



## ATTENTION-BASED PLATFORM FOR VIDEO REWARDS

VERASITY SUPPORTS THE INFRASTRUCTURE AND TOOLS FOR VIDEO PUBLISHERS TO  
SERVE REWARDED VIDEO AND LOYALTY PROGRAMS TO THEIR VIEWERS

*Whitepaper - Version 3 - May 2019*

## VERASITY

Veracity is a leading video platform providing unique Rewarded Player Technology to major publishers across the globe.

Its patent pending Video Rewards Player enables VRA rewards, monetization and loyalty schemes within the player wallet. Veracity's player technology is already available to 280,000 publishers with 240 million viewers and 50 billion monthly views. This brings engagement, audiences and revenues back to publisher sites. The attention-based model creates a thriving VRA token economy between viewers, publishers and advertisers.

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## THE INTERNET ECONOMY NEEDS NEW INCENTIVES

Online video is the fastest growing medium. It is set to account for 82% of all consumer Internet traffic by 2021<sup>1</sup> and the market is worth \$312 billion<sup>2</sup>. Yet the online video business model is fundamentally challenged.

With the advent of online video platforms, both video creation and consumption are more accessible than ever before. This has led to a significant increase in content production and consumption as audiences shift online for digital entertainment. However, under current advertising models, companies like Facebook and Google stand out as the winners generating \$191.8 billion<sup>3</sup> of net advertising revenue between them in 2017 by controlling the distribution of content and the sale of advertising.

Online video platforms provide video systems for Broadcasters, Creators and Publishers but are expensive to operate, monetize on outdated models and increase publishers' risk for failure. Most publishers have turned to YouTube and Facebook to monetize their content with insufficient revenues to support their business models.

Audiences have fast turned into a commodity. Their personal data is sold to corporations for more targeted advertising, while creators and publishers receive a percentage of revenue after the platform and intermediaries take a significant share of the advertising revenue. In recent years, content creators and online publishers have been very vocal on these issues, as the limited revenue they are generating means they are unable to re-invest into content and, therefore they struggle to maintain their channels.

With these monopolies controlling the majority of online content, they continue to turn the screw to increase margins, change algorithms that demonetize creators and decide what content is monetizable. Any competitor who sets out to challenge this status quo and gains audience attention is quickly acquired and controlled, threatening future consumer options online.

The mass adoption of 'ad-block' technology demonstrates the viewer's frustration with the current model. Creators and publishers with strong, loyal audiences are exploring new platforms to sell subscriptions for their content, where viewers are happy to pay for an ad-free experience, which is often an expensive route for all.

Without disruptive change, we are witnessing a race to the bottom caused by conflicting priorities between Creators, Advertisers and their current platforms.

<sup>1</sup>[https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/complete-white-paper-c11481360.html#\\_Toc484813971](https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/complete-white-paper-c11481360.html#_Toc484813971)

<sup>2</sup>[https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/complete-white-paper-c11481360.html#\\_Toc484813971](https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/complete-white-paper-c11481360.html#_Toc484813971)

<sup>3</sup><https://www.recode.net/2017/7/24/16020330/google-digital-mobile-ad-revenue-world-leader-facebook-growth>

## INTRODUCING VERASITY

There are many existing challenges identified with the online video space today. Veracity's team of media, technology and blockchain experts has released a video player system that offers video publishers and creators a way to enhance their audience's video engagement by rewarding viewers for watching a video. Publishers can now do this without changing their current video workflow. Viewers can do so without changing their platform preferences. Viewers watch great content and receive VRA, a cryptocurrency as a reward for their attention. The goal is to improve the online video engagement, increase publisher monetization and therefore create a fairer online economy by removing the need for the intermediaries.

## VERASITY HAS COMPLETED THE MAJOR PARTS OF ITS ROADMAP

Veracity's development completes the technical components for the Economics 2.0 (for more information: <https://medium.com/veracity/the-veracity-economy-2-0-508e92c1df04> and for more information on the Roadmap, see below)

1. When Publishers sign up, they add the Veracity SDK module to their video player, create an escrow account in VeraWallet with VRA bought from exchanges and set up a reward campaign to suit their business needs. **Completed**
2. The viewer can watch ads before the video starts. If so, he can earn more VRA rewards. This generates additional revenue which is used to purchase VRA on exchanges. **Completed**
3. The VRA is purchased on exchanges and Publishers use this VRA to offer further rewards and thus restart the virtuous VRA economic cycle. **Initiated**
4. Every quarter, the foundation uses the FIAT funds collected from transaction fees and ad revenues to buy back VRA from the exchanges. **Initiated**

## VERASITY IS ALREADY FULLY FUNCTIONAL AND IN PRODUCTION

Veracity's platform is fully functional and operating already. Viewers can join the Veracity network and start earning rewards by visiting [verawallet.tv/earn-vra](http://verawallet.tv/earn-vra).

You can see Veracity's technology now by the Trophy Icon in the top right corner of the video player, which can be seen on the video player anywhere across the web (example: [ebonus.gg/earn-coins/watch/](http://ebonus.gg/earn-coins/watch/)). There is nothing for the viewer to download, and viewers can

instantly start earning by watching videos and claiming tokens. Viewers sign up and create a VeraWallet from within the player or transact on [verawallet.tv](http://verawallet.tv).

By doing so, viewers are now rewarded for their attention and this makes the viewing experience even more fulfilling as they are being paid for their engagement. Further if they chose to watch ads, they are rewarded more VRA. Advertisers want viewers' undivided attention and are willing to pay big bucks for this (see VRA's integration on [thegas.net](http://thegas.net) where big brands participate on the demand network). Veracity has partnered with several top advertising partners, bringing some of the biggest brands ads to the Veracity network, along with revenues, which are used to buyback VRA.

### VERASITY'S VIRTUOUS CYCLE

Publishers fund their VRA campaigns by buying VRA in exchanges and as they increase their viewer engagement and scale, they purchase even more VRA to increase the size of their campaigns.

Revenue generated from ads is used to buyback VRA, which means the more viewers on the network, the more VRA is rewarded, the more revenue is used to buy VRA from the market.

Publishers now can reward their fans for watching. This brings more traffic from social media platforms onto the publishers' websites, where they benefit from more ad revenue, subscriptions, sponsorship revenue and a higher value website. This is very valuable for the publisher and to continue to grow, they top up their VRA rewards account by buying more VRA.

Viewers will be able to donate VRA in real-time back to the publisher or creator from within the player, helping support the production of great content. VRA can also be used to buy real world goods and services through Veracity partnerships. Or, VRA can be traded 24/7 across a number of top exchanges including [HitBTC](http://HitBTC) and [CoinAll](http://CoinAll) with more to follow in the future.

### VERASITY INFRASTRUCTURE AND INTEGRATIONS WITH 90% OF THE OVP's

The Veracity infrastructure has been integrated into the top online video platforms, making it easy for publishers to add the Veracity SDK's or API's to their existing video player, without impacting their workflow. It usually takes around 20 minutes to integrate. Integrated video players include (click on the link to see the demo):

- [Twitch](http://Twitch)
- YouTube
- [Vimeo](http://Vimeo)
- [JWPlayer](http://JWPlayer)
- [Brightcove](http://Brightcove)
- [Video.JS](http://Video.JS)
- [Kaltura](http://Kaltura)
- [Flow Player](http://Flow Player)

## OUR VISION

Our vision is for the Veracity project to be adopted across the wider web and the player technology embedded by thousands of publishers and streaming video across billions of devices. The technology is being built to be integrated throughout the current media landscape and technology stacks. This will help bring cryptocurrency to the masses and to make VRA the cryptocurrency of choice to power the future of online video.

## THE VRA ECONOMY FLOW

VRA is a token used as a medium of exchange exclusively for the online video economy. Transactions of VRA happen over the blockchain from within the VeraWallet, available from within the video player across any participating website. The wallet and token are designed with the user convenience in mind, making it easy to use for the mass markets. There is nothing to download, all transactions are stored on the blockchain.

### **Demand for VRA**

Publishers also buy VRA to reward more viewers to watch their content, visit their websites and this investment converts to higher revenues for the publisher and more viewers. This soon turns into a good mechanism for these publishers to buy VRA to convert more viewers to the publisher's websites and content. This can come in the form of subscriptions, advertising, and sponsorship.

The VRA token is bought by advertisers looking to engage viewers and reward them for their attention. Each time there is a call from Veracity's network to display a video ad, one of Veracity's programmatic ad partners fetches an advert. When successfully seen, Veracity is paid. As the viewability and engagement are higher from Veracity's rewarded ad formats, the advertiser is happy and sees a higher performance from the advertising. *The more viewers who join the Veracity network, the more the revenue.* Every quarter, the Veracity foundation will use the advertising revenue to buy back VRA from the market.

Viewers also may wish to buy VRA from the several exchanges to send to the staking wallet and are rewarded interest in VRA. They may also wish to support a creator or publisher by buying VRA and donating this to support the creation of great content.

### **Staking VRA**

The Veracity economy adds additional incentives to hold VRA through the VRA Staking program while also increasing the demand for the utility of VRA across a large network of video publishers and their own communities, using the platform to reward VRA and spread awareness and the network effect.

### **Earning VRA**

When viewers watch videos on a publisher's domain, they can be rewarded with VRA tokens. This is to incentivize viewers to watch videos on the publisher's domain, generate new traffic, and keep viewers engaged on the publisher's platform. Viewers may also earn additional tokens

by referring additional viewers to the content. Viewers can earn VRA from, sign ups, sharing videos, referrals, watching ads, playing games.

### **Spending VRA**

Viewers can convert VRA for other cryptocurrencies like Bitcoin across numerous exchanges. Fiat gateways will be introduced in the future enable viewers to buy and sell VRA directly for fiat currency. Verasity is also introducing a partnership program to allow VRA to be spent on goods and services directly. Publishers will spend their VRA on rewarding new viewers to engage with their content, growing the overall economy.

### **Transaction Fees**

Transaction fees are generated by Verasity and are used to maintain and improve the network.

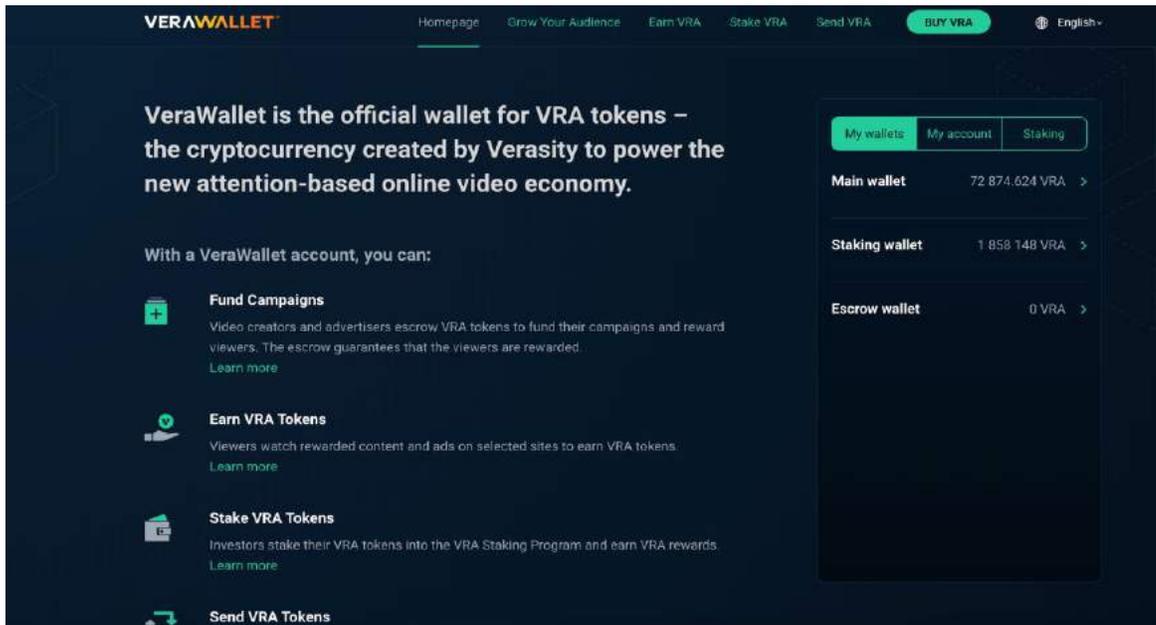
### **How does Community Interaction Grow the Economy and Token?**

For many Creators and Publishers, the scale of their audience creates a community around their channel and content. The most avid members of these communities provide both direct and indirect value to the Creator and are often their biggest advocates. Providing additional opportunities for a community to connect and become further involved with Content Creators will be fundamental to the success of the Verasity economy and ecosystem.

In the first 3 years of Bitcoin, BTC was generated from mining activities. For VRA, the team believe viewers will learn about VRA from earning, by watching great content. But this 'earning' is actively growing the network, increasing publishers, views and advertising revenue. This all steadily increases the price of VRA



and staking account.



Screen Shot of Verawallet.tv

## Fund Campaigns

Video publishers and advertisers' escrow VRA tokens to fund their campaigns and reward viewers which build their audience, views, and revenues. The escrow guarantees the viewers are rewarded. [Learn more](#)

## Earn VRA

Select from participating VRA publishers, visit their site, watch great content and earn VRA. Also, discover sites where you can be rewarded for watching ads. In Verasity's mobile apps, participate in quizzes and games to earn VRA. [Learn more](#)

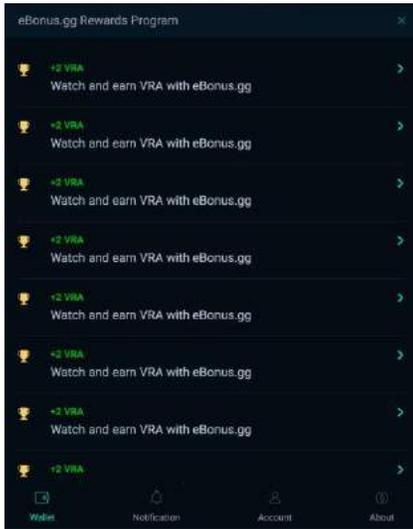
## Stake VRA

Investors can choose to stake their VRA and transfer from their main wallet to the staking wallet. VRA is rewarded daily back to their staking wallet. [Learn more](#)

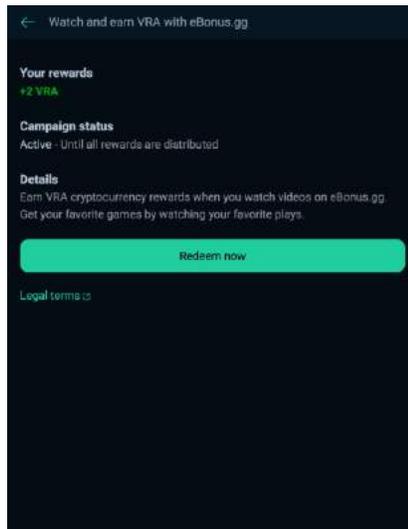
## Send / Receive / Donate VRA

VRA holders use VeraWallet to send their VRA tokens to any compatible wallet or to an exchange that lists VRA. [Learn more](#)

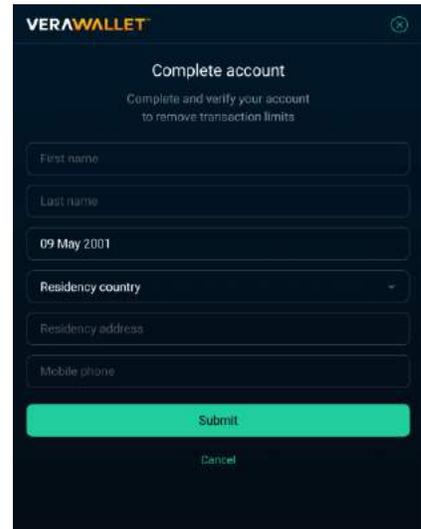
## In Player VeraWallet Look



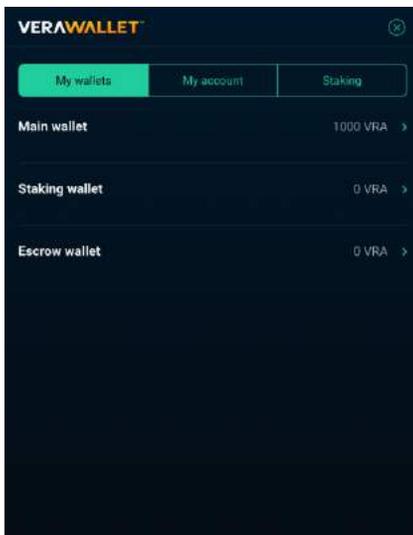
Watch videos & collect



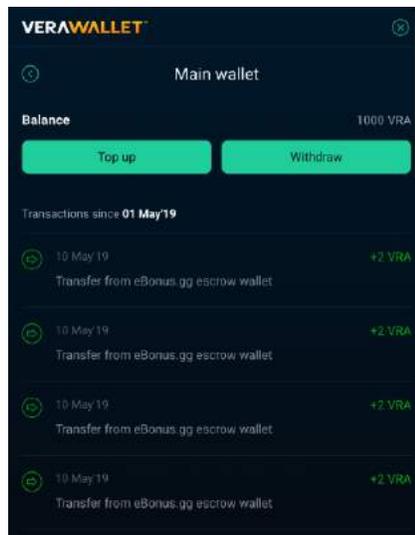
Redeem VRA



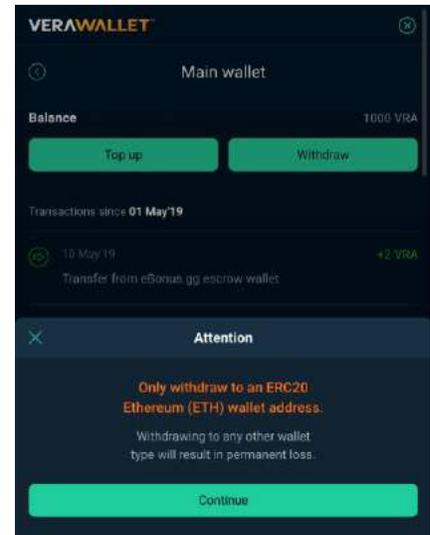
Create VeraWallet



See wallet balances



See transactions and history



Withdraw / top up

## Veracity's online video platform

The video player infrastructure is optimized for providing best in class quality video experiences, at scale. Veracity's video infrastructure utilizes several novel technologies for enabling quality streams even at the edge, combined with the latest Internet protocol performance standards like QUIC (Quick UDP Internet Connections). This is an innovative use of secure Transport Layer

Security (TLS) and User Datagram Protocol (UDP) reducing buffering and increasing video resolution for viewers.

Viewers can access content from any browser without having to install any additional plug-ins or player software. The video player technology has already been proven to work at scale, powering over 8 Petabytes of video traffic per month.

The technology features developed today include:

- HTML5 Video Player Can run with or without Google IMA SDK
- Built-in player wallet (VeraWallet)
- 1080p / 60 frames per second full HD ready
- Embed technology making it available across any website
- Lightweight and adaptive for mobile screens
- Back end database structure
- Built-in notifications system
- Third Party Publisher widgets
- Referral system and social sharing features

### **Content Management System (cms)**

The Veracity CMS is easy to use for publishers to manage their campaigns and video libraries. This includes both an online and desktop-based upload and management suite that enables creators of all sizes to effectively run their content libraries.

With multiple monetization options, the protocol enables multiple types of content to thrive, from niche technical videos through to feature films. The Veracity CMS was designed to cater to the individual. We recognize that every viewer, content creator, and audience is different and therefore bring together multiple monetization methods which allows creators to monetize their content in a way that makes sense to their audience.

## Screenshots of the operational video platform

The screenshots illustrate the Veracity video platform's operational interface, showing settings, reporting, and content management capabilities.

**Video Player Settings:** The interface allows configuration for 'Cuteasy.TV'. Settings include Controls color (#ffff), Background color (#263236), Font color (#ffff), Autoplay (disabled), and Volume control (50%).

**Advertising Reports:** This section provides performance metrics. A line chart displays 'Requests' from June 1, 2018, to June 30, 2018. A legend identifies providers such as wifernetworks (4,207,284), inactivity (6,706,711), tyler (1,522,991), and others. A table below the chart lists Provider, Date, Requests, Impressions, Revenue, Fill Rate, and eCPM.

**Video Management:** This section tracks video uploads. It shows a list of items with columns for status (e.g., Uploading, Approved, Rejected), publisher count (25421), and archive status. A table lists specific video uploads with their IDs, titles, and upload dates.

## CDN AND SERVER INFRASTRUCTURE

Veracity utilizes a custom-built online video platform which partners with Akamai, a leading global CDN network.

“Veracity is a white label version of an online video platform utilizing Akamai’s CDN network as well as key technologies of Akamai. As an Akamai network partner, the white label solution

utilizes Akamai's "media acceleration efficiency (MAE)" solution which has scaled on this white label online video platform to over 8PB data per month." - Joshua Frost Niven, Akamai

Using a CDN guarantees high playback quality, with low buffering, on a global scale also enables all content to be securely hosted, stored and managed on Veracity servers. Reliable video delivery using a scaled and trusted network such as Akamai guarantees superior user playback experience which is critical for mass adoption. If viewers experience delayed video starts, low quality streams and long buffering times, they will not adopt a new platform, nor will they happily pay for content, meaning that platform could never scale.

Although Veracity partners with Akamai, Veracity does not rely on Akamai technology and could switch CDN vendors on short notice.

#### **BLOCKCHAIN TECHNOLOGY**

Veracity built its platform and VRA token contract on Ethereum, with the smart contract address - 0xdf1d6405df92d981a2fb3ce68f6a03bac6c0e41f. The team has currently launched the in-wallet settlements off chain, which enables the development of initial infrastructure. The team are testing a new blockchain which will support the project goals and grow the community. This chain's technology enables faster transactions with confirmations happening in one block. Also, this offers cheaper transaction costs, vital for microtransactions. Once the Veracity infrastructure successfully passes tests on the new Blockchain, the team will migrate VRA from Ethereum. The new Blockchain offers significant benefits for exchange listing relationships.

Veracity will announce developments on the new chain in Q4 2019.

#### **PROOF OF VIEW™ - ON-CHAIN ANALYTICS AND VERIFICATION**

Veracity has a patent-pending system to securely verify audience metrics (views) in a way that is publicly transparent and tamper proof. This system ensures the integrity of all elements of the Veracity economy which relies upon audience metrics.

Media ecosystems of today are plagued by suspect and often fake view statistics. These statistics are used to value the content or advertising, thus are being manipulated to generate fraudulent revenue.

PoV™ is a system designed to securely verify content consumption on the ecosystem, in a way that is publicly transparent and tamper proof. It is utilized within the Veracity economy to ensure the integrity of audience metrics and therefore the integrity of the ecosystem.

To ensure an accurate and transparent PoV™, Veracity will implement publicly auditable logs. These logs will contain all views and content recommendations along with anonymized viewer information. The information will all be General Data Protection Regulation (GDPR), Payment Card Industry (PCI DSS), and ePrivacy compliant.

A Merkle Hash Tree guarantees that the database has never been altered. In the hash tree, each view's event data is hashed before being combined with other hashes until a final top hash is reached. Each top hash represents all the data stored in the specific chunk of the database.

The database itself is split into chunks. A new chunk is created each time a new block is created in the Blockchain. The top hash of the current chunk is added to each new block in the Blockchain. See the diagram below:

As this data is stored in a decentralized manner, third parties are able to prove that each top hash added to the Blockchain is accurate and unchanged. This allows any third party to verify that the logs added within each new block on the Blockchain have not been tampered with, changed, branched or forked.

On 7 February 2018, a United States provisional patent application was filed for a system and method for Proof of View via Blockchain (Application Number 62627285). Following the Token Sale, such patent application will be assigned to the Veracity Foundation, who will further develop additional intellectual property in connection with the Platform.

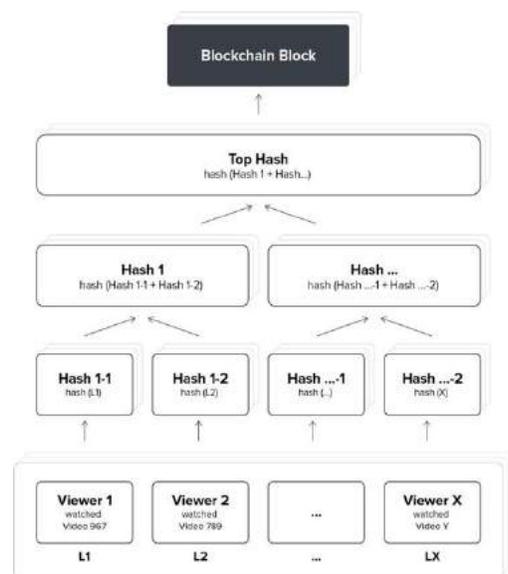
Veracity technology will be offered under the Creative Commons Attribution-Noncommercial-Share Alike International Public License (defined at <https://creativecommons.org/licenses/by-nc-sa/4.0/legalcode> as the license stands as of February 16, 2018, see details below).

<sup>10</sup><http://videocontestnews.com/2013/01/25/how-to-spot-fake-youtube-views/>

## How PoV™ Prevents Fake Views

Only views from signed in viewers are counted:

- Within a video platform, views are a type of transaction. To provide accountability and therefore transparency for transactions, a unique identifier needs to be allocated to all parties involved. When viewers create an account, they are assigned an anonymous ID that then marks the video views generated by that user.
- Viewers who are not signed in can still view free videos, but these views are not confirmed through PoV™.
- A single user cannot make multiple views at the same time.
- The majority of viewers are only able to truly watch one video at a time whereas some bad actors may try to use multiple browsers, watching in parallel, to inflate view counts.
- PoV will not count views when more than one video is running in parallel from a single



user.

### Confirmed streaming

- For content to be viewed, the content file needs to be streamed to the browser. Through Veracity's PoV™ technology, while a video is being viewed the player will randomly be required to provide information about the current frame of the video being viewed.
- This ensures the content has been streamed and avoid bots that try to watch without actually streaming content.

### Player must be viewable

- Through technology built into VeraPlayer, checks are made during a video view to ensure the player is visible within the browser window and not scrolled out of view, hidden, shown in background tab etc.
- If a view is generated when the VeraPlayer is not viewable, the view will not be verified.
- The suspicious activity requires a manual check.
- While the above points outline some of the ways PoV™ technology will verify and guarantee authentic views, the system will continually monitor for suspicious or unusual viewer behavior even if all the above checks are passed.
- An example of suspicious behavior would be a video being viewed by one user repeatedly in a set period of time. While this is not necessarily a fake/invalid view, before additional views were recorded as verified, a manual input would be required by the viewer to ensure they were still watching. This manual input would be designed to avoid automatic/programmed responses from being able to pass the check (e.g. reCAPTCHA).
- As our PoV™ technology gains additional data through use, any common or high-frequency suspicious activities will be used to create additional, automated features in PoV™ to verify.

### PoV™ data is publicly auditable and transparent.

- Veracity's technology will use advanced methods to ensure only views verified by PoV™ are counted. Views which are considered to be verified will be added to a publicly accessible database containing anonymized data regarding the views.
- Veracity will provide free, open-source tools to provide transparency and accountability of the system. With these tools, viewers and third parties can review the data to ensure its accuracy and credibility. Although view data is anonymous, individual viewers can generate their own unique ID to verify views recorded for their ID are accurate and not manipulated.
- To ensure that the data stored within the publicly accessible PoV™ database is bona fide untampered data, all view data is sent to the Blockchain as well as to the Veracity servers.

The PoV™ system prevents multiple methods viewers may try to manipulate view counts and audience metrics such as:

- Automated repeated viewing of videos (looping views)
- Attempting to load multiple videos in parallel
- Loading videos in hidden windows / tabs
- Attempting to manipulate analytics without watching content
- Veracity or other party altering the views database

## CORE TEAM AND CONTRIBUTORS

The team are seasoned professionals with proven track records with high performing businesses in the media, video and technology sectors. The core team have been involved in the project together since 2017. The development team and management are full time and have been collaborating together for four years.



**Chris Gale**  
Executive  
Management

Founder and CEO of Ad Tech Company, Odyssey Mobile which successfully exit to Phunware in 2014 who later listed on the Nasdaq in 2018. Crypto Investor and Blockchain Advisor. 15 Years of digital media and technology.



**David Archer**  
Executive  
Management and  
Legal Counsel

Senior Partner, Pitmans, London. Over 30 years experience in trust law, Not for Profit entities, Dispute Resolution, and Compliance.



**Max Gutchenko**  
Chief Technology  
Officer

Experienced Chief Technology Officer with a demonstrated history of working in the Internet industry. Video and Blockchain.



**Robert Keogh**  
Financial Director

Specializing in SMEs within digital media, blockchain and cryptocurrency. Ex. Pillar.



**Bhav Seera**  
Digital Marketing  
Manager

Bhav had a successful run as a content creator on YouTube as one of the first gaming channels to secure a partnership with Machinima. Since then he has honed his craft and focused on Digital Marketing, mainly on branding, content creation and strategising.



**Paul Reilly**  
Content Manager

Managing social media and day-to-day activities. Esports moderation, sponsored broadcaster, games tester. Oversees the content presented on websites, responsible for editing, posting, and updating.



**Kyrlo Bybyk**  
Lead Engineer,  
Blockchain Developer

High-load C/C++ developer with 11 years of experience. Strong background working with online video platforms with high traffic volumes. Co-inventor of Proof of View (PoV)™, patent pending.



**Dmytro Medianik**  
High-load Backend  
Developer

High-load C/C++ developer. Strong background working with online video platforms with high traffic volumes.



**Anton  
Lukashenko**  
Lead Player Developer

Full-stack, JavaScript developer.



**David Rowe**  
Advisor

Founder Hydro66, CEO Black Green Capital, Founder Easynet Group that was sold to BSKyB, Former Managing Board Member, Sky.



**Scott Brown**  
Technology and Blockchain expert

VP Product Management, Akamai CEO, Octoshape VP Technology Fellow, Turner Media Systems Development, AOL.



**David Orman**  
Commercial Advisor

Spent last 10+ years investing, advising and working in video technology businesses. Previously VP at Joost, Eurosport Sales Director. Co-Founder of Hatch-House Venture Consultancy.



**Matthew Desouza**  
Advisor, Investor

Spent 12+ years working within Financial services and Private Wealth management. CEO and Founder of OneAlpha, a technology company focusing on advance trading solutions for Blockchain. CSO for BCW a Blockchain management consultancy.



**Jon Hook**  
Advertising Technology Expert

Advertising executive and entrepreneur experienced in building, launching and running mobile technology and media businesses. Held senior level positions with WPP, Adcolony (Opera) Odyssey and holds board positions at the Mobile Marketing Association, the IAB and BPA Worldwide.



**Sangjin Hong**  
Advisor

Entrepreneur and investor. Co-founder and CEO of Chain Cabinet (a blockchain startup platform). Partner at Kstartup (a startup accelerator based in Korea). Former product manager at Microsoft.



**Christopher Keshian**  
Advisor

CEO of APEX Token Funds. A group who invest in crypto funds such as Pantera and Multicoins Capital. He's also a Managing Partner at Neural Capital and a leading innovator in blockchain technology. He was the CEO/ Co-founder of the first fiat gateway to the Ethereum ecosystem.



**Mark Ramberg**  
Executive Management

GM Media and Entertainment, Amazon VP Business Development, Akamai Business Development, Microsoft.



**Joel Kovshoff**  
Advisor

Serving as the CEO and founder of MyICOPool; as well as being a co-founder and the CEO Athena Trading Bot, Joel is very active in the cryptocurrency community.

# ROADMAP

- Q3 2017
  - PROJECT
    - FOUNDERS IDENTIFIED OPPORTUNITY IMPROVING HOW VIDEO VIEWING INCENTIVIZED COMBINING VIDEO TECHNOLOGY AND BLOCKCHAIN **DONE**
- Q4 2017
  - PRODUCT
    - TEST UDP VIDEO PLAYER WITH AKAMAI AT 30M+ UNIQUE VIEWERS PER MONTH DELIVERED
    - INTEGRATE TCP FALLBACK INTO HTML5 VIDEO PLAYER **DELIVERED**
  - PROJECT
    - ASSEMBLE CORE TEAM AND ADVISORS **DONE**
    - INVESTIGATION INTO BLOCKCHAIN TECHNOLOGY **DONE**
    - WRITE AND VALIDATE WHITE PAPER **DONE**
- Q1 2018
  - PRODUCT
    - RELEASE PROOF OF CONCEPT FOR VERAPLAYER WITH BUILT IN VERAWALLET **DELIVERED**
    - DEVELOP TOKEN SALE ENGINE AND DATABASE **DELIVERED**
  - PROJECT
    - CREATION OF FOUNDATION STRUCTURE **DONE**
    - ANNOUNCEMENT OF PROJECT, PUBLISHING THE WHITE PAPER & ECONOMICS **DONE**
    - LAUNCH SALE WEBSITE AND GENERATE AWARENESS – **DONE**
    - START PRESS CAMPAIGN AND GLOBAL ROADSHOW – **DONE**
- Q2 2018
  - PRODUCT
    - DEVELOP AND AUDIT SMART CONTRACT FOR VRA – **DELIVERED**
    - DESIGN AND ARCHITECTURE FOR VERASITY BLOCKCHAIN – **DELIVERED**
    - DEVELOP TOKEN SALE FUNCTION ON VERASITY.IO – **DELIVERED**
    - PLAYER FUNCTION REWARD VRA FOR WATCHING VIDEOS – **DELIVERED**
    - DEVELOP ABILITY FOR DATABASE STRUCTURE FOR THIRD PARTY PUBLISHERS – **DELIVERED**
    - RELEASE POC VRA EARNING APPS FOR DESKTOP AND MOBILE – **DELIVERED**
  - PROJECT
    - FUNDRAISE THROUGH PRIVATE SALE - **DONE**
    - OPEN PUBLIC SALE - **DONE**
      - INCREASE MARKETING AND PROMOTIONS - **DONE**
- Q3 2018

- PRODUCT
  - DEVELOP PLAYER AIRDROP SOLUTION FOR EXCHANGES – GENESISPLAYER – **DONE**
  - COMPLETE BACK END INFRASTRUCTURE FOR VIDEO DELIVERY AT SCALE – **DONE**
  - RELEASE CMS AND ANALYTICS FOR PLATFORM - **DONE**
- PROJECT
  - CONTINUE FUNDRAISING CAMPAIGNS AND MARKETING **DONE**
  - LAUNCH PUBLISHER PARTNERSHIP PROGRAM AND SPREAD AWARENESS **DONE**
- Q4 2018
  - PRODUCT
    - LAUNCH GENESISPLAYER LIBRARY WITH OVER 300 OFFICIAL VIDEOS AND INTEGRATE INTO CRYPTO EXCHANGES, PUBLISHERS AND LISTINGS PARTNERS **DONE**
    - DEVELOP STRUCTURE AND UI FOR LIGHTENING SALE **DONE**
    - OPTIMIZE PLATFORM FOR MOBILE **DONE**
  - PROJECT
    - OPEN PUBLIC SALE PART TWO AND DO MARKETING - **DONE**
    - RESTRUCTURE TEAM TO BEST OPERATE - **DONE**
- Q1 2019
  - PRODUCT
    - LAUNCH VERAPLAYER AND WITH FULLY INTEGRATED VERAWALLET FOR VRA - **DONE**
    - RELEASE VERAWALLET.IO WITH MODULE FOR PUBLISHERS - **DONE**
    - SDK INTEGRATION WITH JW PLAYER - **DONE**
    - FIRST BETA PUBLISHERS USING VRA - **DONE**
    - SDK INTEGRATION WITH BRIGHTCOVE - **DONE**
    - SDK INTEGRATION WITH VIDEO.JS - **DONE**
    - LAUNCH VRA STAKING PROGRAM AND SMART CONTRACT - **DONE**
    - MULTI DEVICE ENCODING AND PLAYER ANALYTICS - **DONE**
  - PROJECT
    - LAUNCH ON HITBTC EXCHANGE WITH TRADING CONTEST - **DONE**
    - RUN IEO ON PROBIT EXCHANGE **DONE**
    - SIGN ON 5 TEST PUBLISHERS - **DONE**
    - INCREASE PRESS AND PR - **DONE**
    - MIGRATE VERASITY.IO SUBSCRIBERS INTO VERAWALLET HOLDERS - **DONE**
- Q2 2019
  - PRODUCT
    - SDK INTEGRATION WITH VIMEO - **DONE**
    - SDK INTEGRATION WITH TWITCH - **DONE**
    - SDK INTEGRATION WITH KALTURA - **DONE**
    - SDK INTEGRATION WITH FLOWPLAYER - **DONE**
    - ADD REWARDED ADVERTISING INTEGRATION - **DONE**
    - LAUNCH API'S - **DONE**

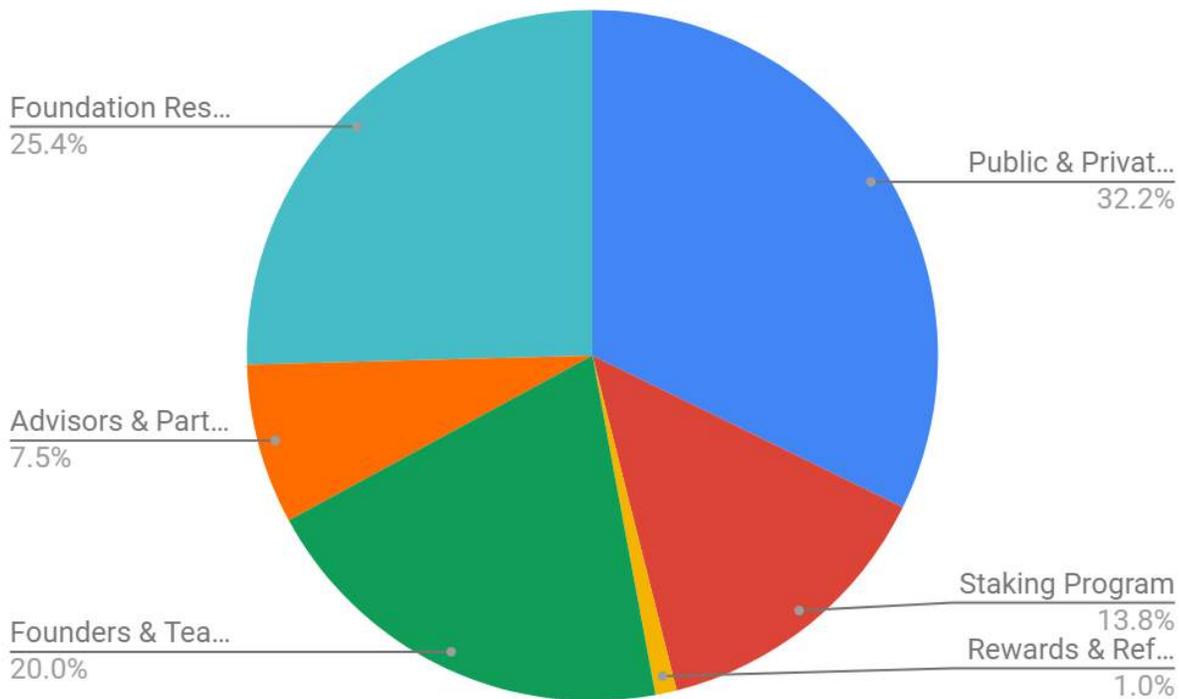
- PROJECT
  - LIST ON NEW EXCHANGES INCLUDING COINALL - **DONE**
  - ONBOARD NEW PUBLISHERS USING COMPATIBLE VIDEO WORKFLOW - **DONE**
  - INTEGRATE CHANGELLY API FOR FIAT AND CRYPTO EXCHANGE WITHIN VERAWALLET
  - SIGN SEVERAL ADVERTISING PARTNERS - **DONE**
  - DRIVE PRESS AND PR ABOUT VERASITY UPDATES
  - LAUNCH YOUTUBE SDK INTEGRATION
  - SIGN 3 WORLD CLASS ESPORTS TEAMS - **DONE**
- Q3 2019
  - PRODUCT
    - LAUNCH VERAWALLET IOS AND ANDROID APPS
    - LAUNCH PUBLISHER VRA REWARDS ON MOBILE APPS
    - LAUNCH ON A NEW WORLD CLASS EXCHANGE
    - ADD DONATION FEATURE
    - LAUNCH TESTNET ON NEW BLOCKCHAIN (TBA)
  - PROJECT
    - SIGN PARTNERS TO ENABLE VIEWERS TO SPEND VRA ON GOODS AND SERVICES
    - DRIVE WALLET USAGE AND DOWNLOADS
    - MASS AWARENESS CAMPAIGN FOR VRA
    - GROW TO 100 PUBLISHERS USING PLATFORM
    - GROW AD CAMAPAGNS
- Q4 2019
  - PRODUCT
    - BRING IN-PLAYER TRANSACTIONS AND VERAWALLET WALLET TRANSACTIONS ONTO NEW CHAIN TEST NET
    - LAUNCH PROOF OF VIEW
  - PROJECT
    - SCALE TEAM, MARKETING AND PARTNERSHIPS
    - BETA SELF-SERVE PLATFORM FOR PUBLISHER ONBOARDING
    - GROW BRAND, AWARENESS AND VRA MARKET CAP
- 2020 ONWARDS
  - TO BE ANNOUNCED

## TOKENOMICS FOR VRA

VRA is an ERC20 utility token for Veracity. Below is the current data for VRA the as of 10<sup>th</sup> May 2019

### Token Allocation

Public & Private Sales	3,495,653,656	32.2%
Staking Program	1,498,980,000	13.8%
Rewards & Referrals	108,399,858	1.0%
Founders & Team	2,167,997,157	20.0%
Advisors & Partners	812,998,934	7.5%
Foundation Reserve	2,755,956,180	25.4%
<b>Total VRA</b>	<b>10,839,985,784</b>	<b>100.0%</b>



Total Supply – 10,839,985,784 VRA

Circulating Supply – 2,803,335,583 VRA (Based on CMC calculations)

VRA on CoinMarketCap - <https://coinmarketcap.com/currencies/veracity/>

Although market conditions in 2018 were difficult, business prioritization by Veracity management has put us in a strong position to fulfil our objectives.

The addition of the VRA Staking Program provides a powerful incentive for viewers to hold VRA and will provide additional demand for VRA.

With a defined focus for the project in 2019, we have positioned VRA and Veracity in the strongest possible position moving into the years ahead.

## GO TO MARKET STRATEGY WITH PUBLISHERS

The key to growing a video content economy is returning value to those who create value. Veracity has designed the ecosystem mechanics so that all participants will be rewarded for positive interactions on the platform.

Veracity focuses on providing B2B solutions for video publishers. Our primary customers are Publishers, Creators and broadcasters. Now that the product is up and running our priority is to get publishers to use our platform and fund their campaigns with VRA purchased from exchanges. This will increase the price of VRA and perception in the market of scalability.

By providing solutions for publishers that require video views, higher engagement, CTAs and revenues and by focusing on larger publishers with an existing audience, the team will be able to scale the Veracity ecosystem significantly faster than other similar Blockchain projects. This will increase the demand, awareness and user base for VRA.

The list of the growing number publishers can be found at - [verawallet.tv](http://verawallet.tv)

Now that the platform is released and working and out of beta, we can scale to any number of publishers and viewers.

## PARTNERS

Veracity has secured partnerships with the following organizations



## Competition

Veracity is not competing with any of the myriad video sharing platforms. Although we started building to that end, we pivoted to a publisher infrastructure and tool model that has no current competition that we know of. We concluded that video sharing platforms we cannot scale for various reasons including changing the habits and preferences of viewers. Our implementation of a Rewarded Video Module SDK for 90% of all online video platforms for publishers is unique and does not require any changes for the publisher workflow or changes to the viewers video platform preferences. This make this solution incredibly scalable.

People do ask us about the Brave browser (BAT). Viewers are required to download and utilize a new browser, Brave. Brave's solution acts to block advertising revenue to insert their own revenue or direct payment. This may breach the terms and conditions of some publishers or Platforms. Advertisers can buy BAT to be able to circumvent the browser ad-block, where value goes directly to the publisher. In our view the Brave browser is excellent, but we believe the monetization model is too weak for publishers to earn the significant revenues they require to engage viewers away from YouTube and Facebook. Moreover the Brave model requires publishers to change the habits of its viewers and move them off traditional browsers onto the Brave browser. This may work initially for early adopters but taking on Microsoft, Google, Apple and others may be a substantial challenge.

The Veracity solution hijacks the current infrastructure that all publishers are now using *and does not change viewers' preferences or the publishers' workflows* so in our view has the higher likelihood to succeed.

## LEGAL APPROACH

Due to concerns around unpredictability and regulation (or lack of in many markets) the team have treated the legal and administrative elements to setting up the project and raising funds very seriously. Veracity appointed a legal officer to sit on the advisory team and work closely with the rest of the Veracity Foundation advising best practices. Veracity appointed Ogier, a well-known and highly reputable legal firm that has a dedicated Digital, Blockchain and Fintech team to advise Veracity on the structure of Veracity Foundation and certain regulatory and other matters pertaining to Cayman Islands laws. Veracity has also appointed Pitmans, a well-known and highly reputable legal firm in the United Kingdom with respect to certain regulatory and other matters. In order to comply with present and/or future regulation, Veracity Foundation is opting to apply the necessary KYC/AML and accredited investor procedures during the token sale and to comply with all applicable regulations including necessary sanctions and PEP checks.

## GOVERNANCE AND ROLE OF THE FOUNDATION

Veracity Foundation will be responsible for ensuring the vision of the White Paper is adhered to, funding the development of the platform and funding the support growth within the community. Veracity Foundation will be conducting the initial sale of VRA and will thereafter be monitoring Veracity to ensure the Veracity Platform is developed in accordance with the principles set out in this White Paper. Proceeds raised from the sale of VRA will remain in the Foundation and be unlocked to Veracity Technology (Cayman) Ltd based on predefined milestones agreed upon and validated by the Foundation. Veracity's general counsel is a Supervisor of the Foundation and will validate milestones as well as the use of funds from the ICO.

Veracity Foundation will provide updates to the contributors to the project regarding the roadmap updates. This will include current developments, forecast vs. current and latest updates (updates to the Whitepaper).

Veracity management will not be able to buy or sell VRA during the 20 days prior to the announcement of the quarterly management reports to avoid insider trading. Veracity management lock up period is over a 4-year period. Private investor lock-up periods are 9 months.

All transactions on the platform will be implemented on the Veracity Blockchain. The Smart Contract is audited by Techracers.com to increase security. Veracity Foundation has made public its GitHub (<https://github.com/veracitytech/docs>).

## VERASITY FOUNDATION, TOKEN HOLDERS AND VERASITY

Veracity Foundation is a foundation company incorporated in the Cayman Islands under the Companies Law (Revised) and registered as a foundation company pursuant to the Foundation Companies Law, 2017. Veracity Foundation's management will be carried out by its directors. Holders of tokens are not entitled to any shares or property of the Veracity Foundation and have no rights to appoint or remove the board of directors of the Veracity Foundation.

Other than VRA generated and sold which will have utility on the Platform, all Veracity products, and improvements, platform technology and development is provided by Veracity Technology (Cayman) Ltd, a wholly owned subsidiary of Veracity Foundation. Physically, most of the team is in the United Kingdom and Poland.

To mitigate investment risk in Veracity, prior financing is in place and the entire team and infrastructure funded to date.

Veracity Foundation will endeavor to conserve the value of the Token Sale proceeds and attempt to limit risks associated with unstable cryptocurrency market prices. Veracity Foundation will attempt to achieve this objective by exchanging the proceeds of the Token Sale into either fiat currencies or other assets with a history of price stability.

The Cayman Islands is a well-known and established jurisdiction in the international financial marketplace due to its stable and predictable political and legal framework, as well as its tax neutral status for international transactions. Veracity believes a Cayman domicile for the Veracity Foundation will provide for a long-term period of stability. The Veracity Foundation will pay zero taxes on the transactions of the Veracity Economy. The competent court for litigation will be the courts of The Cayman Islands.

## **PRELIMINARY DISCLOSURES**

The digital tokens described in this White Paper may only be used for enabling transactions associated with viewing digital content through the Veracity Platform, and such tokens have no intrinsic value and may not be redeemed except by a Content Creator in payment for viewership of his or her work product through the Veracity Platform.

The acquisition of VRA involves a high degree of risk. Before acquiring VERA, it is recommended that each purchaser conduct their own careful examination of all relevant information and risks (including as set forth below and in additional documentation associated with the sale of VERA). If any of the following risks occurs, the Veracity Platform and VRA may be materially and adversely affected, including all VRA being rendered worthless or unusable.

While tokens may be traded through one or more cryptocurrency exchanges, there is no guarantee of value, and the token may be delisted at any time that it does not meet the listing requirements of the exchange. The cryptocurrency token market is immature, and there are numerous risks that threaten the entire category, including but not limited to regulatory risk, the potential collapse of Ethereum as a cryptocurrency, loss of the password key that enables access to a digital wallet, and the potential for bad actors to attack and steal either the content on Veracity or the contents of the digital wallets that belong to the members of the Veracity community, owners and its viewers.

## **FULL RISKS AND LEGAL DISCLOSURES**

### **IMPORTANT NOTICE**

PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THIS WHITE PAPER.

This document (the White Paper) is intended to present general information regarding the planned Veracity System. In connection with the development of the System, sales of blockchain tokens may take place in one or more proposed generation and sale events of VRA (Tokens) undertaken by the Veracity Foundation Company Limited (the Token Generator) (collectively, the Token Generation). Certain terms of this document pertain to potential purchasers (each a

Purchaser) in any such sale(s).

## **1. Reliance**

Any Tokens are offered solely on the basis of the information contained in the terms and conditions of purchase and sale (**Terms and Conditions**). Potential Purchasers should disregard, and not rely upon, any other information or representations given or made by any dealer, broker or other person. No person is authorized to give any information or to make any representations in connection with any offering of VRA Tokens apart from those contained in the Terms and Conditions. A potential Purchaser to whom such information or representations are given or made must not rely on them as having been authorized by the Token Generator or any of its affiliates or subsidiaries.

Statements in the White Paper are generally based on the law and practice in the Cayman Islands, with certain specific statements based on the law and practice of the jurisdictions explicitly-mentioned, in each case current at the date the White Paper was issued. Those statements are therefore subject to change should the corresponding law or practice change. Under no circumstance does the delivery of the White Paper or the sale of Tokens imply or represent that the affairs of the Token Generator have not changed since the date of the White Paper.

### **1.1. Purchaser responsibility**

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Generator. The Token Generator does not make representations or warranties of any kind with respect to the economic return from, or the tax consequences of a purchase of Tokens. Prospective Purchasers should carefully review the whole of the token sale Terms and Conditions provided along with any token sale offer. They should also consult with their legal, tax and financial advisors in relation to the following: (i) the legal and regulatory requirements within their own countries for purchasing, holding and disposing of Tokens; (ii) any foreign exchange restrictions to which they may be subject in their own countries in relation to purchasing, holding or disposing of Tokens; and (iii) the legal, tax, financial and other consequences of subscribing for, purchasing, holding or disposing of Tokens.

This White Paper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum extent permitted by applicable law, Token Generator expressly disclaims and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) Purchaser's acceptance of or reliance on any information contained in the White Paper, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

## **1.2. Distribution and selling restrictions**

The distribution of the White Paper and the offering or purchase of Tokens may be restricted in certain jurisdictions. The White Paper is not intended as part of any offer, sale or distribution under the laws of any jurisdiction governing the offer or sale of securities.

The receipt of the White Paper or the accompanying Terms and Conditions does not constitute an invitation to a recipient to subscribe for Tokens in a jurisdiction where it is necessary to comply with registration or any other legal requirement to make that invitation, or the use of the Terms and Conditions, lawful. No such recipient may treat the White Paper or the accompanying Terms and Conditions as an invitation to subscribe for Tokens, nor may such recipient use the Terms and Conditions. More particularly, the White Paper does not constitute an offer or solicitation:

- by anyone in a jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so; or
- to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of every person in possession of the White Paper and every person wishing to apply to purchase Tokens to inform himself, herself or itself of, and to observe all applicable laws and regulations of, any relevant jurisdiction.

## **1.3. Forward looking information**

All statements, estimates and financial information contained in the White Paper, made in any press releases or in any place accessible by the public and oral statements that may be made by Token Generator that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “aim”, “target”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “would”, “will” or other similar terms. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

Further, the Token Generator disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

## **2. DISCLOSURE SCHEDULE**

The acquisition of Tokens involves a high degree of risk. Before acquiring Tokens, it is recommended that each Purchaser conduct its own careful examination of all relevant information and risks about the Token Generator, Veracity Platform and Tokens and, specifically,

the disclosures and risk factors set out below. If any of the following risks actually occurs, the Veracity Platform, Token and Purchaser's Tokens may be materially and adversely affected, including the Purchaser's Token being rendered worthless or unusable.

## **2.1. Disclosures regarding the White Paper**

### **2.1.1. Accuracy of information, no consent of parties referenced in White Paper**

This White Paper includes market and industry information and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for the Token Generator and its respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in the White Paper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same. Neither the Token Generator nor Veracity Technology (Cayman) have conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information or ascertained the underlying economic assumptions relied upon therein. Consequently, neither Token Generator nor its directors, executive officers and employees acting on its behalf makes any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same

## **2.2. Terms used**

To facilitate a better understanding of Tokens being offered for purchase by the Token Generator, and the businesses and operations of the Token Generator, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in the White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

## **2.3. Restrictions on distribution and dissemination of White Paper**

The distribution or dissemination of the White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of the White Paper or such part thereof (as the case may be)

at your own expense and without liability to the Token Generator.

Persons to whom a copy of the White Paper has been distributed or disseminated, provided access to or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute the White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

#### **2.4. Language of White Paper**

This White Paper may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

### **3. Disclosures regarding Tokens**

#### **3.1. Nature of Tokens**

##### **3.1.1. Token is a utility token**

Tokens are digital utility tokens that afford Token holders to access the Veracity Platform and/or execute certain functions on the Veracity Blockchain. Tokens do not represent a loan to Token Generator, nor do they provide Purchaser with any ownership or other interest in or to Token Generator. For greater certainty, the purchase of Tokens does not provide Purchaser with any form of ownership right or other interest in or to Token Generator or Veracity or its present or future assets and revenues, including, but not limited to, any voting, distribution, redemption, liquidation, revenue sharing, proprietary (including all forms of intellectual property), or other financial or legal rights.

##### **3.1.2. Tokens are non-refundable**

Other than instances described in the Terms and Conditions, if any, Token Generator is not obliged to provide Token holders with a refund for any reason, and Token holders will not receive money or other compensation in lieu of a refund. Statements set out in the White Paper are merely expressions of the Token Generator's objectives and desired work plan to achieve those objectives. and no promises of future performance or price are or will be made in respect to Tokens, including no promise of inherent value, and no guarantee that Tokens will hold any particular value.

##### **3.1.3. Tokens are provided on an "as is" basis**

Tokens are provided on "as is" basis. The Token Generator and Veracity and each of their respective directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding Tokens, including any warranty of title, merchantability or fitness for a particular purpose or any warranty that Tokens and Veracity Platform will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Token Generator and Veracity and each of their respective directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties,

including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non-infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

#### **3.1.4. Not an offering of securities, commodities or swaps**

The sale of Tokens and Tokens themselves are not securities, commodities, swaps or either securities or commodities, or a financial instrument of any kind. Purchases and sales of Tokens are not subject to the protections of any laws governing those types of financial instruments. This White Paper and all other documents referred to in the White Paper including the Terms and Conditions do not constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.

#### **3.1.5. Non-Investment purposes**

Purchaser acknowledges and agrees that Purchaser is not purchasing Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes. Tokens are not designed for investment purposes and should not be considered as a type of investment.

### **3.2. Tokens may have no value**

#### **1.1 Force majeure**

The Token Generation and the performance of the Token Generator's activities set out in White Paper development roadmap may be interrupted, suspended or delayed due to force majeure events. For the purposes of the White Paper, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Token Generator and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond Token Generator's control, which were not in existence at the time of Token Generation. Purchaser understands and agrees that Token Generator shall not be liable and disclaims all liability to Purchaser in connection with a force majeure event.

#### **1.2 Insurance**

Unlike bank accounts or accounts at financial institutions, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Token Generator to offer recourse to Purchaser.

#### **2 Governmental disclosures**

##### **2.1 Risk of unfavorable regulatory action in one or more jurisdictions**

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Tokens.

Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which Tokens are dependent. There can be no assurance that governmental authorities will not examine the operations of the Token Generator and Veracity and/or pursue enforcement actions against the Token Generator and Veracity. All of this may subject the Token Generator and Veracity to judgments, settlements, fines or penalties, or cause the Token Generator and Veracity to restructure their operations and activities or to cease offering certain products or services, all of which could harm the Token Generator and Veracity's reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on Tokens and/or the development of the Veracity Platform.

## **2.2 Purchaser bears responsibility of legal categorization**

There is a risk that Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. The Token Generator does not provide any warranty or guarantee as to whether Tokens will be a security in the jurisdiction of the Purchaser. Each Purchaser will bear all consequences of Tokens being considered a security in their respective jurisdiction. Every Purchaser is responsible to confirm if the acquisition and/or disposal of Tokens is legal in its relevant jurisdiction, and each Purchaser undertakes not to use Tokens in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Tokens is not legal in its jurisdiction, it should not acquire Tokens and immediately stop using or possessing Tokens. Acquiring Tokens in exchange for cryptocurrencies will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage of Tokens. The legal ability of the Token Generator to provide or support Tokens in some jurisdictions may be eliminated by future regulation or legal actions. In the event the Token Generator determines that the purchase or usage of Tokens is illegal in a certain jurisdiction, the Token Generator may cease operations in that jurisdiction, or adjust Tokens or the Veracity Platform in a way to comply with applicable law.

## **2.3 Purchaser bears responsibility for complying with transfer restrictions**

Tokens may be placed on third-party exchanges, giving future purchasers and viewers an opportunity to openly buy Tokens. A user seeking to enter the Veracity Platform following the Token Generation will have to buy Tokens on such exchanges. Conversely, Tokens may be sold on such exchanges if the holder of Tokens would like to exit the Veracity Platform ecosystem. Existing laws on the circulation of securities in certain countries, such as the United States of America, Canada and Singapore, may prohibit the sale of Tokens to the residents of those countries. When buying Tokens, Purchaser should be aware of the restrictions on their subsequent sale.

### **3 General security risks**

#### **3.1 Risk of theft and hacking**

Token generation events and initial coin offerings are often targeted by hackers and bad actors. Hackers may attempt to interfere with the Purchaser's private key storage device or digital wallet Digital Wallet, the Veracity Blockchain or the availability of Tokens in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of Purchaser's Tokens.

#### **3.2 Private keys**

Tokens purchased by Purchaser may be held by Purchaser in Purchaser's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Purchaser's digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Tokens. Token Generator is not responsible for any such losses.

#### **3.3 Exchange risks**

If Purchaser sends cryptocurrencies to the Token Generator from an exchange or an account that Purchaser does not control, Tokens will be allocated to the account that has sent such cryptocurrency; therefore, Purchaser may never receive or be able to recover Purchaser's Tokens. Furthermore, if Purchaser chooses to maintain or hold Tokens through a cryptocurrency exchange or other third party, Purchaser's Tokens may be stolen or lost.

#### **3.4 Risk of incompatible wallet services**

The wallet or wallet service provider used for the storage of Tokens has to be technically compatible with Tokens. The failure to assure this may result in the Purchaser not being able to gain access to its Tokens.

#### **3.5 Risk of weaknesses or exploitable breakthroughs in the field of cryptography**

Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Tokens, which could result in the theft or loss of Tokens.

#### **3.6 Internet transmission risks**

There are risks associated with using Tokens including, but not limited to, the failure of hardware, software, and internet connections. The Token Generator shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Veracity Platform and Tokens, howsoever caused. Transactions in cryptocurrencies may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. cryptocurrency transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

## 4 Veracity Platform disclosures

### 4.1 No guarantee that Veracity Blockchain will be developed

Purchaser acknowledges, understands and agrees that Purchaser should not expect and there is no guarantee or representation or warranty by Token Generator that: (a) the Veracity Platform will ever be adopted; (b) the Veracity Platform will be adopted as developed by Token Generator and not in a different

or modified form; (c) a blockchain utilizing or adopting the Token Generator will ever be launched; and (d) a blockchain will ever be launched with or without changes to the Veracity Platform and with or without a distribution matching the fixed balances of the initial tokens distributed under the Token Sale.

### 4.2 Risks associated with the Veracity and Ethereum blockchains and associated software and/or infrastructure.

(a) **Malfunctions** - The initial iteration of the Tokens are based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause Tokens and/or the Veracity Platform to malfunction or function in an unexpected or unintended manner.

(b) **Bugs and weaknesses** - The Ethereum blockchain rests on open source software, and accordingly there is the risk that the token smart contract pertaining to the initial iteration of Tokens may contain intentional or unintentional bugs or weaknesses which may negatively affect Tokens or result in the loss or theft of Tokens or the loss of ability to access or control Tokens. In the event of such a software bug or weakness, there may be no remedy and Token holders are not guaranteed any remedy, refund or compensation.

(c) **Delays and congestions** - On the Ethereum blockchain (which is used for the Token Sale) timing of block production is determined by proof of work so block production can occur at random times. For example, Ether contributed to the Veracity Blockchain in the final seconds of a distribution period may not get included for that period.

Purchaser acknowledges and understands that the Ethereum blockchain may not include the Purchaser's transaction at the time Purchaser expects and Purchaser may not receive Tokens the same day Purchaser sends Ether. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. Purchaser acknowledges and understands that Ethereum block producers may not include Purchaser's transaction when Purchaser wants, or Purchaser's transaction may not be included at all.

### 4.3 Irreversible nature of blockchain transactions

Transactions involving Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error,

or due to theft of a user's Token, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies. Consequently, the Token Generator may be unable to replace missing Tokens or seek reimbursement for any erroneous transfer or theft of Tokens.

#### 4.4 **Amendments to protocol**

The development team and administrators of the source code for Ethereum blockchain or the Veracity Blockchain could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Tokens.

#### 4.5 **Risk of mining attacks**

As with other decentralized cryptocurrencies, the Ethereum blockchain, which is used for the initial tokens sold under the Token Sale, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks and race condition attacks. Any successful attack presents a risk to Tokens, including the expected proper execution and sequencing of Tokens and Ethereum contract computations in general. Despite the efforts of the Token Generator and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which Tokens interact with and consequently Tokens may be impacted also in that way to the extent described above.

### 5 **Token Generator disclosures**

Because Tokens confer no governance rights of any kind with respect to the Token Generator, all decisions involving the Token Generator's products or services within the platform or Token Generator itself will be made by Token Generator at its sole discretion. These decisions could adversely affect the platform and the utility of any Token you own.

#### 5.1 **Dependence on management team**

The ability of the Veracity Platform project team, which is responsible for maintaining competitive position of the Veracity Platform, is dependent to a large degree on the services of a senior management team. The loss or diminution in the services of members of such senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Veracity Platform. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect the Token Generator's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Veracity Platform.

#### 5.2 **Risks related to reliance on third parties**

Even if completed, the Veracity Platform will rely, in whole or partly, on third-parties to adopt and

implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third-parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Veracity Platform.

### 5.3 **Insufficient interest in the Veracity Platform and Tokens**

It is possible that the Veracity Platform or Tokens will not be used by a large number of individuals, businesses and organizations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Veracity Platform.

### 5.4 **Veracity Platform development risks**

The development of the Veracity Platform and/or Veracity Blockchain may be abandoned for a number of reasons, including lack of interest from the public, insufficient funding, insufficient commercial success or prospects or departure of key personnel.

### 5.5 **Changes to Veracity Platform**

The Veracity Platform is still under development and may undergo significant changes over time. Although the Token Generator and Veracity intend for the Veracity Platform to have the features and specifications set forth in the White Paper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Veracity Platform does not meet expectations of the Purchaser.

### 5.6 **Other projects**

The Platform may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the Token Generator and Veracity, and such projects may provide no benefit to the Veracity Platform.

### 5.7 **Disclosures relating to conflicts of interest**

Any of the Token Generator and Veracity may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.

## 6 **Other disclosures**

Purchases of Tokens should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptographic tokens, including Ether, and blockchain based software systems. Purchaser should have a functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. While the Token Generator will be available to assist purchasers of Tokens during the sale, the Token Generator will not be responsible in any way for loss of BTC, ETH or

Tokens resulting from actions taken by, or omitted by purchasers. If you do not have such experience or expertise, then you should not purchase Tokens or participate in the sale of Tokens. Cryptographic tokens such as Tokens are a new and untested technology. In addition to the risks included above, there are other risks associated with your purchase, possession and use of Tokens, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed above.

## Definitions

**Creator:** An individual, Corporate Video Publisher or Broadcaster who creates or owns video content to share on their own online video channel to generate both views and revenue from their audience. In this document Creator and Publisher are used interchangeably

**CDN:** Content Distribution Network, or a distributed network of servers that consumers connect to in order to receive video. The servers are normally positioned close to the end user and are normally deployed at scale to provide higher quality video experiences

**Digital Wallets:** Desktop Application wallet and Web wallet with an API into Player, both used to hold VERA

**Economy:** Verasity ecosystem in which Vera, the Verasity token, is utilized for transactions

**Management:** Core team listed in this White paper

**OVP:** Online Video Platform including uploader, player and CDN network

**Publisher:** A company that distributes video content across multiple channels and mediums to maximize both views and revenue from their audience. Typically works with multiple creators who contribute to their content library

**Platform:** The combined suite of technology and products that power the Verasity Video Rewarded Module and online video platform and components

**Proof of View (PoV™):** Proof of View implementation on the Blockchain and patent pending as further described in the “Proof of View” section below

**Verasity Foundation:** Verasity Foundation Company Limited, a Cayman Islands foundation company registered under the Cayman Islands Foundation Companies Law, 2017, which has been incorporated to support the Verasity Economy and Platform as per this white paper

**VeraPlayer:** Video Player, Uploader, CDN and components that make up the online video platform, a technology licensed by Verasity and to be made available to the Verasity community and economy. This technology is already operating and available for implementation

**VeraWallet:** Web based token wallet designed to allow VERA holders to top up their accounts, stake VERA or withdraw VERA to other wallets

**VERA:** A cryptographically secured digital utility token which will be created and used within the

Veracity Video Sharing Ecosystem and Economy and verified on the Veracity Blockchain

**Veracity:** Veracity Technology (Cayman) Ltd, a company incorporated under the laws of Cayman Islands