



Rivemont Crypto Fund

Canada's Only Authorized Actively Managed Crypto Fund

Future investment results will differ from past results. The units of the Fund are available under the National Instrument 45-106 Prospectus and Registration Exemptions and are therefore only available to accredited investors. This document does not constitute a recommendation nor an investment advice and is presented for information purposes only.

November 2018



The Rivemont Crypto Fund, launched on December 14th, 2017, is aimed at qualified Canadian investors. It is currently the only actively managed cryptocurrency fund in Canada.

The Rivemont Crypto Fund offers the widest selection of cryptocurrencies within its portfolio composition. Rivemont can trade the following cryptocurrencies: Bitcoin (BTC), Ethereum (ETH), Litecoin (LTC), Ripple (XRP), Bitcoin Cash (BCH), Ethereum Classic (ETC) and Zcash (ZEC). More will be gradually added following the regulators' approval.



Rivemont Investments

Rivemont Investments is a Canadian-based firm founded in 2010 and duly registered with the securities commissions in British-Columbia, Alberta, Ontario and Quebec.

At Rivemont, our objective is to grow the portfolios of our clients by offering performing strategies in all market conditions.

- President and Founder: Martin Lalonde, CFA, MBA
- Firm assets: \$45 million

Our product offering





Our Team



Martin Lalonde

MBA, CFA
President and portfolio
manager

Martin is responsible for the management of the investment strategies of the firm. He has many years of experience in the financial markets and held the position of Senior analyst, investment and mergers and acquisitions for a major Canadian organization.

- Master's degree in Business Administration (MBA) from the University of Ottawa.
- Specialization in international trade at l'École supérieure de commerce de Reims, in France.
- Chartered Financial Analyst (CFA).
- Member of Leaders Club of the Gatineau Chamber of Commerce
- Member of the "*Table d'action en entrepreneuriat*" for the Outaouais region.
- Financial commentator and hosts a weekly chronicle at 104.7 FM



Jean Lamontagne

CFA
Vice President, Business
Development and Client Servicing

Jean is mainly responsible for promoting the strategies of the firm with private clients, brokers, consultants and financial planners. He has more than 30 years of experience in the areas of investment and retirement plans.

- Bachelor's degree in actuarial science from Laval University.
- Chartered Financial Analyst (CFA).
- Previously held the position of Vice President at Triasima Portfolio Management and occupied senior consulting roles at Towers Watson and Towers Perrin.
- President of the Board of the "*Fondation du Grand séminaire de Montréal*".



Our Team

**Keven Perrault**

Analyst, Investments and
Administration

Keven assists the portfolio managers in market analysis and in seeking new investment opportunities for the Rivemont Absolute Return Fund and the private wealth mandates. He also assumes responsibilities in portfolio administration and compliance.

- BSc in Business Administration with major in Finance from University of Québec
- Currently pursues CFA Designation

**Philippe Jetté**

Main Consultant,
Rivemont Crypto Fund

Philippe is responsible for the analysis of the cryptocurrencies for the Rivemont Crypto Fund. Passionate about emerging technologies, Mr. Jetté has closely followed the development of the blockchain technology and has an in-depth understanding of its many advantages, both as a currency and on the various industries that can be reinvented thanks to this revolution.

- Active on the cryptocurrency market since 2013.
- Compelling returns.
- Advanced expertise in fundamental analysis of cryptocurrencies.

Cryptocurrencies versus Traditional Currencies

The main difference between traditional currencies (fiat money) and cryptocurrencies is the complete decentralization of the latter. Purely electronic, they do not require any banking intermediary.

The main features of cryptocurrencies are as follows :

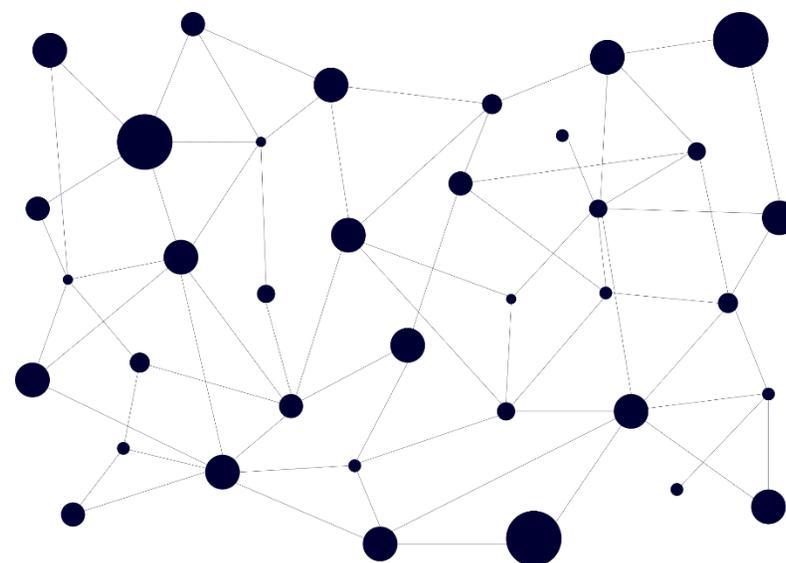
- Completely decentralized. Not issued by a central authority.
- Virtually instantaneous transfers.
- Very low transaction fees in comparison to traditional bank transfers.
- All transactions are fully public and easily identifiable.
- They are nevertheless anonymous, since they use a cryptographic address rather than your own identity.





What is a cryptocurrency? And a *Blockchain*?

- At its core, a cryptocurrency is a large ledger containing all the transactions in its history.
- It relies on cryptographic technology, which allows to authenticate the transactions via a personal signature impossible to guess or duplicate.
- All transactions are electronically announced on the network. They are integrated into transaction blocks, which are then validated by computers that solve complex calculations to get there. When a block is validated, it is added right after all the blocks that precede it.
- All of these blocks constitute the Blockchain. The latter is completely immutable, preventing any possible fraud on the protocol itself.
- While blockchain technology was initially developed to reinvent the financial transaction system, its scope is now much broader. This revolution is considered as important as the arrival of the internet was in the 1990s.





The *Blockchain* Technology – A new paradigm

Blockchain technology has the potential to have an impact on our society as wide as the birth of the internet. If one already knows its advantages as a currency, many other industries are likely to be the subject of a revolution linked to the blockchain in the decade to come:



- Online security
- Global voting systems
- Car sales and rental
- Networking
- Gaming industry
- Online music industry
- Sharing economy
- Online market exchanges
- Real estate market
- Insurance industry
- Health system data
- Supply chain transactions
- Cloud data storage
- Energy management
- Loyalty programs
- Government payment systems
- Firearms registry
- Notarial contracts, including wills
- Charitable donations integrity
- Human resources management
- And many more!



The *Blockchain* Technology – The beginning of a new revolution

"Bitcoin is a remarkable cryptographic achievement and the ability to create something that is not duplicable in the digital world has enormous value."

Eric Schmidt, CEO of Google

"It's a significant innovation that could transform the financial system more generally."

The Bank of England

"You can't stop things like Bitcoin. It will be everywhere and the world will have to readjust. World governments will have to readjust."

John McAfee, Founder of McAfee

"Innovations in network technology and cryptography could change the speed and mechanics of moving money."

Goldman Sachs

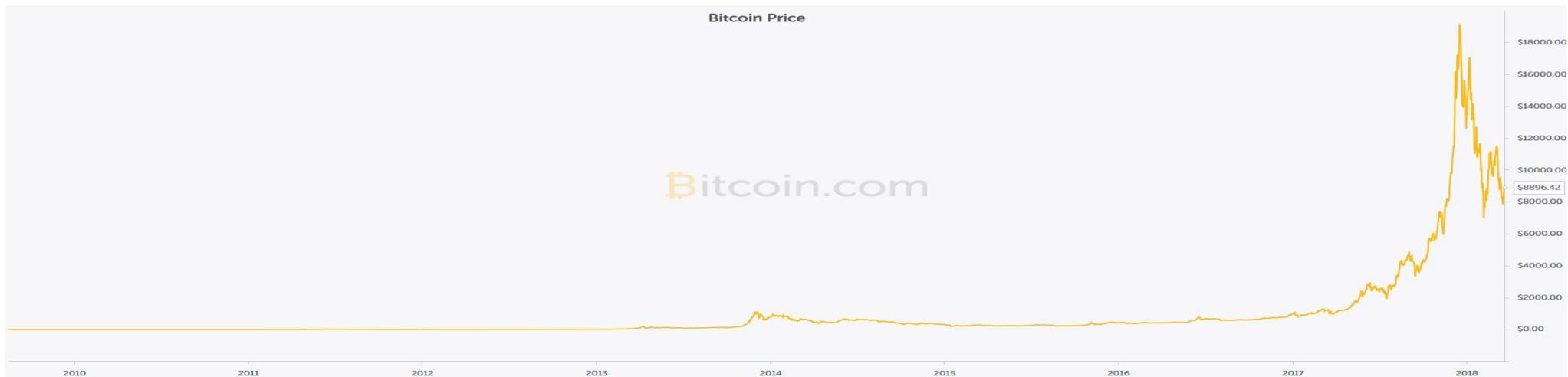


The *Bitcoin*

The most popular cryptocurrency is undoubtedly the Bitcoin.

Here are some relevant information about the Bitcoin.

- Founded in 2009 by a mysterious programmer nicknamed Satoshi Nakamoto.
- Capitalization of \$113 billion US as of November 7th, 2018.
- The blockchain is one of the “engine” component behind the Bitcoin.



Historical price of Bitcoin



Altcoins

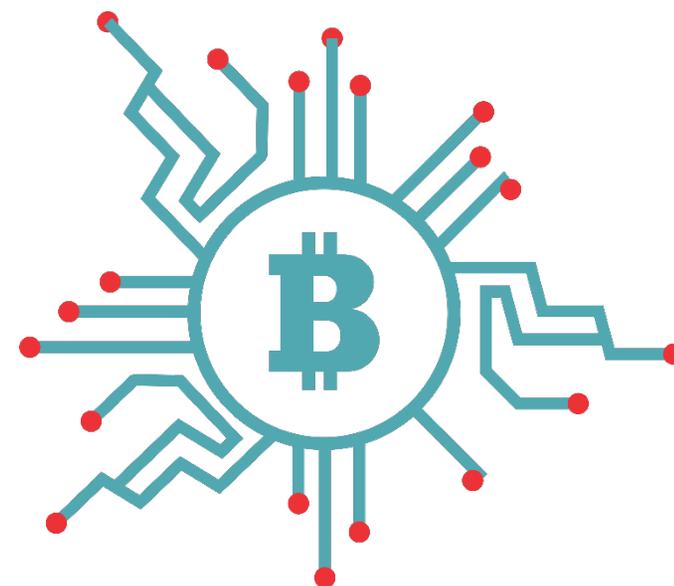
There are hundreds of parallel cryptocurrencies with high potential:

- The global capitalization of cryptocurrencies is \$218 billion US as of November 8th, 2018.
- Ethereum recorded a growth of more than 5,700% in 2017, Neo more than 24,000% and Ripple 39,000%.
- They propose a revolution to many industries. We are only at the dawn of their implementation.
- A return completely independent of traditional market trends.



Why investing in cryptocurrencies?

- A revolutionary technology that is just entering the adoption phase. It is no longer a question of whether it will be implemented in many industries, but rather when, how, and with which protocol.
- Institutional and traditional investor money is just starting to get in the market. It is so complex for the average person to buy cryptocurrencies. Soon, it won't be the case anymore.
- Overall capitalization of \$218 billion US as of November 7th, 2018. The growth potential is huge. In comparison, gold's capitalization is \$7.1 trillion US, \$21.8 trillion US for the S&P 500 and \$1 trillion US for Apple alone.
- A non-correlation that could, in the opinion of many analysts, become an inverse correlation to traditional investments. A perfect hedge in a balanced portfolio.
- Without a doubt, the most promising asset class for the risky part of a diversified portfolio.





Rivemont Crypto Fund

- Launched on December 14th, 2017
- This is one of three Rivemont alternative funds, alongside the Rivemont Absolute Return Fund and the Rivemont MicroCap Fund. Rivemont also offers traditional private wealth strategies.
- The objective of the Fund, in addition to obviously allow exposure to the emerging market of cryptocurrencies among investors, is above all to generate a higher return than the growth of the global capitalization of cryptocurrencies.
- Rivemont is registered as a portfolio manager with the Autorité des marchés financiers (AMF), the Ontario Securities Commission (OSC), the Alberta Securities Commission (ASC) and the British Columbia Securities Commission (BCSC).



Rivemont Crypto Fund – What's in it?

- The Rivemont Crypto Fund is currently the Canadian fund with access to the widest selection of cryptocurrencies. We can currently invest in:
 - Bitcoin (BTC)
 - Ethereum (ETH)
 - Bitcoin Cash (BCH)
 - Litecoin (LTC)
 - Ripple (XRP)
 - Ethereum Classic (ETC)
 - Zcash (ZEC)
- Looking forward, when the industry will develop further to offer institutional solutions, our medium-term goal is to include in the fund:
 - Several emerging altcoins with strong fundamental bases.
 - Possibility of arbitrage to take advantage of the spreads between the different brokers used.



Rivemont Crypto Fund – Bitcoin (BTC)

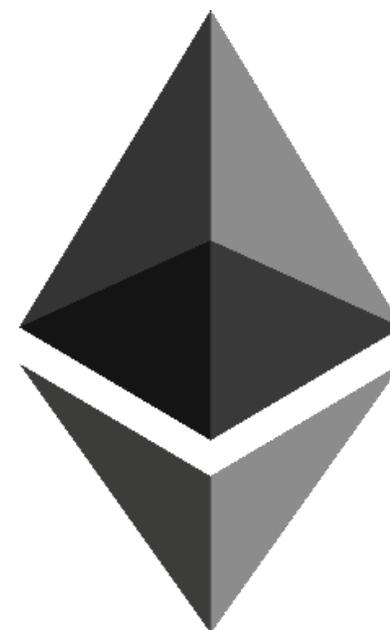
- There will never be more than 21 million Bitcoins in circulation, somewhere in 2140. Current float is close to 17 million, with several million estimated lost. Demand is rising rapidly while supply is limited and fixed.
- The new bitcoins emissions (halving) will be reduced from 12.5 bitcoins / blocks to 6.25 bitcoins / block in 2020. This phenomenon occurs every 4 years.
- The standard cryptocurrency on the market. It is difficult to integrate the market or trade without buying / selling bitcoins. Market dominance with capitalisation representing over 50% of total capitalisation of cryptocurrencies as of November 7th, 2018.
- Current development of the Lightning network, allowing to greatly decongest the network by allowing transactions on off-channel levels, increasing the blockchain transaction capacity.





Rivemont Crypto Fund – Ethereum (ETH)

- A decentralized super computer that allows the management of such decentralized applications (dapps) in the form of smart contracts. A smart contract is simply a contract that runs automatically without intermediary when the programmed conditions are met.
- Ethereum is a platform on which any company can build its decentralized solution. It affects several industries. The use of the network requires a fuel called ETH. It's ETH that's trading on the markets.
- Cryptocurrencies (tokens) are also created within the Ethereum network. They are called ERC-20 tokens.
- Great leader as cryptocurrency platform in the industry. 1378 applications are currently built on the network. Transactions on the Ethereum network count for more than 50% of all transactions, all cryptocurrencies combined.
- Many major partners via the Enterprise Ethereum Alliance, including AMD, CISCO, JP Morgan, Mastercard, Microsoft, Pfizer, Samsung, Scotiabank, Shell and Toyota.



Rivemont Crypto Fund – Litecoin (LTC)

- A Bitcoin fork created in 2011 by Charlie Lee. This is a very similar protocol but uses a different cryptographic algorithm (scrypt instead of SHA-256). Blocks are discovered four times faster than for Bitcoin. The total circulation is and will always be four times larger than the Bitcoin one.
- A fast and proven network allowing easy micro-transactions, unlike Bitcoin at the moment. Transactions are much less expensive. The network is also often used as a development network for Bitcoin innovations.
- LTC is for BTC what silver is for gold. Because of its long history, virtually all merchants accepting BTC payments also accept LTC payments. This currency is also virtually offered on all exchanges.
- Despite several similarities, its capitalization is equal to approximately 2.8% of the Bitcoin one as of November 7th, 2018. LTH has a stronger growth potential than the global capitalization of cryptocurrencies.



Rivemont Crypto Fund – Bitcoin Cash (BCH)

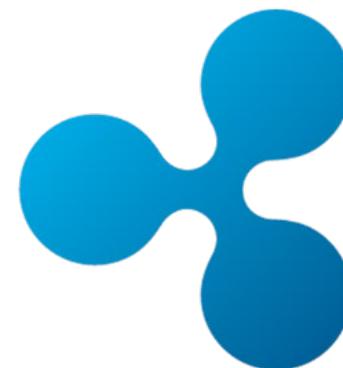
- A Bitcoin Fork created in August 2017, in response to the inability to get to a consensus on the best way to scale the Bitcoin
- The Bitcoin Cash team claims to represent the "real" Bitcoin according to the creator's vision, keeping all the transactions on the blockchain (unlike the Bitcoin Lightning network solution).
- The market has so far refused this proposal, the price of a Bitcoin Cash representing between 5% and 10% of the price of a Bitcoin. Nevertheless, the Bitcoin Cash community is made up of many "original" Bitcoin enthusiasts.
- The current solution solved the problems, at least in the short term, that still exist with the Bitcoin. The transaction fees are minimal and the network has a tenfold increased capacity.
- Fast adoption by merchants for micro-transactions. Competitor of Litecoin for this purpose. Potential for large price variations, which makes it a very interesting asset to add to the portfolio.





Rivemont Crypto Fund – Ripple (XRP)

- Ripple (XRP), unlike all other projects presented, is a centralized and managed one, by the company Ripple. It is a payment protocol developed for the global banking system. Offers an innovative solution to the old "SWIFT" system.
- Many major global partnerships. Already used by different institutions including Santander, UniCredit and UBS. In test phase with Western Union.
- Ripple adoption and their private network \neq public network adoption and the XRP currency. The private network facilitates transactions, while the XRP (xrapid) public network aims to facilitate access to local currency liquidity, as well as to reduce the need for such liquidity by banks.
- 3rd in global capitalization. Cryptocurrency recognized and adopted, at a similar level than Litecoin. The protocol centralization can represent a relevant hedge versus entirely decentralized cryptocurrencies.



Rivemont Crypto Fund – Ethereum Classic

- Ethereum Classic represents the original Ethereum project, while Ethereum is actually a fork of Ethereum Classic. This fork was proposed and accepted by a large majority of the ETH community in response to a fraud on the decentralized application *The DAO* on June 17, 2016, where 3 million ETH were stolen.
- In order to reverse this fraud that had drained the funds available for development, a proposed fork received 85% of the miners support. ETC was born. The 15% remaining, believing that this goes against the blockchain philosophy, keep following the main chain, called Ethereum Classic.
- Ethereum Classic represents an opportunity for diversification in the portfolio, which can allow secondary positions in trends that would be specific to this cryptocurrency.
- The development of this chain continues, although it is much more limited than on the Ethereum chain. Any project can nevertheless choose this channel to develop, which would open the door to a substantial increase in value if a major player decided to take that direction.



Rivemont Crypto Fund – Zcash

- Zcash (ZEC) was founded in 2016 as an emerging project of the Zerocoin protocol (founded in 2013, which proposed itself as an addition to the existing Bitcoin network). Unlike Bitcoin which offers only one type of transaction where all transactions can be identified, ZEC seeks to provide an additional level of confidentiality. ZEC offers transparent transactions identical to the bitcoin network (public addresses starting with the letter t), but also transactions using the zero-knowledge proof protocol, called zk-SNARKs (public addresses starting with the letter z).
- Zcash is the 19th most popular cryptocurrency in terms of its overall capitalization. As of November 7th, 2018, it is \$655 million US. With an issuance similar to bitcoin and a cap of 21 million units, each Zcash trades around \$ 126 USD as of November 7th, 2018.
- Zcash is a fully decentralized cryptocurrency, in the sense that Zcash does not control the tokens distribution, nor its mining. In this sense, it respects the fundamental principles of a cryptocurrency. Its protocol has not been flawed and its technological development is active. Its founder, Zooko Wilcox, has 20 years of experience in IT security and decentralized and cryptographic systems.



Why use the Rivemont Crypto Fund to invest in cryptocurrencies?

- The only actively managed fund of cryptocurrencies in Canada.
- Canadian fund with the widest selection of cryptocurrencies within its portfolio composition.
- Eligible for RRSP and TFSA investments.
- Take advantage of the cryptocurrencies performance without compromising the security element and without the personal ownership of assets risk.
- Access to cash. No investment lock-up.
- A team at the forefront of the industry solutions. We are actively working to continually expand our investment opportunities to maximize our investors' potential return.
- No minimum or maximum allocation for each cryptocurrency. Ability to quickly protect against drops by converting to fiat money.



RIVEMONT
CRYPTO



Rivemont Crypto Fund – Management Philosophy

The objective of the Fund is to target cryptocurrencies with strong fundamentals with high yield potential. Combining fundamental analysis with a trend following approach, the Fund aims to generate a return higher than the increase in the overall market capitalization of cryptocurrencies.

- A rigorous **fundamental analysis** focusing on cryptocurrencies providing innovative solutions to various industries and which have been developed and are managed by seasoned teams.
- A proven **trend following approach** to limit investor risk without sacrificing yield potential.





Rivemont Crypto Fund – Fundamental Analysis

The Rivemont Crypto Fund focuses on projects with strong fundamental qualities. We are looking for projects with the following characteristics:

- Renowned founders.
- Team of seasoned developers.
- Bringing a tangible solution to an industry problem.
- Clear timetable.
- Sufficient funding.
- Which are trading on enough platforms to ensure their growth and sufficient liquidity.
- Which are ahead of their competitors, if they have any.
- Which have an effective communication team. It's important to remember that virtual currencies rely heavily on their decentralized development community.



Rivemont Crypto Fund – Trend Following Analysis

If the choice of cryptocurrencies is initially based on a fundamental analysis, the timing of buying or selling a cryptocurrency is based on a trend following approach, very unique to Rivemont.

- A trend following approach does not attempt to predict the future. On the contrary, this strategy demands that a clear trend emerges before taking a position.
- This approach reduces the exposure for investors. Thus, a position at a loss is quickly liquidated in favor of a position with a more defined trend.
- This approach nevertheless allows to benefit from long bullish period since a cryptocurrency will be kept in the Fund as long as its trend is not broken.



“If you want to know everything about the market, go to the beach. Push and pull your hands with the waves. Some are bigger waves, some are smaller. But if you try to push the wave out when it’s coming in, it’ll never happen. The market is always right”

Ed Seykota – Famous trend following trader.



Rivemont Crypto Fund – Its Benefits

- A completely unique type of investment, uncorrelated to traditional asset classes.
- Diversification against market uncertainty.
- High return potential, unparalleled to the stock market, but with also corresponding volatility.
- Volatility is inversely proportional to the massive adoption of the technology.
- A simplified way to invest in the emerging market of cryptocurrencies with the expertise of seasoned analysts in the field.



Rivemont Crypto Fund – The Investors

The Rivemont Crypto Fund is for investors:

- Looking for an investment with high return potential.
- In search of diversification and opportunities uncorrelated to traditional markets.
- That are risk-tolerant and able to withstand short-term volatility in return of a significantly higher return potential over the medium and long term.
- Having a long investment horizon and no short-term needs to liquidate their position in the Fund.

Rivemont is registered with the AMF (Quebec), OSC (Ontario), ASC (Alberta) and BCSC (British-Columbia).





Thank you!



Appendix A Stakeholders

Administrator	SGGG Fund Services
Registrar	SGGG Fund Services
Principal exchanges	Available on request
Auditor	KPMG
Legal Documents	Fasken Martineau
Trustee	TMX Trust

Appendix B Structure

Structure	Mutual Fund Trust
Units	Private placements, accredited investors only
Investment Fund Manager	Majestic Asset Management
Investment Advisor	Rivemont Investments Inc.
Eligible for RRSP and TFSA	Yes
Valuation/subscriptions/redemptions	Weekly/weekly/Monthly
High Water Mark	Yes

Appendix C Management Fees

Annual Rate	CLASS A [MAJ710]	CLASS B [MAJ714]	CLASS F [MAJ711]
Fixed fee	2.0%	1.5 %	1.0%
Performance fee	20%	20%	20%
High water mark	Yes	Yes	Yes

- Class I is also available for the investors that wish to pay fees outside the fund.