



WHITEPAPER

VERSION 1.4

BLOCKCHAIN SOLUTION FOR CHARITABLE DONATIONS

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## WINNERS OF FUTUREHACK 2018

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On 22nd of January 2018, CHERR.IO team participated in the first ever blockchain oriented hackathon in Davos, during the World Economic Forum (WEF) conference. The participants hacked for the future of humanity simultaneously for 48 hours straight to produce blockchain solutions to address the United Nations Sustainable Development Goals (SDGs). More information can be found here: <https://futurehack.io/>

**CHERR.IO CREATED THEIR OWN SDG: CHARITABLE AND HUMANITARIAN AID AND LATER ON RECEIVED REWARD AS THE ABSOLUTE WINNERS OF FUTUREHACK 2018 FOR SLOVENIA.**



**“**Winning the overall prize as a Slovenian team at FutureHack 2018 in Davos is a remarkable milestone for us. We truly believe that developing ideas through Sustainable Development Goals (SDG) could significantly change the foundations of humanity. SDGs are targeted towards specific worldwide problems, that many people don't see or neglect. That's why we also created our own goal, the 'Charitable and Humanitarian Aid,' with a focus on helping those who have been forgotten by the world and need help the most. Future of Humanity is doing a spectacular job with developing goals on an international level and CHERR.IO is honored to be part of it. With their help, alongside help from blockchain technology and the community, we are confident we can improve and save many lives.

# 1

## THE IDEA / INTRODUCTION

People helping other people has been around since the dawn of mankind and it's not going away anytime soon. It's an integral part of what makes us human, and a virtue cherished by all cultures around the world. Even little things like helping a stranger across the street fill us with that warm and fuzzy feeling of joy. It's selfish, but also selfless. In modern times we go way beyond that: nearly one third of all people worldwide donate to charities and one quarter volunteer every year. We have excellent charitable organizations to thank for that and their importance in our society is immense. In fact, they are such a crucial part of our society because they take care of people, animals and environments that have been forgotten by the powers in charge. In an ideal world, there would be no need for charity.

However, we live in the real world with real problems. Charities have modernized themselves and embraced the Internet and social networks to engage more people. It is now easier than ever to recruit people, raise money for a cause and deliver it to the people in need. But people still have second thoughts, and they all concern charitable organizations. First of all, people don't like to pay for administrative and marketing overhead because it feels like money lost. Second, donating to major charities doesn't give you the sense that you are making a difference. Finally, charities are like businesses in that they employ people, have their own agendas, and find it difficult to detect fraud. The process is centralized and rigid with difficult supervisory challenges and high overhead.

**WE CAN HELP CHARITIES TAKE THE NEXT STEP FORWARD WITH THE HELP OF THE CHERR.IO PLATFORM.**

**The CHERR.IO platform** is a B2B (business-to-business) platform that caters to charitable organizations by expanding their outreach, optimizing their fundraising processes, and rebuilding donor trust with built-in transparency mechanisms. We designed the platform on top of the Ethereum blockchain to ensure traceability of all transactions and full auditability. Using a voting mechanism, the decision power is given to the donors which lets them choose and control where their money should go in order to make the biggest impact. But, this technical improvement in execution is not enough for us. We want to go further. We want to disrupt the concept of charitable organizations and introduce a paradigm shift in how they work.

To reduce and potentially eliminate campaign advertising costs, we propose a completely new approach. We recognize that all forms of charity are rooted in some form of self interest, be it for the thanks we get for good deeds done or just for that warm feeling we get inside. We want to reciprocate people's charitable actions with rewards. Our idea is to remove the advertising need for traditional charitable campaigns and subsequently reduce the cost of the campaign by a significant margin. As such, the CHERR.IO community will take care of advertising via their social networks and will even be rewarded as a result. By reducing such overhead costs, the rewards go back into the community and more funds will be available for allocation to the actual beneficiaries.

We aim to implement this reward system with the introduction of the CHR token, which will be used by active participants on our platform during the fundraising process. Each campaign on the CHERR.IO platform will consist of an activation phase, fundraising phase and conclusion. Activation of a charitable campaign will require activators or charities to pay the activation fee in CHR tokens before the fundraising can start. The fee is in place to identify people who want to actively participate in the promotion of the campaign and make them eligible for a reward for their efforts at the end of the campaign. The reward is based on the success of the campaign and the amount is relative to the contributed activation fee and total amount of raised funds. Charitable organizations will have an option to pay the whole activation fee by themselves and thus take care of the promotion of the project via their own channels. Campaigns started by individuals will have a cap on how much somebody can contribute to the activation of the project, which means that there will need to be multiple activators. We believe such an approach will attract people that will put a lot of effort into the promotion of the platform and thus facilitate its growth. Finally, with complete and predictable advertising expenses and overhead costs, such an approach enables us to greatly reduce such costs compared to traditional fundraising processes.

By designing the platform on top of Ethereum, we will also tap into the existing vast pool of cryptocurrency to attract a significant amount of people that are either willing to donate or actively participate for rewards and simply helping others. To further reduce costs, the CHERR.IO platform will enable organizations to reduce transaction fees by cutting out the middlemen that are accompanied with transactions via SMS messages or bank transfers. Transactions on the blockchain will go from the donors to the campaigns directly, incurring only small standard fees associated with such transactions. Such direct transfers will also be much faster. The speed factor alone is often the deciding factor when reacting to real world crises.



## C H E R R Y ?

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Cherries have always been loved by many not only because they are sweet and beautiful, but also because they announce the coming of summer. They come in pairs or triplets, tightly bound to their siblings, like our CHEER.IO community is connected within itself and with the rest of the world. Cherry pits are also very resilient, surviving temperatures of -30 degrees C to grow into tall and strong trees that will blossom come spring and bring goodness to the world. CHEER.IO strives to follow the same example and help people in distress return joy and purpose to their lives. Furthermore, like cherries are used for jam, marmalade, desserts and juice, our platform strives to be versatile in the forms of aid and support it can provide to the world.



# 2

## M A R K E T S I Z E

\$ 500  
BILLION



Top 6 countries  
donations to charity

\$ 200  
MILLION



Spent daily on  
charitable activities by  
the charity sector

\$ 30  
BILLION



Online givings in  
2017 and counting

\$ 390  
BILLION



In 2017 Total US  
Charitable Donations

~ 1.5  
MILLION



Non-Profit Organizations  
registered within the US.

10 X  
RAISE



Fidelity Investments Only:  
2016 = \$ 7,000,0000 USD  
2017 = \$ 70,000,000 USD

# 3

## THE PLATFORM

With CHERR.IO we introduce a new fundraising platform that streamlines the process of identifying people in need and raises funds to bring them the help they so desperately require. By utilizing blockchain technology we strive to provide a secure and transparent process of raising and delivering funds for charities, accompanied by a program of incentives for active participation of the community and an ecosystem that will facilitate organic growth of the platform.

## OVERVIEW

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There are many aspects of the CHERR.IO platform to consider. The main actors on the CHERR.IO platform will be charitable organizations alongside the CHR token holders, also known as the Cherrios. Charitable organizations are the target audience of the platform, whose operations we strive to improve and gradually transform for the new high-tech era. Cherrios represent a crucial part of the community and provide a bond to the outside world. Their responsibilities will be to promote charity, help raise funds and provide community feedback and verification. They are also the ones who will be rewarded for their effort, because the main objective of the CHERR.IO platform is to transform the standard operational model of charities and open it up for innovation by making it scalable and efficient beyond currently established limits.

Normal lifespan of a fundraising project on the CHERR.IO platform will start with project registration and an optional campaign to activate it. Certain projects will require an activation in the form of a donation of CHR tokens, after which the fundraising in ETH tokens will commence. A project will require the activation phase only if the charity starting the campaign deems it necessary. The main benefit of having one is the community effect that comes with it. Cherrios that will contribute to the activation of a campaign will be personally involved and rewarded for their effort of spreading the word of the campaign. The more people they get to donate, the more funds will be raised, and that will in turn mean a higher reward for everyone involved in the activation phase.

After the fundraising phase is finished, most of the raised funds will be transferred to the beneficiary of the project, and a small amount will be paid back to the community, which helped to promote the project and bring it to its successful conclusion. In case the project does not reach its target, the donors will have an option to get their tokens back, or choose to place them into the emergency pool, reserved for urgent occasions.

Possession of CHR tokens will not only bring a lot of benefits to the token holder, but also assign certain responsibilities to the community. The main role of CHR tokens will be activating the inactive charitable projects on the platform, which will in turn enable the token holders to receive payback for their contribution. Cherrios will additionally have the possibility to lock CHR tokens on the platform, unrelated to any fundraising cause, to participate in the distribution of tokens after successfully completing campaigns. The following sections will analyze these and other aspects of the platform in detail.

## PROOF OF CHARITY

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Community is the core of the CHERR.IO platform and is the reason why we built such mechanisms to promote charitable giving. We recognize online social networking activities as fundamental to building a presence online and reaching out to people. Word spreads fast and far on the Internet, and to motivate our community for active participation, we have decided to gamify the social activities of our user base and attribute points. We call this mechanism Proof of Charity.

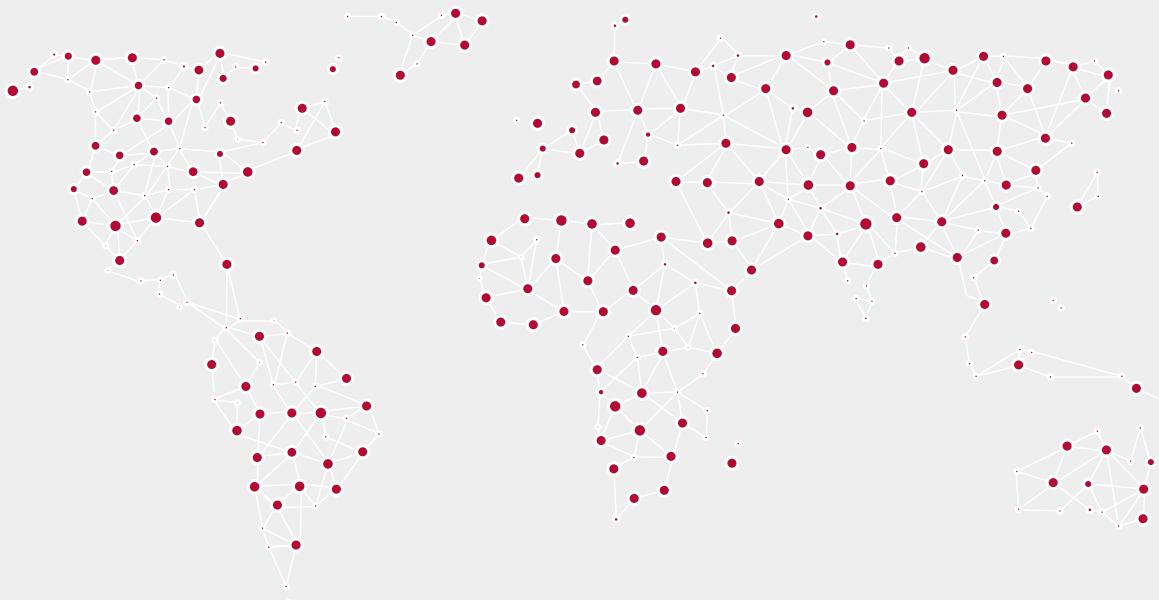
Proof of Charity is the most important part of the whole CHERR.IO platform, because it serves as a basis for all other mechanisms built on top of it. As such, it is the driving force behind the community, and a feature that fundamentally challenges the current operational structure of charitable organizations. It is a new way of reaching out to society and asking for help, i.e. a way of leveraging the power of community to expand itself. It makes advertising and the resulting heavy costs obsolete because it tasks the community with that job. Since advertising costs have a severe impact on the budgets of charities, using the CHERR.IO platform to drastically reduce or completely eliminate these costs can result in more funds going to the people who need them the most.

## SCORING

Each activity that does something positive for the CHERR.IO community or charity will be rewarded with points. The activities are valued according to the following list:

Twitter mention of platform (#cherrio)	Bitcointalk activity
<b>25 POINTS</b>	<b>100 POINTS (MULTIPLIED BY LEVEL OF USER)</b>
Twitter mention of a campaign (#campaignName)	Reddit activity
<b>50 POINTS (1 PER CAMPAIGN)</b>	<b>100 POINTS (MULTIPLIED BY LEVEL OF USER)</b>
Twitter/Facebook/LinkedIn unique click of a campaign	Rate an organization by campaign
<b>50 POINTS (PER IP)</b>	<b>200 POINTS</b>
Twitter/Facebook like/follow	Any donation to active campaign
<b>100 POINTS</b>	<b>10000 POINTS * 0.01ETH (MIN DONATION)</b>
Medium follow	Validation of registered user
<b>100 POINTS</b>	<b>1000 POINTS</b>
Telegram activity	New active Cherrion, who locks CHR tokens
<b>100 POINTS</b>	<b>1000 POINTS</b>
	New organization, who adds USER id in registration form
	<b>3000 POINTS</b>

Cherrions will accumulate these points in two separate accounts: Status and Reward. A completed action will be verified automatically over APIs when possible, and in other cases manually by the staff. Upon successful verification, both the Cherrion's Status and Reward accounts will be **awarded the same amount of Proof Of Charity points** according to the list above. Both accounts have their separate purposes and are completely independent from each other.



## **STATUS POINTS (=POCh POINTS) ACCOUNT**

The purpose of the Status points account is to determine the level of a Cherriion, which will determine their rights on the platform. As they collect points and progress in level, they will gain the ability to vote on specific topics, determine the amount of CHR tokens they can lock, etc.

Cherriion levels are defined as follows:

Cherriion level	LVL 1	LVL 2	LVL 3	LVL 4	LVL 5
Status points required	1000	3000	6000	10000	15000

The Status points account is reset to the minimum required points of the Cherriion's current level on a recurring basis each month. For example, if a Cherriion has collected 1200 points, they are placed in the first level, and at the beginning of the next month their Status points account will be reset to 1000. If, however, they have accumulated 4500 points, their balance will be reset to 3000, since they will be placed in the second level at that time.

Inactive Cherriions that will not accumulate points via the Proof of Charity reward will be informed and encouraged to start participating in more social activities. If they do not collect any points within the month and ignore all notifications, they will be demoted to the previous level and thus lose the benefits that came with the higher level. Also, all of their locked tokens will be returned and they will have to lock them anew, if their level will permit it. These conditions and actions will be a part of the smart contract and will be executed automatically.

**Level 1 will be automatically reached by all Cherriions that will successfully complete the registration on the CHERR.IO platform.**

## **REWARD POINTS (=POCh POINTS) ACCOUNT**

Points from the Reward account can be exchanged at any time for the CHR tokens at the rate of 1000 points = 1 CHR token. This will give Cherriions that are not able or willing to purchase CHR tokens and receive the benefits of token holders a chance to earn them with actions that will benefit both the community and the charitable campaigns.

## LOCKING OF TOKENS

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Every Cherion, regardless of their level, will be able to lock CHR tokens with a smart contract on the platform. **The main benefit of locking tokens is participation in the reward distribution at the end of a successful campaign, where the amount of locked tokens is directly proportional to the awarded amount.** The main benefit of token locking is participation in the reward distribution of every successfully completed charitable campaign for the duration of the smart contract.

The amount of CHR tokens a Cherion can lock is determined by their level:

Cherion level	LVL 1	LVL 2	LVL 3	LVL 4	LVL 5
Max amount of CHR to lock	1000	2000	3000	4000	5000

Locked tokens will be safely deposited on the platform for the duration, determined by the smart contract. During that period the tokens will be unavailable to the owner, but they will nevertheless be fully returned after the smart contract expires.

## START OF A CAMPAIGN

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The start of a charitable campaign is handled differently based on who starts it: organizations or individuals (Cherions). Both will need to list a cause, set the target amount and duration of the campaign, describe it thoroughly and make a strong case for it. A new wallet will be specially created for the duration of the campaign, onto which the raised funds will be released when the campaign finishes successfully. The difference is in which conditions the publisher of the campaign must meet in order for the campaign to proceed to the next phase. The organizations will be required to deposit CHR tokens in order to be able to publish campaigns according to the following table:

Locked tokens	10000 CHR	30000 CHR	60000 CHR
Number of ongoing campaigns	10	40	100

Tokens will remain locked with a smart contract for three months and then returned to the organization. The number of ongoing campaigns defines the maximum number of parallel campaigns a charity can start. Finished campaigns do not count towards that quota, which means the total number of started campaigns within the three month period can actually be a lot higher, depending on their duration. Campaigns started within the three month period will be continued beyond that timespan, even if the organization does not deposit any more CHR tokens. On the other hand, ongoing campaigns started within a previous three month period will count towards the quota of the current period.

Unlike organizations, Cherions wanting to start a fundraising campaign will have to go through a different process to ensure security and good intent. Such campaigns will be subject to detailed scrutiny and supervision by the community. They will initially be listed as inactive and will have to be confirmed either by community voting or our team, when necessary.

## ACTIVATION OF A CAMPAIGN

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The next phase in the lifecycle of the campaign is the activation. It is optional for verified organizations and mandatory for individuals. When applicable, the activation encompasses raising 1% of the target ETH amount in CHR tokens. These tokens are not a part of the funds being raised and will not go to the beneficiary of the campaign. They will instead be returned to the activators at the end:

% of raised funds	10%	20%	30%	40%	50%	60%	MORE THAN 60%
% of activation CHR tokens returned	25%	30%	40%	55%	75%	100%	100% + % REWARD

Cherrios who donate tokens for campaign activation are called activators and are entitled to reward distribution at the end of a successful campaign. Since the activation phase is required only for individuals wanting to start a campaign, the organizations can nevertheless use the activation mechanism optionally. This way they will onboard the activators, who will actively support and promote the campaign, and thus truly leverage the full capability of the CHERR.IO platform. It is a way to circumvent standard means of advertising in the established media, which is expensive and becoming obsolete with every passing day. Instead, it allows organizations to engage a much larger charitable community worldwide, without limits and instantaneously. It enables them to reach out to the CHERR.IO community, ask them for their help, and the community will respond by engaging people via social networks, blogs, forums and even local communities. Normal people have proven time and again to be more effective and trustworthy than the established media in engaging people to move for a cause, because people can relate to other people, not legal entities. The CHERR.IO community will make its voice heard when called upon, and the price at the end will be much lower than standard channels of advertising.

Still, organizations will be able to start campaigns without activators, in which case the reward normally awarded at the end to them will go to the charitable organization automatically. In this case, the organization will be expected to use its own means of advertising and promotion to raise funds, since the community itself will not be expected to respond with the same force as when called upon explicitly.



## ACTIVATION RESTRICTIONS

Activation by Cherrios is capped at a maximum of 5% of the whole activation amount per individual, while verified organizations will have no such restrictions and will be able to pay the whole activation fee themselves. If the campaign is not activated within one week from the start, the maximum 5% activation amount limit per Cherrian will be removed and anyone willing to pay the whole fee will be able to do so, thus becoming the owner of the campaign or champion.

## DONATIONS

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Activated campaigns will start off with the target amount of funds to be raised and a time constraint. The campaign will remain in the donations phase until the time runs out or until enough funds are raised, whichever comes first. There are two milestones in the campaign:

- At 10% of total amount raised the project is considered to be successful
- At 60% of total amount raised the activation fees will be returned to the ones who payed them

Donations will initially be possible in Ethereum (ETH) token only, while support for other cryptocurrencies and fiat money will be added at a later time. Donations will be permanently saved on the Ethereum blockchain and will be fully auditable. Every campaign will get its own wallet where everyone will be able to check the transaction history and amount of raised funds.

In case the campaign does not complete successfully, the already raised amount (below 10%) will be placed into the Emergency pool.



## EMERGENCY POOL

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The emergency pool will be a wallet that will be used in situations that require super fast response times. Besides the common emergency pool there will be other subpools, targeting specific causes, such as cancer research or preventing climate change. Cherrions will be able to donate funds to these pools directly or indirectly. If the campaign ends unsuccessfully and the donor decides to put the already donated money to a good cause instead of returning it to their wallet, the funds will be transferred automatically to the emergency (sub)pool of their choice.

The community will be the caretaker of the emergency pools. Funds from them will be transferred into the campaigns based on community voting. In case an emergency arises, a campaign will be started for the cause, and a proposition to transfer the funds from one of the emergency pools into the campaign will be put forward. If the community decides that it is a worthy cause and that it indeed requires immediate help, the funds will be transferred from an emergency pool and from that point on treated as standard donation to the campaign.

## END OF A CAMPAIGN

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A charitable campaign is considered to be successful if at least 10% of the expected amount is raised. Campaign ETH funds will go directly to the wallet of the charitable organization, if it was started by one. In case the campaign was started by a Cherrion, the ETH funds will go directly to the campaign beneficiary. There will be no automatic conversion of ETH funds into any other form of currency, because this is not a part of the CHERR.IO platform.

The campaign ends as soon as the specified target amount of funds is raised or according to the specified time limit, whichever comes first.

## FRAUD PROTECTION

To prevent fraud we are introducing mechanisms of community ratings and milestones. Depending on the rating of the receiving organization, the raised funds will be released to their wallet all at the same time or in three milestones. The rating of an organization will be determined as a part of Proof of Charity contribution by the Cherrions at the end of each completed campaign. The ratings will range from 1 to 5 and the average value of all ratings will define the final rating of an organization.

At the end of a successful campaign and when the funds are transferred to the target organization, the organization will have to submit documentation that shows how and where the funds were spent. These documents will be subject to community scrutiny and every Cherrion will be able to verify them and rate the organization accordingly. The organizations will have to maintain a rating of at least 4 (or 80%) at all times to be able to receive all funds simultaneously after a completed campaign. Failing to do so will cause the payout to proceed in milestones.

The milestones divide the total raised amount into three equally sized transactions that are triggered only after each previous milestone is approved by the community:

- Milestone 1: first milestone release of funds happens automatically
- Milestone 2: second milestone release will be triggered only after the community approves Milestone 1 documentation by voting
- Milestone 3: third milestone release will be triggered only after the community approves Milestone 2 documentation by voting

After milestones 1 and 2 releases funds, the receiving organization or beneficiary will need to submit the documentation (i.e. invoices, transactions,...) that proves how the funds were spent, where they went, etc. Donors who contributed to the campaign will be notified immediately and will have a chance to confirm the credibility of the submitted documentation in the following 24 hours. If minimum consensus of 51% is reached with at least 50% voting turnout, the next milestone will be triggered. If 24 hours pass and not enough votes are cast, our team will investigate the situation and resolve it.

If the milestone release is rejected by the community, the funds are either returned to the donors or transferred to the emergency pool, according to the donor's decision saved in the smart contract.

When charities or other beneficiaries do not have any ratings yet, our specialists will supervise the initial campaign. CHERR.IO will still operate on the principle of fairness and release all funds simultaneously. In case of suspected fraud our specialist will have permission to hold the funds. After the first campaign is evaluated by the community, a rating will be established and the organization will be treated according to the defined rules.

## R E W A R D   D I S T R I B U T I O N

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If a successful campaign raises 60% of the target amount, the organization or the Cherrions that contributed to the activation fee of the campaign will receive their fee back in full. The reward distribution phase will commence once the time limit of the campaign is reached to compensate all involved parties that contributed to the campaign's success. Total reward is fixed at 4% of total raised ETH funds and distributed in ETH among the campaign activators, Cherrions that locked the CHR tokens on the platform, campaign starter and the CHERR.IO platform. The 4% reward is distributed according to the following table:

Amount (% of total)	<b>1.50%</b>	<b>1.50%</b>	<b>1.00%</b>
Recipient	<b>CHR TOKEN HOLDERS THAT LOCKED THEM</b>	<b>ACTIVATORS OR CHARITY, IN CASE CAMPAIGN DID NOT HAVE THEM</b>	<b>CHERR.IO PLATFORM</b>

### LOCKED TOKENS REWARD

The Cherrions that locked the tokens on the platform will distribute their 1.50% ETH reward proportionally according to the amount of tokens they locked, which depends on their status level. For example, if John locked 1,000 CHR tokens out of 10,000 that were locked during the course of the whole campaign, he will be receive  $1,000 / 10,000 = 10\%$  of the 1.50% reward, i.e. 0.15% of the total ETH funds raised within the campaign.

To be eligible for reward distribution, the tokens will need to be locked for the whole duration of the campaign, starting with the donation phase. In other words, the tokens will not have to be locked during the activation phase.

### ACTIVATOR REWARD

The activator reward will also be distributed proportionally among the activators in the same manner. However in this case, the determining factor is how high of a percentage each activator contributed to the activation fee.

If the campaign is started by an organization and it opts to start fundraising without the activator, it will receive the entire 1.50% of the activator reward.

### PLATFORM REWARD

Running and administering the platform costs money and other resources. Therefore, 1% of every successful campaign will go to a wallet used for operating expenses.

# 4

## BUSINESS MODEL

### FEE BASED MODEL:

- 1% of every donation (increase after 2 years)
- 3% of total raised funds per campaign for rewarding active token holders

### RED HAT MODEL:

- White labelling our platform - approx. 10ETH in CHR tokens installation fee will go to the partnering charitable organizations that want to collect cryptocurrencies as donations (upkeep platform and rolling costs associated with growing and marketing the platform)

### SUBSCRIPTION MODEL:

- Yearly subscription of 1 ETH in CHR tokens (includes access to exclusive news on events and discounts and platform).

### ADVERTISING:

- Sponsorships and banner adverts related to charitable institutions

# 5

## TRANSPARENCY AND SECURITY

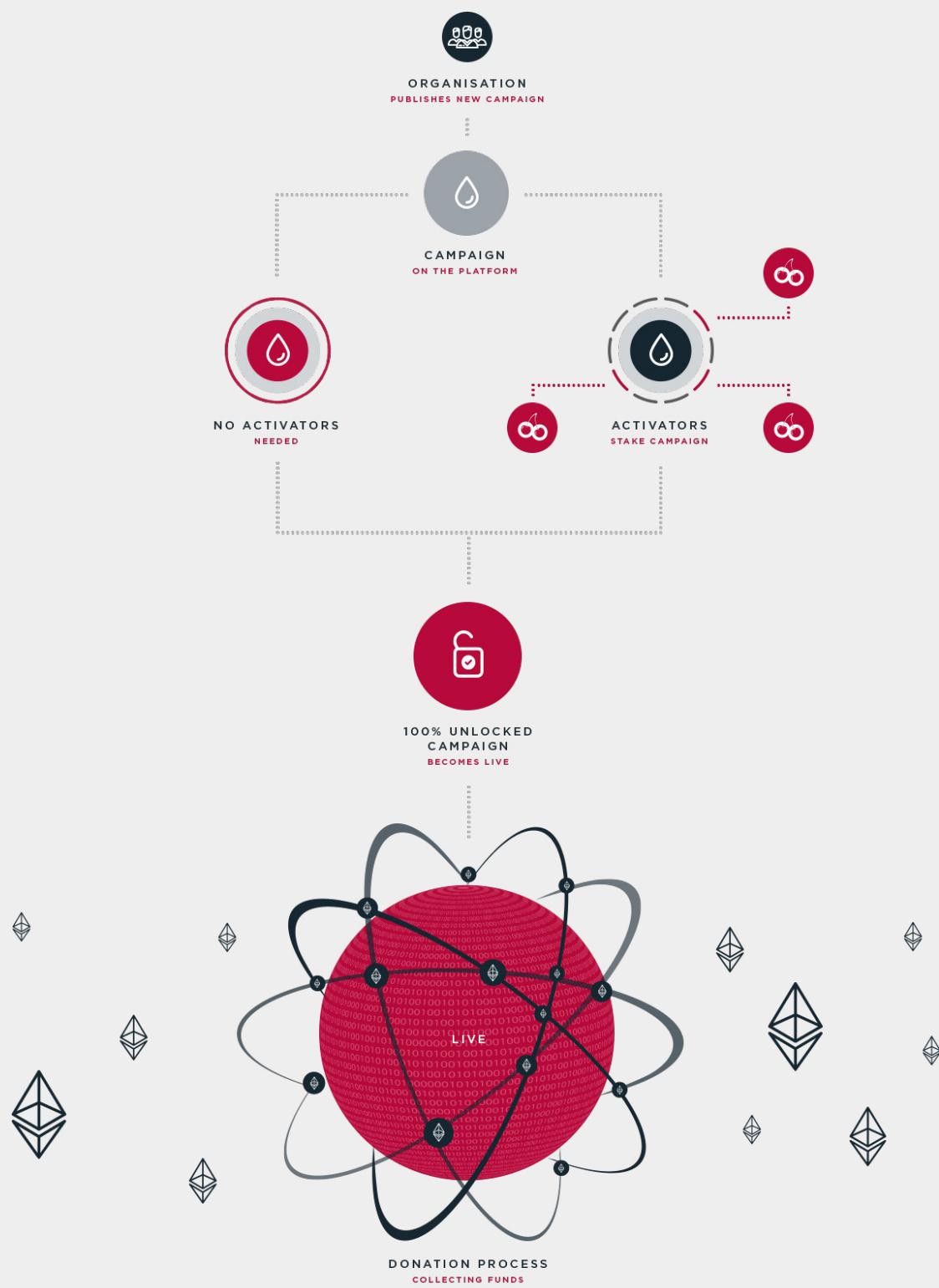
The CHERR.IO platform aims to provide a completely transparent and secure fundraising process. All transactions will be executed on the Ethereum blockchain. This will ensure cryptographic security within a permanent and incorruptible public ledger, where all transactions will be visible and auditable. The entire functionality of the platform will be based on smart contracts that will define the rules all parties must abide by. Furthermore, smart contracts will also ensure the rules will be executed automatically without human intervention, thus minimizing the cost of the whole operation.

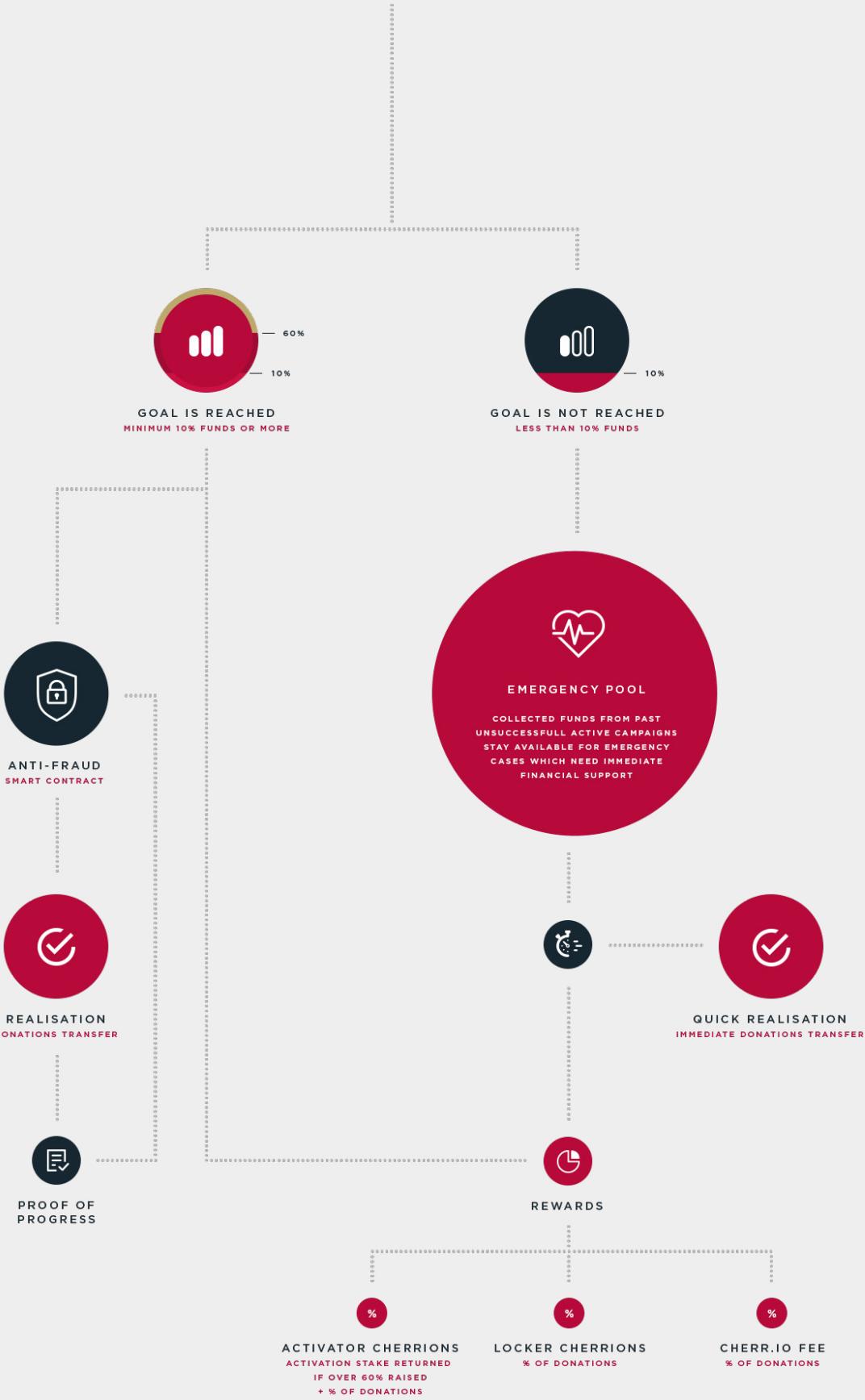
# 7

THE CHR TOKEN

## TOKEN MODEL

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## UTILITY AND PAYABLE HYBRID

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### ORGANIZATIONS

- Buy / lock tokens instead of subscription, to list campaigns on our platform
- Buy / pay with tokens for exposed campaigns and advertising
- Buy / pay with tokens for whitelisting CHERR.IO on their platform

### DONORS

- Use tokens for rating organization
- Use tokens for allocating funds from emergency pool
- Use tokens for confirming the legitimacy of spent funds

### TOKEN HOLDERS

- Buy tokens for activating/staking project for additional reward
- Buy / lock tokens for participation in rewarding system

## TOKEN SALE

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The CHR token is fully compliant ERC20 token generated for use on CHERR.IO platform.

Integrated within the Ethereum smart contract, it will serve as the utility token of a decentralized autonomous organization – known as CHERR.IO platform. CHR token will act as the underlying fuel driving all participants to show their best charitable effort with self-initiative and humanitarian actions.

CHR tokens will not give token holders any right to:

- Ownership of the company
- Profit sharing of the company
- Participate in decision making, unless options are put up on voting.

During the pre-sale Period, the CHR tokens can be exchanged for Ether (ETH) at the exchange bonus rates that are defined in different Tier stages. Participants that have gathered a certain amount of CHR Points (tier stages for CHR Points shall be defined on the Website) can participate at the pre-sale Period at bonus exchange rates as follows:

**Tier 1:** Participants, allocated in this tier may exchange CHR Tokens at the rate 8.743 CHR per 1 ETH in period **from 8.00 pm UTC on the 15th of May 2018 and until 8.00 pm UTC on 16th of May 2018.** The amount of CHR tokens in this tier is limited to 50% of Available Supply. Participant allocated in this tier cannot participate in Tier 2.

**Tier 2:** Participants allocated in this tier may exchange CHR Tokens at the rate 7.306 CHR per 1 ETH in period which lasts **from 8.00 pm UTC on the 16th of May 2018** and **until 8.00 pm UTC on 18th of May 2018**. The amount of CHR tokens in this tier is limited to 50% of Available Supply.

**Tier 3:** Participants allocated in this tier and Participants from Tier 1 and Tier 2 may exchange CHR Tokens at the rate 6.584 CHR per 1 ETH in period **from 8.00 pm UTC on the 18th of May 2018** and **until 20.00 pm UTC on 24 th of May 2018**.

During the ICO Period, the CHR Tokens can be exchanged for Ether (ETH) at the exchange rates as follows:

- 5.333 CHR Tokens per 1 ETH during the ICO Period,
- for the period during the 24 hours before the start of ICO Period, CHERR.IO may determine special bonus price of CHR Tokens for all Participants.

The crowdsale is open only for approved white list users. Contributors contribute voluntarily and their participation cannot in any way be defined or treated as an equity investment into the company that owns the project on the address <https://www.cherr.io>. Contributors agree with Terms and conditions published on <https://www.cherr.io/terms>

We will create a smart contract that will handle the whole ICO process automatically. The main features of the smart contract will be:

1. The smart contract will have a security measure for the contributors. If the minimum goal (soft cap) is not reached, we will not have access to the funds, and participating contributors will get a full refund. This measure protects the contributors from fraud and eliminates the need for an escrow.
2. We are against uncapped ICOs because we believe the company should raise the amount of money it needs to accomplish the goals from the roadmap. Furthermore, uncapped ICOs turned out to be harmful for the tokenized economy, often driven by greed and taken advantage of by hype.
3. 50% of all raised funds in our crowdsale above soft cap will be donated to current and future campaigns on our platform.

The crowdsale will continue until the hard cap is reached or 21 days has passed, whichever comes first. At the end of the crowdsale, any remaining tokens will be burned.

The token sale contract will be directly linked to the token contract so that instant issuance of tokens will be possible. Users will be able to see in real time how many tokens they will get in return to their contribution. Token transfer will be enabled up to 15 days after sale ends.

CHERR.IO holds the right to sell CHR tokens to private investors out-side the scope of CHR ICO during the Pre-sale Period or ICO Period (hereinafter: Private sale). CHERR.IO shall notify Participants about the activity of the Private Sale on the Website.

#### DISTRIBUTION OF ISSUED TOKENS

- Total number of generated CHR tokens: 200.000.000
- 60% of tokens will be sold in the ICO
- SOFT CAP / minimal goal: 3750 ETH
- HARD CAP: 15000 ETH
- Date of pre-sale start: 15.05.2018 08:00 p.m. UTC
- Date of pre-sale end: 24.05.2018 20:00 p.m. or until hard cap is reached
- Date of crowdsale start: 01.06.2018 20:00 p.m. UTC
- Date of crowdsale end: 15.06.2018 20:00 p.m. or until hard cap is reached
- Token distribution date: up to 15 days after ICO ends

## LIST OF TOKEN SALE LEVELS

### SOFT CAP

3750 ETH

### HARD CAP

15000 ETH

### PROOF OF CHARITY BONUS (POCB)

*Max cap = Hard Cap*

### BONUSES

Tier 1    1 ETH = 8743 CHR

Tier 2    1 ETH = 7306 CHR

Tier 3    1 ETH = 6584 CHR

### CROWDSALE

*Max cap = Hard cap - Proof of Charity Bonus*

1 ETH = 5333 CHR

\*\*\*1 ETH = USD 800,00. In case of price increase or depreciation of 15% of the locked ETH/USD ratio, the locked price of ETH (USD 800,00) may be proportionally amended.

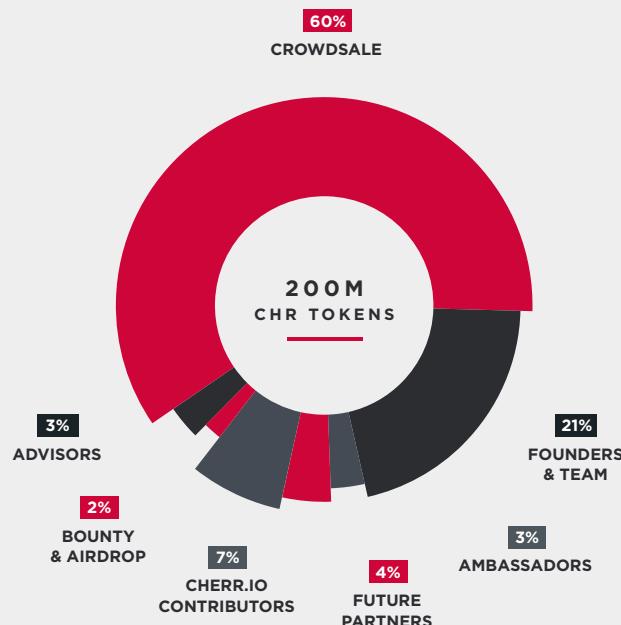
**60% of tokens will be sold in the token sale.**

The distribution of Ether raised will be used as follows:

- 50% development
- 25% marketing
- 20% company operations and exchanges
- 5% legal

The other 40% of tokens will be distributed as follows:

- 12% of tokens will be held by project founders
- 9% of tokens will be held by the rest of the team that helped bring the project to life with their hard work and dedication
- 7% will be held for CHERR.IO platform contribution awards
- 6% of tokens will be awarded to our advisors and ambassadors that helped the project with their knowledge and expertise
- 4% of tokens will be reserved for future partners who will join the project at a later stage
- 2% will be held for CHERR.IO bounty program and airdrops



# 8

## CASE STUDY

### CAMPAIGN STARTED BY CHARITABLE ORGANIZATION

A well respected and recognized regional charity called Children's Health (fictional) has recently run into financing and recruitment problems. They cannot afford to put people on the payroll, cannot afford advertising and their exposure is minimal. The mother of Susan, a 7 year old girl, has turned to them for help as a last resort. She desperately needs to raise 40.000€ for an urgent operation that will save Susan's life. She's willing to do anything, but is unfortunately out of options. Children's Health, on the other hand, could help her save her child, but the problem is they too are out of money and preoccupied with other campaigns.

They know that they have to act fast and one of the employees suggests turning to the Internet for help. They could set up a cheap website, but the problem of exposure will remain. Since they have no way of paying for the advertising, their campaign would fail. But recently, an up and coming startup Cherr.ioCHEER.IO has been in the news, promising a platform that will solve their staffing and financing issues. They figure the best time to test it is now, so they decide to register, submit relevant documentation about their organization and deposit 10.000 CHR tokens. It's of a minimal cost to them, and if it has potential to save at least one life then their obligation is to try it.

Ana, an ambitious student, dedicated to helping people in need, decides to take charge of the campaign, even though she has zero knowledge about cryptocurrencies and blockchain. She reads simple user manuals on the CHERR.IO website and has an Ethereum wallet up and running in no time. She asks Susan's mother to bring the doctor's reports and the invoice for the operation. Then she writes a short story of how Susan's illness came to be and decides that she has enough to start with. She publishes the campaign, sets time goal to 14 days and money goal to 100 ETH (using exchange rate 500€ = 1 ETH).

Because she has no other help, she decides to use the activators for her first campaign. She will need all the help she can get. If it's of no cost to her or the charity, she figures, why not? The Ethereum wallet for the campaign is automatically generated at the start, and the project starts with the activation phase. The CHERR.IO community recognizes the utmost urgency of the campaign and starts to wholeheartedly contribute to the activation fee of a CHR equivalent of 1 ETH (1% of total sum).

The activation fee is paid within a couple of hours and Ana's excitement is starting to build. Things are looking good and she cannot believe her eyes when she sees all the social network activity coming from the Cherrions. Everybody promoting the campaign is collecting Proof of Charity rewards, which are an additional motivator, in addition to helping out a sick child. The activators are especially active and contribute the most, because they know the reward for them is even bigger. Other Cherrions have also locked their CHR tokens on the platform and they are also contributing, not just for Susan and the PoC points, but because they too will be eligible for the reward distribution at the end.

The campaign reaches the goal of 100ETH in a couple of days. Because it was the charity's first campaign, they are entitled to the whole amount without milestones. Also since Ana has prepared a stellar campaign and answered all of the community's questions without a flaw, the donors have rated Children's Health organization with a 4.9 at the end. This means that even their forthcoming campaigns will be paid out without milestones if they manage to keep their rating above 4.

At the end of the campaign, the payment to the charity and rewards for the community are distributed. 96 ETH are transferred to the charity's Ethereum wallet, after which Ana or somebody else will be able to exchange them to other fiat currencies and pay for Susan's operation. 4 ETH, which represent 4% of the total amount, will be distributed according to the CHERR.IO platform rules. 1.5% or 1.5 ETH will be distributed among all Cherrions that had locked tokens during the duration of the campaign. The same amount will be distributed among the activators as well, while 0.75 ETH will go to Children's Health and 0.25 ETH to the CHERR.IO platform. The 1.5 ETH going to the activators will be paid because the campaign reached 100% of the target goal, which means every activator will get their activation fee back in addition to the proportional reward in CHR tokens (converted from the ETH funds automatically).

#### C A M P A I G N   S T A R T E D   B Y   A   C H E R R I O N

In case Susan's mother has no charity to turn to, she can decide to start a campaign of her own. The difference at the beginning is that she has to register on the platform herself and submit relevant documentation, after which the community will need to confirm its legitimacy with voting. Only after the campaign is confirmed by the community (or in extreme cases by us), the mandatory activation phase is started.

The campaign proceeds in the same way as above, with the only exception being the reward distribution. Since Susan's mother is the Cherrion that started the campaign, she will be rewarded 0.75% or 0.75 ETH at the end of the campaign, the reward normally reserved for the charities.

# 9

## OUR VISION

The United Nations established the Sustainable Development Goals (SDGs) and it's 2030 Agenda for the Global Goals with its 193 Nation State Members, as goalposts that the world can get behind in solving the world's greatest challenges, (basic human rights for all).

Cherr.io's roadmap for 2018 includes participation at the United Nations for key events around solutions for the SDGs and the UN SDG agenda.



Cherr.io accepted ‘Best Overall Award’ for the FutureHack hackathon at United Nations in Geneva, during a conference on Sustainable Development.

The United Nations established the Sustainable Development Goals (SDGs) and it’s 2030 Agenda for the Global Goals with its 193 Nation State Members, as goalposts that the world can get behind in solving the world’s greatest challenges, (basic human rights for all).

Cherr.io is a part of bringing this into the future by offering blockchain Solutions for Charitable Donations in aggregating these resources towards these Global Goals in a cohesive and systematic way.

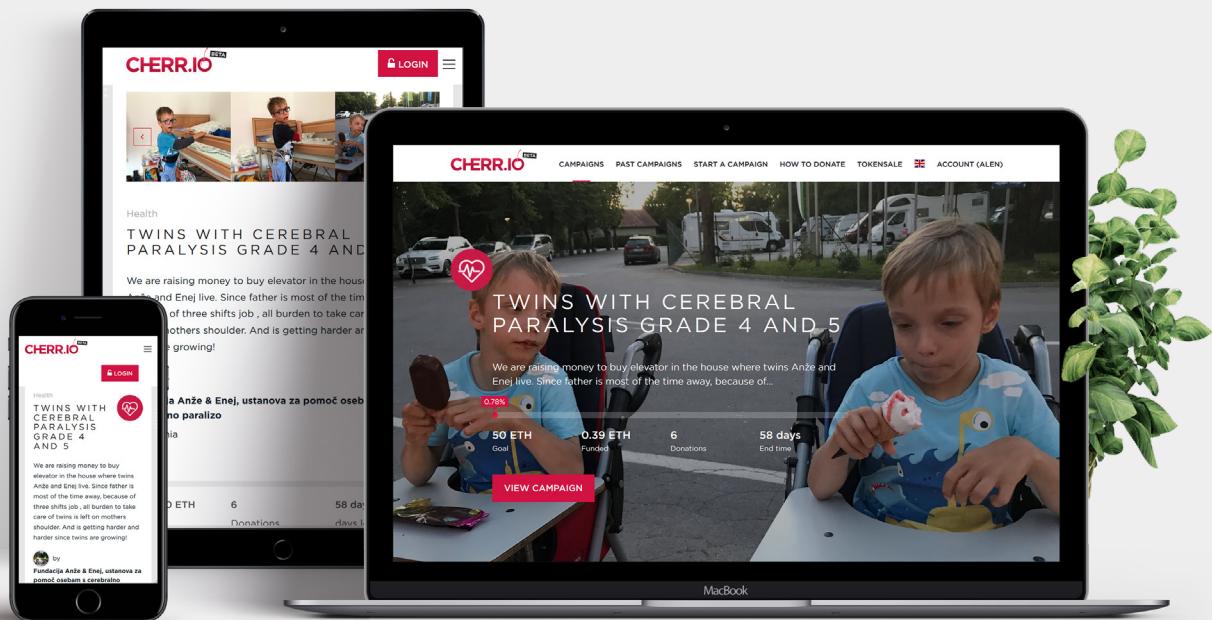
Cherr.io’s roadmap for 2018 includes participation at the United Nations for key events around solutions for the SDGs and the UN SDG agenda.

Cherr.io is as an example of an integrated approach that impacts all 17 SDGs as solutions for these Global Goals and will be a part of case studies included in UN reports on Blockchain and the SDGs, that are distributed throughout the UN ecosystem to include all 193 Member Nation States and the world at large.

With the power of transparency and the alignment of all stakeholders in society, Cherr.io’s unique platform and solution brings relief to millions of people around the globe “leaving no one behind” in the true essence of the SDGs.

Blockchain for purpose drives the Cherr.io team and solidifies our vision of creating an ecosystem that empowers those who are the most vulnerable in society.

We Cherish the World and the People who live in it, do you?



# 6

## THE TEAM

David Tacer, Mario Marković, Aljaž Štraser,  
Alen Breznik, Simon Furman, Boštjan Kovač,  
Simon Sovič, Rok Klančnik, Uroš Horvat,  
David Perger, Denis Goričan.



## DAVID TACER

### CO-FOUNDER AT CHERR.IO, B.S.C

More than 7 years of software development experience, including 5 years experience with leading software developers with successfully finished projects for bigger customers such as Siemens and Mercator with cooperation of some CHERR.IO team members. 4 years ago he started his own IT company. Graduated from Computer Science with thesis about study of symmetric cryptography algorithms and comparing their code efficiency. Got involved in cryptocurrency as a miner and investor in early 2013 and later became obsessed with blockchain technology. 5 years ago he started helping children in poor countries of Africa as their Godfather.



## MARIO MARKOVIĆ

### CO-FOUNDER AT CHERR.IO, B.S.C

IT professional and software developer with over 10 years of experience. Profoundly driven and perfectionistic by nature, Mario is committed to his clients, candidates, and employees. He is most fulfilled when helping people to grow professionally. His vision and ability to nurture relationships lead to long-term solutions and success. Embracing the core values of integrity, innovation, and growth. Mario holds a bachelor's degree in Computer Science and is CEO of his own Digital Agency.



## ALJAŽ ŠTRASER

### CO-FOUNDER AT CHERR.IO, B.S.C

Aljaž is an experienced software engineer with more than 10 years of work experience in the field. After successfully graduating in Computer Science with thesis "Optical character recognition from pictures and video" he went studying Masters degree on foreign exchange at University of Las Palmas de Gran Canaria. Later on he worked few years as a senior software engineer at Comtrade Group. Then he decided to try something different and continued his work as developer and technology lead in startup companies. He got some serious entrepreneurship skills in Seed Sumo accelerator in Texas, USA. About a year ago he realized the future of economy depends on new technologies, and since then he has been actively participating in blockchain projects.



## ALEN BREZNIK

ART DIRECTOR, UI/UX  
LEAD DESIGNER AT QLINK

Alen (Flip) is a straight A college dropout who left traditional education in a rush to learn new age stuff they didn't teach in schools yet. He found new challenges in the art scene and acquired skills on various workshops but mostly he's self-educated. He has almost 20 years of experience in most creative fields like branding, design, coding, 3d, animation, games, marketing etc. working with many agencies and on hundreds of projects. He was born with a sophisticated feeling for aesthetic and his all-round knowledge makes him a one in a kind art director. He's able to invent, inspire and lead with in-depth know-how and a wonderful team spirit. Blockchain is his latest love.



## SIMON FURMAN

SMART CONTRACT DEVELOPER, B.S.C.

Simon graduated from University of Maribor in Computer Science and has over 8 years of software development experience. During his education years he was invited as a backend developer to one of the largest telecommunications companies in Slovenia. He has over 4 years of experience in crypto world. After years of working on a different projects he made first move and started to explore blockchain technology. About a year ago he started to develop smart contracts on Ethereum platform and most recently on NEO platform. He also got some entrepreneurship skills in ABC accelerator in Ljubljana.



## BOŠTJAN KOVAC

CONSULTANT, PHD

Boštjan is a motivated and driven individual, who is very passionate and ambitious about his life and work. Finds joy in tackling challenging problems, always thinking about the big picture and the good results that his solutions will bring to the world. He was hooked on computers from the moment he saw one and never looked back. He successfully took part in various software engineering competitions during university years, finished his PhD in Computer Sciences and then decided that industry was where he could make the most impact. As a passionate traveler he has seen a lot of the world and met people from all corners of the world and that made him realize that most of humanity's problems can be solved with technology and lots of hard work.



## SIMON SOVIČ

### PR & BUSINESS DEVELOPER

Simon is a full stack startupper. With several years of startup experience ranging from being in the core team of a startup building a dual-sided marketplace with over 100k of investment, to working as a business consultant helping startups grow and develop, to organizing the biggest startup conference in the Alps Adriatic region. Simon is passionate about blockchain and its implications on society. He believes that blockchain can be a force for good. He first came in contact with the blockchain world in 2014 with the Ethereum ICO.



## ROK KLANČNIK

### VISUAL AND VIDEO PRODUCTION

Rok has always been a visual guy with a need for creative outlets. Whether working with pencil and paper, a camera or a computer, his imagination runs nonstop. After graduating Graphic communication at university in Ljubljana, he established his own company and follows his passion. He has more than 10 years of experience in visual communication on many levels.



## UROŠ HORVAT

### FULLSTACK WEB DEVELOPER

Uros is a Computer Science expert and is specialized in both front-end and back-end development. His skill also consists of discussing requirements with clients, proposing solutions, ensuring a pleasant user experience, maintaining databases, and performing quality assurance. During his career he developed many projects for foreign and local companies. He is responsible for managing the interchange of data between the server and the users, as well as translating the UI/UX design wireframes to actual code that will produce the visual elements of the application.



## DENIS GORIČAN

### MARKETING STRATEGIST

Denis has been an entrepreneur and marketing strategist for the last 12 years with a history of working in the digital media and Ecommerce industry. He specializes in digital marketing and strategic planning. Combining his unrivalled specialism in specific digital activities with a strategic, differentiated approach, he was able to meet complex needs in the fast paced and constantly evolving digital landscape. In past few years he was a CEO of one of the biggest international real estate franchises and CEO of international webstore. He has a professional diploma in digital marketing at Digital marketing Institute Dublin, Ireland.



## DAVID PERGER

### MARKETING STRATEGIST

David is a serial entrepreneur and a CEO of MI6 Marketing Intelligence agency. He's an expert for building businesses and systems from the scratch. His passion for success is infectious and he does not stop working until his goal is achieved. When something gets his attention he goes all-in with his commitment and blockchain is one of these goals.

# 10

## CONCLUSION

Charity in the today's world is not an option, but rather a necessity we cannot avoid. Governments not only recognize charitable giving as a means to help society's most vulnerable members as well as protect the environment and provide help when disaster strikes, but they also rely on it since they themselves are not always willing or capable of helping those in need. In the end, it always boils down to people opening their hearts and helping out when all else fails. It's what being human really means. So people have formed charitable organizations to be more efficient and effective with their help, and they have done a remarkable job. They are spread throughout the world, connecting and organizing people, providing a crucial cog in the engine that drives our planet towards a brighter future. But like all good things, they have their own problems, with peoples distrust and concerns about efficiency.

Now it is our turn to help the charities go one step further. We want to use the latest technology to optimize their operation on all levels and reinforce the trust that people have in them. We have identified the Ethereum blockchain with its secure and transparent transactions, smart contracts and low fees as the technology that is necessary to take that next step. Additionally, donating money is logically a very complex thing to do, and we want to make it simple, fast and available to anyone. With the CHERR.IO platform, we want to tackle the most pressing issues of the charitable organization and transform them for the modern age: 1) an age in which the people wanting to help will be deeply involved in the whole fundraising process, 2) an age in which the charitable community will be able to reach out to the whole world in an instant, without borders and with agility not seen up til now, and 3) an age in which the high costs of operation and advertising will be replaced by the community that will organically promote charity and help raise the funds. And in the end, the same community will take the responsibility in its own hands to provide legitimacy and vetting, while the blockchain technology will do the rest. All in all, the platform we envision will significantly reduce advertising costs by enabling people to spread the word in exchange for reward, reduce transaction fees and provide security and transparency. And last, but not least, it will introduce the world of charity to people involved with cryptocurrencies and give them a chance to give something back to the community.

**WE HAVE AN IDEA ON HOW TO TAKE AN ALREADY GREAT PART OF OUR CIVILIZATION AND MAKE IT BETTER. IT WAS AN EASY CHOICE, BECAUSE IT WAS THE ONLY THING WE COULD DO.**

## LEGAL DISCLAIMER

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