply.

4. 2% of the transaction fee is reserved for marketing a buybacks

5. 3% of the transaction is automatically converted to Ethereum (ETH), using a router function.

6. This ETH is then sent automatically to a designated charity ETH address so there are no large single transactions in MUNCH that would disrupt the token.

6.A All charity donations can be tracked via the immutable ledger of the the Ethereum blockchain

7. The charity is then free to store these donations as ETH, or convert them to FIAT currency to use as required. This allows for a tremendous transfer of resources to the charity without the need for third-parties or any operational costs.

Trustless transactions

Using this model means that no funds marked for donation are ever stored in a MUNCH wallet or in the MUNCH token. As the transaction occurs, the router function converts the transaction to ETH and it is sent automatically to the designated community-chosen charity wallet.

Users of MUNCH can trace their transactions through the ledger to follow and verify all reported funds match all reported donations at any time. The charity wallet is visible in the contract and can be checked at any time, by any individual.

Stable and usable value

In addition to making this system trustless, MUNCH is the first charity project to offer a trustless model with long-term stability built into the design. In less sophisticated models, donated funds are stored in a separate wallet, often under individual ownership. Once funds reach a certain threshold, they are converted to ETH or BTC and sent to the charity. However the size of this transaction, in relation to the market cap of the coin, causes slippage and can instigate panic in token holders as the value drops. This destabilizes the token value and leaves charities with donations that are worth less than the original intended amount.

By converting at the transaction point, MUNCH builds this outflow into its tokenomics. There are no large single transactions and the charity receives the full amount in ETH, which has a stable value that can be converted to fiat without loss.

THE COMMERCIAL INCENTIVE

Charities are a business. They have running costs, marketing costs, and third-parties to pay in order to raise and distribute resources to where they can help people.

Laurie Styron, an analyst with the philanthropy group revealed that marketing spend can often outweigh program spending by dramatic margins. Looking into the operation of a number of high-profile charities for the LA Times, revealed the scope of the problem.

"The National Veterans Foundation spends 19% of their budget on programs, and it costs them $89 to raise $100 in public donations,". ''The California Department of Justice reported that for the year 2008, commercial fundraisers collected $355.8 million in donations and, after expenses, sent $156.4 million of it to the charities.''

The unique, trustless, and decentralized structure of MUNCH means that DeFI could be used to better route resources from people to people without losing as much through operational leakage along the way.

By partnering with MUNCH, charities would be able to generate a source of donations that doesn't require any marketing or routing costs. Automating the process through blockchain technology, MUNCH represents a financial model with lossless donations to charitable causes that can be implemented in numerous fundraising use cases.

Ecommerce opportunity

Goods and services industries also are known to associate themselves with worthwhile causes, but the problems of traditional finance mean these efforts are often mistrusted or misrepresented, even when conducted by otherwise reputable brands.

Consumers have to trust corporations to accurately and honestly distribute revenue to the causes. This involves 'black box' processes and transactions that users have no visibility or agency over.

Using MUNCH's unique protocol, it allows businesses to transact with a set proportion of revenue directed to automated and verifiable sources. By offering transactions in MUNCH it would enable businesses to engage in redistribution with a loss-less and automated system that all stakeholders can verify at any time, on any transaction.

THE MUNCH TOKEN

MUNCH is an ERC-20 token.

ERC20 is an official protocol for proposing improvements to the Ethereum (ETH) network. ERC stands for Ethereum Request for Comment, and 20 is the proposal identifier. This is a common standard for creating tokens on the Ethereum blockchain.

The difference between an ERC-20 token and a currency such as Bitcoin (BTC), is that ERC-20 tokens are issued on the Ethereum network rather than of running on their own dedicated blockchain

ERC20 tokens are stored and sent using ethereum addresses and transactions, and use gas to cover the transaction fees. The ERC-20 protocol applies a defined set of rules that apply to all ERC20 tokens which enables them to interact with other tokens.

Wallets and exchanges then use this standard to integrate multiple ERC20 tokens onto their platforms, enabling the exchange of multiple ERC20 tokens and other cryptocurrencies.

While MUNCH is an ERC20 token, there exists the possibility to build a 'bridge' to other networks, such as the Binance chain that would allow more people to join the MUNCH community.

FUTURE DEVELOPMENT:

Q4 2021:

- Additional exchange listings
- Launchpad - social causes
- Launchpad - new crypto projects (IDOs)
- Charity NFT marketplace beta

Q1 2022:

- Launchpad - individual causes
- Accepting crypto donations/payments as a service - automated wallet setup and partner APIs

MANAGEMENT AND ADVISORY BOARD

Rodrigo Silva - Chief Executive Officer (CEO)

MUNCH was devised and developed by Rodrigo Silva. Rodrigo has a deep pedigree in technology and go-to-market execution, owning his own development company in London.

Mike Si - Chief Operating Officer (COO)

Mike is a startup advisor, investor, and product leader. He has led business and product strategy at American Express, Barclays, and multiple hyper-growth fintech companies, helping them scale and develop.

Roughan Bass - Project Lead & Software Developer

Roughan is a highly experienced developer with over 20 years' of commercial experience, designing and implementing technology solutions through his own company in Dublin since 2013.

Rafael Cardoso - Technical Lead

Rafael is an experienced developer with over 9 years' of experience in designing and implementing cloud solutions in the gaming industry, financial sector, retail locations, and software trademarks.

Pedro Costa - Head of Design

Pedro brings over 8 years' of experience in UX and motion design, as well as a wealth of experience in graphic design and setting creative direction.

Pete Martin - Head of Business Development

Pete is an experienced entrepreneur and investor with over 10 years' of sales and account management experience from operating two businesses in the UK.

Matthew Howarth - Partnership Lead

Matthew has over 10 years' experience in Business Development and growth strategy at the C-Level in multiple start-ups and young businesses in both Barcelona and the UK.

Jon Fletcher - Communications Lead

Jon is a branding and marketing expert, experienced in developing branding, messaging and communications in the blockchain, SaaS, and financial sectors.

Advisory Board

The MUNCH team also has a trusted group of advisors that were the group invited to take part in the limited presale. Each member was chosen for their ability to add value to the project throughout and their track record of involvement with successful and trusted crypto projects in the past.

GLOSSARY

Blockchain: A system in which a record of transactions made in bitcoin or another cryptocurrency are maintained across several computers that are linked in a peer-to-peer network.

Decentralized: Decentralization or decentralisation is the process by which the activities of an organization, particularly those regarding planning and decision making, are distributed or delegated away from a central, authoritative location or group.

DeFi: An umbrella term for financial services on public blockchains, primarily Ethereum. With DeFi, you can do most of the things that banks support — earn interest, borrow, lend, buy insurance, trade derivatives, trade assets, and more — but it's faster and doesn't require paperwork or a third party. As with crypto generally, DeFi is global, peer-to-peer (meaning directly between two people, not routed through a centralized system), pseudonymous, and open to all.

Deflationary: Characterized by or tending to cause economic deflation

ERC-20: Ethereum Request for Comment, with 20 as the proposal identifier.

Ether: Ether is the native cryptocurrency of the Ethereum platform.

Ethereum: Ethereum is a decentralized, open-source blockchain with smart contract functionality

MUNCH: Used to refer to the ongoing project but can be interchangeable with the MUNCH token

MUNCH Token: Used to refer directly to the currency of the MUNCH project