


 FAMILY OFFICE INSIGHTS
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Peer Insights

R E P O R T

Q&A with
James Haft &
Lou Kerner
Co-Founders of
CryptoOracle.



Principle Series:

Please join Family Office Insights for CryptoOracle's Luncheon on Thursday, January 11th at 12PM. If you care to join us, please email admin@familyofficeinsights.com.

Family Office Insights sits down with James Haft and Lou Kerner, Co-Founders of CryptoOracle, to discuss how their new venture fund invests in companies engaged in Crypto, including blockchain, cryptocurrency, and decentralization, which represents the most disruptive set of technologies and the greatest opportunity for wealth creation in the history of humanity.

Family Office Insights is a voluntary, "opt-in" collaborative peer-to-peer community of single family offices, qualified investors and institutional investors. If you care to learn more, and perhaps join the community, you are welcome to visit us here at FamilyOfficeInsights.com

Q: Tell us about your background and your company, CryptoOracle.

A: JAMES HAFT, Co-Founder of CryptoOracle:

With 30 years of experience in emerging markets and early-stage finance technology, I have now dedicated myself to focusing on the political, social, and economic impact of blockchain and cryptocurrencies, which includes my advising ICOs and co-founding ClimateCoin. I began my career at Bear Stearns and became the Head of Investment in Hong Kong, where I was responsible for the first listing of a Chinese company on the NYSE. Then, after moving on to Managing Director of Latin America Equity Capital Markets at INGBarings, I realized the patterns in emerging markets and capital markets that was being replicated in the emerging tech markets. So, I founded PALcapital in 1996 to focus on businesses that were going to benefit from the digitization of Information. At PALcapital, we co-founded NXTPLabs.com, the leading accelerator in Latin America for Internet-related companies, and, the largest online condominium marketplace, Condo.com. In 2015, I became interested in cryptocurrency markets and began trading personally and in late 2016 I repurposed PALcapital to focus on these markets. In mid-2017, Lou Kerner, my Co-Founder, and I formed CryptoOracle to explore and leverage the opportunities being created by the fundamental shifts being driven by the introduction and adoption of decentralization, blockchain, tokenization and encryption.

CryptoOracle is fund management company investing in and supporting the growth of companies that are paving the way for the new economy based upon cryptocurrencies, blockchain, distributed ledger technologies, smart contracts, DAGs, decentralized data storage, computing, and consensus. We believe that we are experiencing the fastest and largest accumulation and redistribution of wealth in the history of mankind, and are setting up the CryptoOracle Fund as the premier Fund for investors seeking to invest in this technology.

LOU KERNER, Co-Founder of CryptoOracle:

I started my career as an Equity Analyst at Merrill Lynch and Goldman Sachs. I ran two digital companies, including Bolt, the largest social network before MySpace, and .tv, which commercialized the top-level domain (.tv) – licensed from the tiny island nation of Tuvalu – which then Verisign went on to acquire. I was also an active angel investor, most widely known for investing in Facebook – I also wrote the first Wall Street style research report on Facebook in 2010. After closing my third investment in Israel, I visited Israel after the closing of my third investment there, and I was blown away by the tech ecosystem there. So, I became a Partner at Flight Ventures, a decentralized VC and the leading syndicator of investments on AngelList, where I focused on investing in tech companies founded by Israelis. While I was involved with Bitcoin since 2013, it was on June 29, 2017, that I “saw the Crypto light” and stopped everything I was doing to focus on Crypto. I’m now one of most popular thought leaders on Medium in Crypto, hosting regular conference calls with Crypto industry innovators, which are routinely attended by hundreds of crypto enthusiasts and investors worldwide, and lead recurring meet ups in NYC and across the world focused on crypto economics, corporate governance in the decentralized economy and blockchain for social good.

James and I were introduced by Emmanuel Lagarrigue, Chief Strategy Officer of Schneider Electric in France. James and I quickly found that we shared a belief that Crypto was going to be the biggest thing to happen in the history of humanity. We're very complimentary, as James has a banking and legal background, while I have more of a research and VC background.

Q: What are some challenges you face in your industry?

A: JAMES HAFT:

Bitcoin is this new shiny object that is mesmerizing and distracting everyone right now, but we are looking at the bigger opportunity beyond Bitcoin. It is all about how it is used, the access to data, the movement and efficiency of computing power through a distributed ledger, and all the technology behind blockchains. With investors, the conversation focuses on Bitcoin, and our job is to educate the public with the rest of what is happening in the world and what this change in technology means to them as an individual and as an investor in this new asset class.

Q: How are you different from your key competitors?

A: LOU KERNER:

Things that were never possible before are now possible. It's our view that the impact of Crypto in terms of disruption and wealth creation will be significantly than the impact of the Internet. We believe we have multiple competitive advantages, most notably our focus and sourcing of data to drive our investment decisions, our belief in science of Portfolio Construction – a core element of which is a broad and diverse set of investments that maximize the opportunity for participating in the Google and Amazon of Crypto, and our methodology of focusing our portfolio on the last VC round in target companies prior to their ICOs to access the large returns and liquidity of the token issuances while holding a long term upside in the platforms creating these new token economies.

We believe our most important competitive advantage is our access to the best investments in the world in Crypto as a result of our thought leadership. New companies are always trying to pitch VCs for investments, but when that flips, and the VCs approach successful companies to get on the cap table, it's all about how you position yourself so the companies believe it's in their best interest to let you in. That's what we've solved for.

The access to investment opportunities at CryptoOracle VC Fund is bolstered by our participation in the crypto community by directly advising companies pre-IPO and our Media and content activities (blogging, conference calls, meet-ups, and conferences). The Advisory and Media activities enable us to profoundly help companies, whether we invest in them or not. On the Media side, we're excited to be co-hosting the Blockfin Summit, which is the biggest fintech focused Crypto conference in the world in San Francisco, London, and Shanghai this year. The Media arm is all about our ability to elevate the presence and stature of the companies we're investing in.

JAMES HAFT:

We are coming directly from the cryptocurrency community as thought leaders and experts in the space, so we are perceived to be authentic, which positions us to be accepted earlier and more easily by companies. We are also frequently offered positions as advisors from these major companies for our work, knowledge, and access.

Q: How are you changing the landscape of your industry?

A: LOU KERNER:

We're blazing a new trail in our ability to leverage data to drive decision making, by actively working with data providers with an overlay of Artificial Intelligence on top of that data. We are also innovating in terms of the infrastructure we're building to help companies. Every VC claims that they are value add, but the truth is, A VCs primary job is to find the next deal and they just don't have the time to help companies as much as they want: Finally, we believe the tokenization of the fund will be unique in many ways. We see tokenization as the future of private assets given the ability access a global investor base and also have provide immediate liquidity. A traditional VC is less valuable than one that is tokenized because people pay for liquidity. We are at the forefront of that working with the SEC to develop the rules of tokenization of private assets, including VCs.

Q: How much are you looking to raise and who is your ideal investor?

A: JAMES HAFT:

The perfect investor is someone who is interested in participating in the new economy, who wants to learn what's happening in the market, and has the perspective in what it means to invest in the future. It's open-minded, intelligent investors that are the ones who want to learn and be part of this new economy. This is a new asset class and we believe that if you are running your own Family Office, or portfolio you must invest in these new asset classes or you will have an incomplete portfolio.

We are looking for an initial \$2 million for CryptoOracle Fund Management in order to structure and raise a \$100 million crypto asset fund. We have strong investor interest and in the case of oversubscription, we may consider oversubscribing to allow for some earlier investments while we mount the fund. The minimum investment has been \$100k and we would like to finishing raising this round... yesterday.

Q: In what ways will you use your funds?

A: JAMES HAFT:

We intend to capitalize on this next big wave of wealth creation with a great management team in order to tackle world-class problems, which in turn, will enable others to do so as well. We are giving our investors the opportunity to form the fund management company, as well as, invest in pre-IPO, classic equity investments as an early stage investor, and also to get the ICO as an equity investor of the core companies. As the SEC has not yet set a standard for raising funds and offering liquidity in participating in the token market, we intend to set that standard for a liquid tokenized fund for early stage blockchain businesses and provide access to the returns which are produced to our investors.

LOU KERNER:

The framework we're using is it's 1993 Internet all over again. We are in the earliest moments of the biggest disruption the world has ever seen, and we want to find the leading disruptors across a wide range of industries. We plan to make 40-50 investments.

Q: What's your mission?

A: JAMES HAFT:

To be the leaders in the important developments in the political, economical, and social infrastructure that is happening as a result of the disruptions brought about by blockchain, decentralization and tokenization.

LOU KERNER:

In addition to the wealth creation, we're focused on making the Crypto community stronger, and in leveraging Crypto to make the world a better place for billions of people. The most epic thing about Crypto is its ability to solve major global problems that could never be solved before.

Q: What's next for you?

A: JAMES HAFT:

This is all happening in real time and there's nothing we think about in our waking hours other than this mission. We're so lucky to have found a passion that intertwines intellectual curiosity with a profit motive.



James Haft has 30 years experience in emerging markets and early-stage finance in tech. Since 2015, James has focused on the political, social and economic impact of blockchain and cryptocurrencies, including advising 7 ICOs and co-founding ClimateCoin. He has been advisor to over 50 Internet and Venture-backed entities, mentored at 500 Startups and TechStars, co-founded NXTPLabs.com, the leading accelerator in Latin America for Internet-related companies, founded Pacific Alliance Limited, LLC, an NY-based merchant bank focused on Internet-related businesses, and founded an early-stage VC fund.

Previously, James was the M.D. of Latin American Equity Capital Markets at INGBarings, founder and M.D. of Emerging Markets Investment Banking at Furman Selz, and M.D. of Asian Investment Banking in Hong Kong for Bear Stearns, where he was responsible for the first listing of a Chinese company on the NYSE.

Mr. Haft received an A.B. from Vassar College and a J.D./MBA from Emory University. James is co-Founder and board member emeritus to UrbanArts.org and Chairman of USA of WeForest.org.

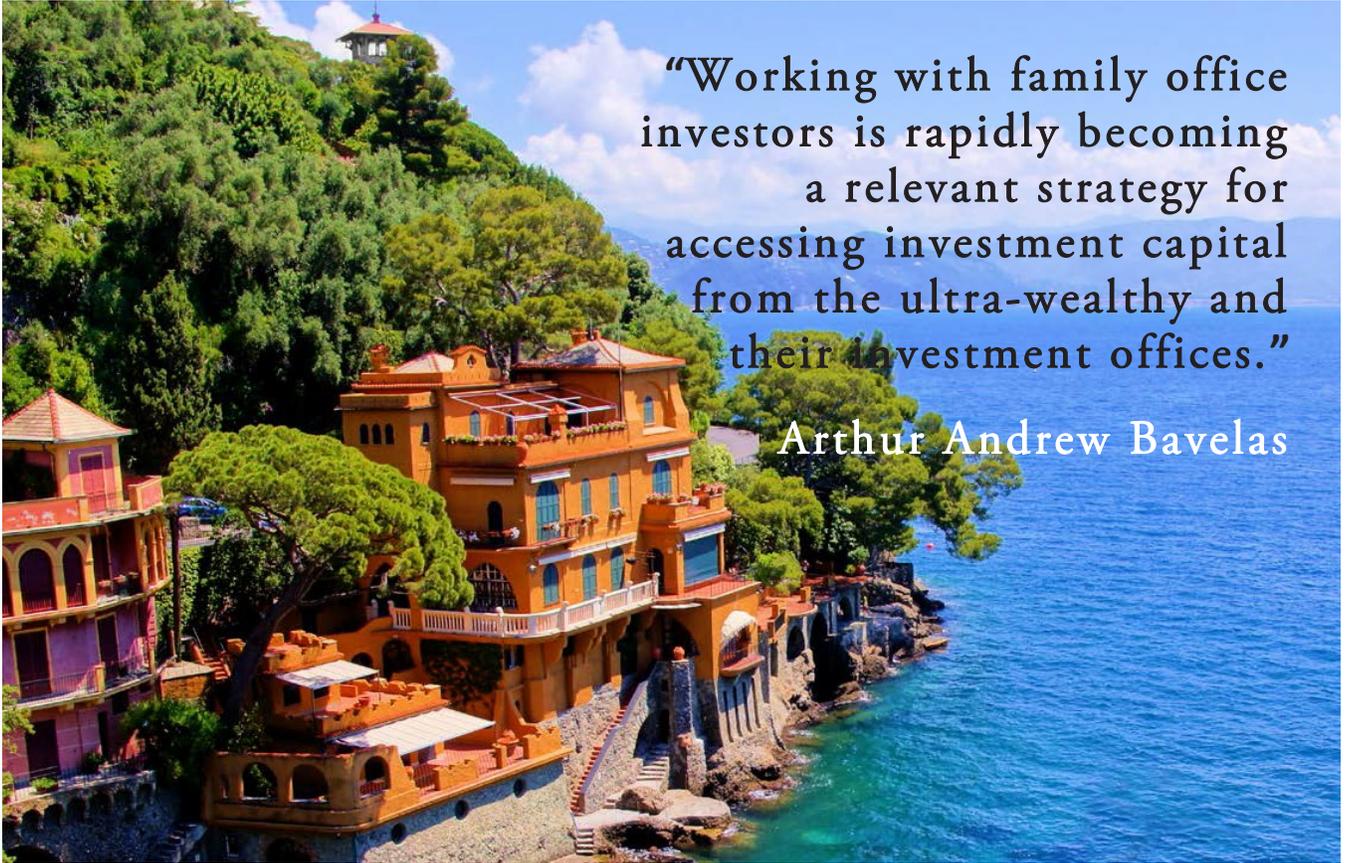
For more information, please reach out to James at james@cryptooracle.io.

Lou Kerner is a Founding Partner of Crypto Oracle, a VC and Advisory firm focused exclusively on companies developing technologies in, or disrupting industries by leveraging, blockchain, cryptocurrency, smart contracts and decentralization. Lou has been a Crypto enthusiast, investor, and public speaker and thought leader since 2013, and is currently ranked among the 5 most influential Crypto bloggers on Medium. Lou regularly hosts conference calls with crypto industry innovators attended by hundreds of crypto enthusiasts and investors from around the world.

In addition to Crypto Oracle, Lou is a Partner at the decentralized VC, Flight, where he manages The Israel Founders Syndicate, which invests in tech companies founded by Israelis, wherever they live. Prior to Flight VC, Lou was the Managing Partner of The Social Internet Fund (SIF), which invested in shares of rapidly growing tech companies. Before SIF, Lou was an angel investor, best known for investing in Facebook and writing the first Wall Street style research report on the company in 2010. Before angel investing, Lou ran two digital companies, including Bolt (the largest social network before MySpace), and .tv, which commercialized the top-level domain (.tv) licensed from the tiny island nation of Tuvalu. Verisign acquired .tv. Prior to .tv, Lou had a distinguished career as an equity analyst following media and tech companies for Goldman Sachs and Merrill Lynch.

Lou has a B.A. from U.C.L.A. and an MBA from The Stanford Graduate School of Business.

For more information, please reach out to Lou at lou@cryptooracle.io.



“Working with family office investors is rapidly becoming a relevant strategy for accessing investment capital from the ultra-wealthy and their investment offices.”

Arthur Andrew Bavelas