

**Capital Cost - Platform Development and Contingency Cost
(HK\$6,800,000)**

1. Website and Platform – \$2,000,000 (IT Equipment: \$200,000 and Proof-of-Concept prototype enrichment: \$1,800,000)

To support the COVID-19 ODR scheme, eBRAM Centre has launched an Online Dispute Resolution (“ODR”) platform in June 2020. The current version of ODR platform is composed of:

- a. A corporate website that provides information about eBRAM Centre, COVID-19 ODR scheme and acts as the entry point for COVID-19 related case registration. This corporate website is accessible by iOS, Android, Mac and Window devices. Registered users are required to login our platform to use more functions of our website and platform.
- b. A sophisticated WebApp to access our ODR platform. This ODR platform is accessible by iOS, Android, Mac and Window devices, and has a number of specially developed features:
 - An interactive Chatbot, offering a friendly user interface (UI) to collect dispute related information through easy to use Q&A.
 - An e-signature (“e-signature”) feature, providing secured way to sign documents online real-time with instant updating.
 - A video conferencing tool, catering for the specific requirements of mediation and arbitration, i.e., multiple and concurrent virtual rooms (private and joint), restrictive access only to named parties (claimant and defendant) and neutral (mediator or arbitrator).
 - Online payment - a payment gateway for parties to pay the registration fee of \$200 using MasterCard or Visa Card.
 - Data security - all data being encrypted when exchanging with the backend application.
 - Two-Factor-Authentication (2FA) - implemented to ensure only authorized parties can access the relevant case information.
- c. A backend application that is only accessible by case administrators of eBRAM Centre contains the following unique features:

- Automated emails to exchange case-related information among parties.
 - A fair and random recommendation of mediators and arbitrators for parties to select .
 - Tracking of each and every stage in the dispute resolution process (Negotiation, Mediation and Arbitration) and providing alert to eBRAM’s case administrator in case of exceptions for appropriate follow-up action.
- d. The ODR platform is built on Dynamic 365 and is currently operating on Microsoft Azure in Hong Kong.
- e. The development cost of eBRAM platform includes:
- Hardware (Server/Cloud services, Computers, Printers, Firewall, Fingerprint system, CCTV, Network equipment, etc.)
 - Software licenses and subscriptions (Microsoft Azure, Dynamic 365, Window 10, Microsoft 365 E5, Teams Voice, Distributed Denial of Service (DDoS), Advanced Data Security, Backup & Restore, Virtual Machine (“VM”), Broadband Service, etc.)
 - Manpower for the development of the ODR platform

2. eBRAM platform service Launch Preparation – \$300,000

Prior to launching our services, we have to tighten our IT security and enhance protection against cyber-attack.

We would engage external parties to assist us in preparing the cloud setup with VMs and relevant software. Before officially launching the platform to the public, we would engage IT security consulting firms to conduct Security Risk Assessment on our platform so that we may improve our system security.

3. Enhancement and development of Artificial Intelligence-Powered Language Translation and Interpretation – \$2,000,000

We have plans to enhance and further develop Artificial Intelligence-Powered Language Translation and interpretation modules on our platform. We will be using Machine Learning (“ML”) and Artificial Intelligence (“AI”) to deliver document-based translation and real-time interpretation. As

language translation is a complex technology, at the early stage, we would be making reference to and leveraging on existing translation software , i.e., Microsoft Translator from where we will further enhance our own development plans with initial focus on English, Traditional and Simplified Chinese, Russian and Arabic .

4. Others: enhancement of secure e-signature and video conferencing technology– \$1,500,000

Being a LawTech company, eBRAM Centre aims to introduce various technology modules we developed, particularly electronic signature (e-signature) and video conferencing, to the market as stand-alone products separate from the ODR platform, taking into consideration unique needs and requirements of the legal and dispute resolution industry.

- a. The existing eBRAM’s e-signature technology is capable of providing instantaneous e-signing, updating and recording of e-document on iOS, Android, Mac or Window devices and a signed copy can be emailed out as soon as signing is complete , regardless of the location of signing parties. For example, the DoJ and Hague Conference have signed a MOU back in December 2020 in real time using the technology of e-signature. To further strengthen the technology, we plan to enhance a few features:
 - Allow 8 or more signatories to sign on the same document simultaneously with instant updating and recording on our platform
 - Integrate with video conferencing for full recording of signing process
 - Provide online access for signed documents with details of signing time, location, etc.
 - Facilitate wider access to our services by the legal industry
 - Strengthen security measures with audit trails to further protect the signed documents

- b. To enhance the security and flexibility of eBRAM’s video conferencing function, including:
 - Only named users can enter the virtual meeting rooms
 - Availability of multi-rooms for caucus and private discussion between parties and respective lawyers in mediation

- Restricted recording (in mediation) or mandated recording (in arbitration)
- Scheduling of meetings through integration with other calendar software
- automated notification of meetings to parties via emails

5. Others: Enhancing stand-alone products of the dispute resolution process (negotiation, mediation, arbitration) to provide LawTech service to the Mainland and overseas – \$1,000,000

The current version of ODR platform developed by eBRAM Centre is customized for COVID-19 scheme that has multi-tier process (negotiation to mediation to arbitration). For the alternative dispute resolution (“ADR”) market, the clients are most likely using just mediation or arbitration. Thus, we have to unbundle the linked multi-tier dispute resolution process into stand-alone products – negotiation, mediation and arbitration.

Separately, Hong Kong, China is a member economy of Asia Pacific Economic Cooperation (“APEC”). Hong Kong, China has opted into the APEC Collaborative Framework for Online Dispute Resolution (ODR) of Cross-Border Business to Business Disputes (“APEC Framework”). The APEC Framework embodies similar multi-tier process. Yet, the rules and fee schedules are different from COVID-19 scheme. On top, we are also exploring the possibilities of offering our platform to other ADR providers as their backbone, including Hong Kong Federation of Insurance (“HKFI”), Hainan International Arbitration Commission (HIAC), etc. We need to adjust the existing COVID-19 platform to satisfy various requirements:

- a. Independent Mediation Service
- b. Independent Arbitration Service
- c. Multi-tier Service (Negotiation-Mediation-Arbitration) compatible with the APEC Framework
- d. To be used for different rules and fee schedules
- e. One-stop service, including e-signature, video conferencing and e-Payment, etc.
- f. Flexibility of customizing features for different ADR operators

6. Summary

The expenditure of \$6,800,000 includes:

- a. IT equipment cost – \$200,000
- b. Proof-of-Concept prototype enrichment – \$1,800,000
- c. Service Launch Preparation – \$300,000
- d. Language Translation and Interpretation – \$2,000,000
- e. Others:
 - e-signing (e-signing) and video conferencing (video conferencing) enhancement – \$1,500,000
 - Enhancing individual modules to open quotation export LawTech as a service – \$1,000,000

Remarks: Market price is only applicable to hardware/software acquired from 3rd party and is not applicable to the Online Dispute Resolution (ODR) platform and related technologies which are designed and developed by eBRAM Centre

Recurrent Cost - Information Technology Cost (HK\$5,700,000)

1. Annual Operating Cost – \$2,400,000

The operating cost is estimated at \$200,000 monthly. This covers the following recurring expenses:

- a. Cloud service – This expense will increase as business volume increases.
- b. Network service – subscribe to two broadband network services to enhance stability and minimize failover and disruptions. This is fixed monthly expense.
- c. Online payment gateway – As business volume increases, the number of transactions will increase, which will result in an increase in this expenses.
- d. Hardware expense – Maintenance and support cost for servers, computers, printers, firewall, network equipment, fingerprint system, CCTV, etc.
- e. Software expense – Various server licenses, i.e., Operating System (OS), Database, Security, etc.
- f. Consultancy expense – Privacy Impact Analysis (“PIA”), Security Risk Assessment (“SRA”), Development of resource augmentation

2. License fees – \$1,500,000

For innovation and to develop our technologies, we have to acquire licenses for software including:

- a. Blockchain / Smart Contract – Hyperledger Fabric, Ethereum, Corda, OpenChain, etc.
- b. Artificial Intelligence tools – AZURE Machine Learning Studio, IBM Watson, TensorFlow, Google Assist, etc.
- c. Big Data Analytics tools – Microsoft Power BI, Zoho Analytics, Apache Spark, etc.
- d. e-Bundling software – Zoho Doc, SharePoint Online, PDFelement, etc.
- e. Internet of Things (“IoT”)
- f. Data encryption, Face recognition and Security software

3. Innovation and Technology Expenses (i.e Cloud Service and Smart Contract) – \$1,800,000

Expenses under this heading is for studying and evaluating various innovation and technologies that are new or currently used by other industries. For suitable technologies, we will explore transforming them for the use and benefits of legal industry. For example, development of a self-sustained and secured cloud service that addresses the concerns of the legal industry, particularly in terms of data privacy and protection. Another example is the alert system, track and trace feature of Smart Contract that have been used in the supply chain industry for decades.

4. Summary

In summary, the expenditure of \$5,700,000 includes

- a. Annual operating cost – \$2,400,000
- b. Licensing – \$1,500,000
- c. Innovation and Technology Expenses (i.e Cloud Service and Smart Contract) – \$1,800,000