



# Whitepaper

Second Draft

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- You understand CSM is not providing you with any investment or financial advice, that you are acting of your own volition and have sought your independent financial advice where Appropriate;

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- You are not a citizen, resident (tax or otherwise) or green card holder of the United States of America.

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## 1. INTRODUCTION

Chat applications are amongst the most downloaded applications in the iOS and Android app stores today. They fit today's people's demanding schedule and near-instant demands for Communications (particularly the millennial and younger generations).

Chat applications are primarily developed for smartphones and are used today in a myriad of ways - from social messaging to heavy workflow usage. There are more than 100 popular chat applications today with diverse sets of capabilities and technical specifications worldwide.

Currently available chat apps in the app stores have built extensive user bases and have fulfilled specific demands in usage, but still lack the ability to monetize the downloads, use cases, or even allow users to monetize their contributions. The only revenue model that remains widespread today is through in-app purchases of stickers (or similar), which doesn't grow in potential over time. The purchase of stickers does not incentivize the creation and engagement of communities, which is the key factor to the chats existence over time.

In conclusion, there is not a sustainable in-app model that incentivises users with monetary benefits to use the chat application more - to build communities at scale, form businesses through the app, etc.

In parallel, large communities of crypto experts are forming on other chat applications, like Telegram. Those groups interact frequently within one app, then use another wallet to send and receive digital currencies, and then use the chat applications again to confirm transactions. There is an opportunity to integrate these needs, and reward users for their engagement to create more stickiness.

## **2. EXECUTIVE SUMMARY**

CONSENTIUM is the first multi-featured chat application and multi-digital-currency C2C (consumer-to-consumer) wallet application to reward its users through its proprietary Chat Community Monetization (“CCM”) model.

The bedrock of CONSENTIUM CCM engine lies in its transactional fee redistribution program as an incentive to create and cultivate strong in-app communities and/or send and receive transactions.

As a Chat Application, CONSENTIUM incorporates:

1. High level chat encryption via SHA-256 hash algorithm
2. Low-fee, secure C2C digital cryptocurrency transfers
3. Conversion from Fiat to BTC/ETH/CONSENTIUM and vice-versa
4. Multi-currency crypto wallet
5. Chat Community Monetization (CCM) model automated engine

The vision at CONSENTIUM is to transcend simplistic chat applications, and develop a sustainable future-proof application that can serve to host core groups, businesses and propagate real-world communities - becoming the go-to community building platform.

### 3. MULTI-FEATURED CHAT

The multi-featured chat allows for 1-to-1 chats, groups and channels, all with enhanced privacy settings. This empowers users to communicate and build their communities through their preferred method.

#### 1-TO-1 CHATS

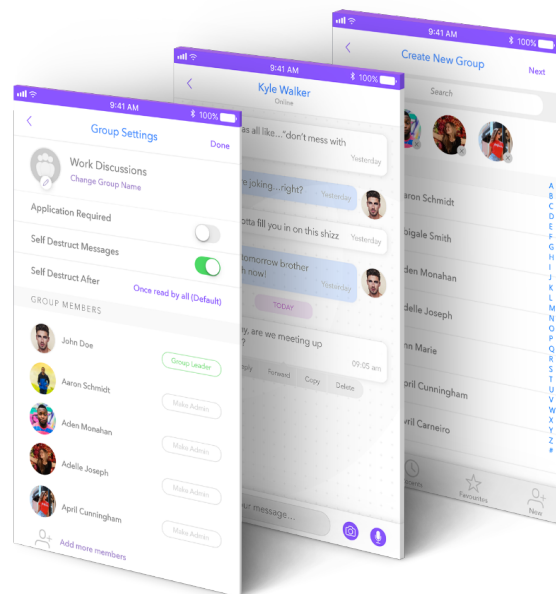
Individual users can create, share and produce unique content via 1-to-1 chats with other users.

#### GROUP CHATS

Entrepreneurs, Content Creators, and Tech-savvy Super Users can leverage and monetize the chat platform more effectively by reaching out to bigger communities and influencers.

#### CHANNELS

Individual Users and Influencer Groups can create, share, and actively promote content to build different interest channels for both personal and business use.



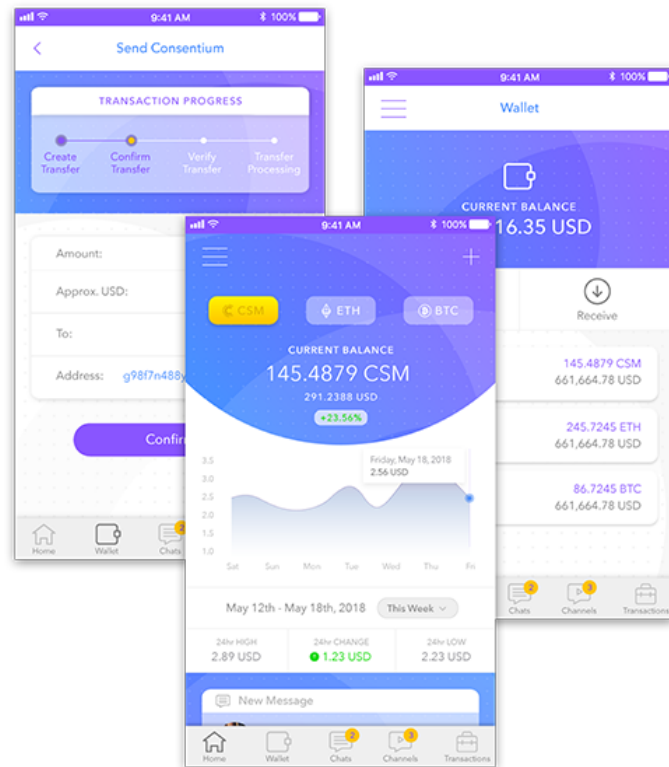
The following are the specific differences on the settings that each feature will have.

	Characteristics	Decisions made by the creator	Settings
<b>Chat</b>	One-to-one regular conversations	No decisions made by the creator	Ability to see the full name and phone number of user
	Searchable by phone or username		Ability to look at the history of links
			Ability to look at the history of media
			Ability to block messages from the user
<b>Group</b>	Searchable by group name	Group name and photo	Name of group and date of creation
	One group leader that can assign admins	Open or application needed	List of members
	Admins can add members to the group by username or mobile	Self destruct messages once read by everyone	Who is leader and admins
	Displays message when users join or leave the group	Self destruct messages after X seconds	Ability to look at the history of links
	Users can join directly or send a request to join (depending on settings)		Ability to look at the history of media
			Mute notifications
<b>Private Group</b>			Exit group
	Not searchable	Group name and photo	Name of group and date of creation
	One group leader that can assign admins	Self destruct messages once read by everyone	List of members
	Admins can add members to the group by username or mobile	Self destruct messages after X seconds	Who is leader and admins
	Displays message when users join or leave the group		Ability to look at the history of links
			Ability to look at the history of media
			Mute notifications
			Exit group



#### 4. MULTI-CURRENCY WALLET

Consentium offers its users a smart, highly encrypted and simple wallet, that allows them to quickly and easily make multiple digital transfers. Consentium supports CSM, BTC, and ETH, and will also allow for fiat conversion to digital currencies. As part of the vision, CSM will also allow for payments at e-commerce establishments, similar to what WeChat pay offers.



SEND CSM, BTC, or ETH

To send CSM, BTC, or ETH users can scan any QR code associated to a wallet address or enter/paste a wallet address. If the user has an account with CSM is easy to just find the person through the username. Once the Tokens are sent the user will receive a notification via the chat option. Every transaction must be confirmed with a secure Transaction PIN.



## RECEIVE CSM, BTC, or ETH

To receive CSM, BTC or ETH, users will need to copy and send their specific wallet address, or simply generate the QR code to be scanned.

## TRANSACTION TRACKER

The Consentium app will allow users to track their transactions from beginning to end following all the verification steps. Users will also be able to search past transfers by date, amount, user, or specific digital currency.

## CONSENTIUM TOKENS

Consentium Tokens are based on the Ethereum platform. Ethereum is the world's largest, leading smart contract blockchain. Ethereum was specifically chosen as it offers an efficient balance of speed and token liquidity. Currently, the currency for processing the Ethereum is known as Ether. One can buy and sell Ether on token exchanges to major fiat currencies.

Payment channels - Although tokens can move from user to user (and also from user to smart contract), each one of these transfers (called "transactions") require that the global Ethereum ledger be updated. A transaction requires the requester to pay ether to the node making the ledger update. Before seeing the updated token balances, all users must wait for the next ledger update, which takes about 15 seconds in Ethereum. With the issuance of Consentium Coins ('CSM'), we create a Users-as-Stakeholders network, allowing the behavior of the network and its software, to become aligned with the interests of its users.

In the context of Ethereum, smart contracts colloquially referred to as "tokens" include a minimum set of functionality defined by a community standard called ERC-20. This

standard exists to ensure all tokens have the same minimal functionality (e.g. ability to be transferred) and facilitates token interoperability.

We believe that cryptoeconomic systems will have even stronger pull than the social ones. Our survival instincts, which heavily influence our economic interests, are stronger than purely social ones, thus leading to faster adoption of Ethereum and tokens as technologies.

## 5. THE CHAT COMMUNITY MONETIZATION (“CCM”) MODEL

CONSENTIUM offers a fair redistribution system through its Chat Community Monetization (“CCM”) model. The CCM serves as an innovative way to automate and incentivise users to send transactions and/or build in-app communities. The system offers an opportunity to get rewards even at basic levels of engagement but, of course, group creators and influencers will get the highest rewards.

This model is currently not offered in other apps, so CONSENTIUM will have the opportunity to create a switching barrier. With CONSENTIUM users will get rewarded for behavior they would be conducting on other platforms regardless.

Finally, by accumulating CSM tokens, users will prefer to continue using the application for its wallet or chat versus switching to another application.

### HOW THE CCM WORKS

1. All transfers of cryptocurrencies between users on CONSENTIUM will be charged a network usage nominal fee as presented in the following table. Specific fees may vary from time to time depending on the platform’s volume and will be communicated accordingly.

0.8% Fee > Internal Transfers
0.1% Fee > External Transfers
1% Fee > Fiat to Crypto

2. All transactional fees will enter and be escrowed in the distribution pool via a cold offline wallet. The process of transfer (2-way) and storage is through a secure encrypted

environment at every step and juncture.

3. From the distribution pool, on a monthly basis or as dictated by the company from time to time, funds will be redistributed to CONSENTIUM users based on the monthly's set criteria.



## POINTS AND REWARDS SYSTEM

CONSENTIUM uses a reward system based on transactional levels through the wallet and engagement within groups.. These community formative requirements supports and incentivizes a trusted environment of relevant communities, as well as increases the amount of transactions taking place within the platform.

Every month, users achieve a user level and based on that level they are granted a specific number of points (as shown on the table below). Users only need to meet one criteria to be assigned to that specific level. The levels are designed to reward users based on the two valuable in-app behaviors: (a) transactions, and (b) group creation and engagement.

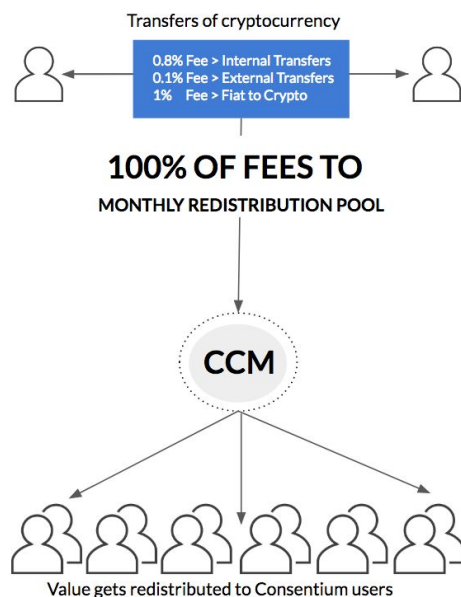
User level	Points	Options to qualify (at least one criteria needs to be met per level)		
Beginner	0.01	Sends 3 transfers or +	Sends \$1,000 or +	Belongs to 10 groups*
Intermediate	10	Sends 10 transfers or +	Sends \$5,000 or +	Belongs to 20 groups*
Star	25	Sends 20 transfers or +	Sends \$30,000 or +	Belongs to 50 groups*
Ultra	50	Sends 30 transfers or +	Sends \$50000 or +	Belongs to 100 groups*
Platinum	150	Group/Channel leaders of at least 100 users **		
Influencer	450	Channel leaders of least 1000 users **		

#### TERMS APPLY:

- The level a user achieves is calculated on a calendar month basis. Users can reach different levels on different months.
- Users can only receive one reward. For example, if they are leaders of several channels with more than 1000 users, they will only get 450 points.
- (\*) Users that qualify to a level based on belonging to 10+, 20+, 50+, or 100+ groups, they also need to have used the app at least 15 times during the month (logged as user sessions).
- (\*\*) Groups or channel leaders that earned a Platinum or Influencer level must have at least 5000 views in the channel or group per month.

## CONVERSION OF REWARDS TO CSM TOKENS

Users will accumulate the monthly value in USD in their accounts. At any time (or as soon as they reach the equivalent value to the lowest possible CSM denomination) they can convert their available value into CSM tokens.



#### MONTHLY CALCULATION OF REWARD PER USER

1. POINTS = Users collect points based on the level they achieved during the month
2. % ALLOCATION = Number of points of the user / total points in the platform
3. REWARD = % Allocation \* monthly redistribution pool

Once the user accumulates the lowest possible denominator of CSM tokens, they can redeem the value in the app.

## **6. OTHER MONETIZATION OPTIONS**

### **A. VIP Groups - future feature**

Consentium allows users to access any public group focused on topics of their choice. The initiating user has the ability to moderate the discussion and to set forth rules that govern the group. “VIP groups” is a possible feature that allows “influencer” users to create premium, exclusive groups that require a paid entrance fee. Celebrities and thought leaders could use this feature as a platform for engaging their communities, while generating tangible value for their time and attention.

### **B. Premium user-generated content**

By allowing anyone to create content and earn Consentium Tokens, Consentium expects to encourage more users to participate and contribute content. This open marketplace of content offering will incentivize competition for higher-quality content and ultimately create a better community. A “hidden” content feature can also allow creators to earn Tokens by sharing audio, video, and pictures that are hidden until other users pay to unlock them.

### **C. Advertisement content**

Once a large community is built, CONSENTIUM can also engage in a myriad of advertising opportunities focused on strategic partnerships. We want to keep our community focused on easy interactions and transactions without distractions, so we will avoid spammy ads. Instead, we will only allow value-driving partnerships to advertise within channels. As the use of the CSM Token in commercial establishments grows, we will also promote such use cases.

#### D. Bot Monetization

Much like Telegram, bots will be able to be created on the Consentium Messenger platform to perform services, order food for delivery, or operate games that offer in-game purchases such as creative assets, gameplays, or other media.

#### E. Sticker Market

Stickers offer a fun way for Consentium users to visually interact with their friends and family, and have been shown to increase engagement levels within messaging apps, particularly among millennials. For example, the messaging app Line derives about a quarter of its annual revenue from sticker sales, or about \$268m USD (Line Corporation IPO Filing).

#### F. Gamification aspect

To further encourage community participation beyond transactions, aspects of the chat-app could be gamified to allow for the user to adopt different visuals within the app based on the number of lines of chat or the number of chats initiated in the last 30 days.



## **7. BENEFITS OF MONETIZATION OF COMMUNITY BUILDING**

1. Incentive for users to build 'ultra groups', which are groups in excess of 1,000 users. Many chat applications lack the ability to scale beyond a critical mass of users due to the absence of a community tool. Some apps even limit the amount of users within their Groups. CONSENTIUM seeks to address this by allowing the creators of communities to generate revenue proportionate to the size and quality of their groups, thereby providing the catalyst to achieve user base critical mass in a short timeframe.

2. Entire businesses can run and communicate with their audiences via the chat application. By incentivising creators of community groups, a new breed of entrepreneurs will emerge that will utilise the chat application as a means to build up their customer base for their businesses (secondary business use-case) or directly monetize on community as a business (primary business use-case).

By having an incentivisation model that enables businesses to multiply on the platform rapidly, CONSENTIUM will develop into a business ecosystem, consisting of brands, products and services. This is an important development and can potentially place CONSENTIUM in the top few platforms to grow businesses.

3. CONSENTIUM can be the go-to chat application for cryptocurrency communities. Cryptocurrency communities are tight-knit and some have grown to massive amount of users beyond 5,000. The typical chat applications for these communities are on Telegram, Slack or Discord, none of which offer a revenue stream to the creators or developers.

By virtue of being a chat application which facilitates cryptocurrency transfers between users, it is highly relevant for CONSENTIUM to be the premier community app for all cryptocurrencies. Even current cryptocurrency-based chat applications do not offer or push for a monetization model for their own communities.

CONSENTIUM can quickly attract creators of communities in the cryptocurrency space by naturally incentivising them in their digital currency denomination for the groups that they are carefully cultivating and growing. By capturing a large market share of cryptocurrency communities, CONSENTIUM will develop into one of the most important crypto-based apps in a euphoric market- such as coinmarketcap.com, which has already surpassed the digital Wall Street Journal in visits.

4. Network effects can be propagated via tiered reward approach by community creators. A vital component for an app to reach critical mass quickly is to exploit the benefits of network effects.

## 8. CONSENTIUM TOKEN GENERATION EXERCISE (“TGE”)

A Token Generation Exercise is a new, unique way to sell tokens to initial purchasers on the blockchain. It is an instance in which a new blockchain venture sells some of its tokens to early purchasers, providing them early access to the features, or in Consentium's case, the ability to directly spend their tokens on the Consentium messenger app. These purchasers are highly incentivised and aligned by purchasing the initial tokens, which will in turn fuel the Consentium network as they will help to get the word out and raise awareness in the broader community.

### TGE DETAILS

**Token Name:** Consentium Tokens (Ticker: CSM), built on ERC20 Token

**Standards Token Supply:** 240 million in circulation, 168 million for sale

**Smallest Unit:** 18 decimal places

**Currencies Accepted:** ETH and USD

**Token Price:** The sale accepted contributions in Ethereum and USD at a fixed token price of US\$ 0.25 / CSM. For Ethereum contributions, the amount of tokens received by investors was determined by the USD / ETH rate at 1800 hrs (GMT +8) daily during the sale period on <https://coinmarketcap.com/>.

**Pre Sale Date:** 1 April 2018 (1800 hrs GMT +8) to 2 April 2018 (1800 hrs GMT+8)

**Pre Sale Incentive:** 10%

**Public Sale Date:** 2 April 2018 (1801 hrs GMT +8) to 8 April 2018 (1800 hrs GMT+8)

**Sale Completion Date:** Defined as the earlier of reaching the Hard Cap or 8 April 2018 (1800 hrs GMT +8)

**Soft Cap:** US\$10 million. If the Soft Cap is not attained by the Sale Completion Date, all proceeds raised will be refunded to investors.

**Hard Cap:** When all of 168,000,000 tokens are sold, the tokens held by Founders and Private Sale investors shall be subjected to a lock up period over 12 months.

In the case of an amount of contribution falling below the Hard Cap after the Sale Completion Date, all remaining unsold CSM tokens will be burned and removed from circulation.

There will be no new CSM tokens created after the Sale Completion Date. All tokens will only be issued one day after the Sale Completion Date.

#### TGE UPDATE

The TGE milestones were completed in May 2018. The CSM Tokens are currently listed on HITbtc, with more exchanges being onboarded soon.

## 9. PRODUCT ROADMAP AND USE OF FUNDS

The following is the updated product roadmap for Consentium, including monthly releases for 2018 and quarterly milestones for 2019.



The funds raised through the TGE process will be used to cover the technical and operational costs associated to going live with the mobile applications, as well as subsequent marketing efforts to foster product adoption.

### App Development (30%)

In addition to finishing the development of the mobile apps, top security protocols, and implementation of admin dashboard, the user experience will be continually improved based on user feedback and data analytics.

### Operations & Security (10%)

Proceeds will be used to ensure smooth day-to-day operations as the user base and transactions scale. We are building a world-class monitoring system and team, as well as

training agents to offer a superior customer service. Lastly, our operations team will also ensure that the CSM Tokens become available in additional listings.

#### Talent Acquisition (20%)

As we grow our we want to ensure that we maintain high performing teams, especially in critical functions such as Finance, Marketing, Operations, and Tech.

#### Marketing and Collaboration with businesses (40%)

Although we believe in the power of word-of-mouth, we will initially engage in marketing efforts to accelerate the growth of the user base and foster network efforts. This includes digital marketing efforts, content publication, partnerships, influencers, and building a robust social presence.