Lean Canvas for Web3/Blockchain/AI Startups – **Nearacles**

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1. Problem

- **Top 3 problems you're solving:**
    - Centralized KYC solutions store sensitive personal data, creating privacy risks.
    - Manual data entry during identity verification is error-prone and inefficient.
    - Lack of decentralized, verifiable oracles for both identity and real-time DeFi vault data on NEAR.
- **Existing alternatives:**
    - Centralized KYC providers (e.g., Onfido, Jumio).
    - Chainlink oracles (not privacy-preserving and limited for identity verification).

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2. Customer Segments

- **Target customers:**
    - **Primary users:** dApps, wallets, DAOs, and DeFi protocols on NEAR requiring identity verification and/or reliable vault price oracles.
    - **Token holders:** [placeholder] (not specified in the document).
    - **Validators/Miners:** Oracle node operators on NEAR for decentralized data feeds.
- **Early adopters:**
    - Web3 platforms on NEAR seeking privacy-preserving KYC alternatives.
    - DeFi vault projects (Uniswap V3–like AMM strategies) that need reliable data feeds for automated execution.

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3. Unique Value Proposition

- **Clear, compelling message:**
  “Nearacles provides decentralized, privacy-first identity verification and real-time DeFi vault data oracles on NEAR, eliminating the need for centralized KYC providers and improving DeFi automation.”

- **High-level concept:**
  “Chainlink for identity + Uniswap V3 vault data oracle, fully privacy-preserving and automated.”

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4. Solution

- **Solution 1:** Automated OCR pipeline converts driver license data into SHA256 hashes stored on-chain, enabling proof-of-verification without exposing personal data.

- **Solution 2:** Decentralized oracle node network provides trusted, real-time price and liquidity data for Uniswap V3–like vaults on NEAR.

- **Solution 3:** Modular design to scale to passports, national IDs, and cross-chain identity and DeFi oracle services beyond NEAR.

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5. Channels

- Community building via NEAR developer ecosystem and hackathons.

- Social media outreach (Twitter/X, Farcaster, Discord, Telegram).

- Partnerships with DeFi protocols, DAOs, and Web3 onboarding platforms.

- Listing in NEAR dApp marketplaces.

- [placeholder] influencer marketing strategy.

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6. Revenue Streams

- Pay-per-verification fees for identity oracle usage.
- Subscription model for high-frequency DeFi vault data access.
- Oracle fees for DeFi vaults, **aggregated into the vault's overall fee and passed to customers as a percentage of AUM or per-query cost.**
- Cross-chain oracle services for multi-chain integrations (future).
- [placeholder] token economics model.

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7. Cost Structure

- **Fixed costs:**
    - Development of OCR pipeline and smart contracts.
    - Infrastructure for oracle nodes.
    - Security audits for smart contracts and oracle software.
- **Variable costs:**
    - Marketing and developer outreach.
    - Gas fees for NEAR on-chain storage.
    - Scaling oracle nodes globally.
    - **Oracle query costs for DeFi Vaults:** Fees paid to Nearacles are **aggregated into the vault's overall fee**, passed proportionally to end customers as part of vault management costs (percentage-based or per-query model).

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8. Key Metrics

- Number of driver license verifications processed.
- Number of dApps integrating Nearacles oracles.

- Transaction volume for identity queries and DeFi data feeds.
- Community and developer adoption within the NEAR ecosystem.
- [placeholder] token velocity metrics.

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9. Unfair Advantage

- Proprietary OCR pipeline optimized for government-issued IDs.
- Privacy-preserving approach using SHA256 hashing and planned ZK proofs.
- First-mover advantage on NEAR combining identity and DeFi vault oracles.
- Potential network effects from partnerships with major NEAR-based dApps.

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10. Blockchain/AI Integration

- **Blockchain necessity:** Provides decentralized storage of hashed verification proofs and trusted oracle data feeds for smart contracts.
- **AI capabilities:** OCR pipeline automates data extraction from driver license images, reducing human error and improving verification speed.
- **Data sovereignty:** Users retain control of their personal data, as no raw PII is stored on-chain.

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11. Regulatory Considerations

Compliance Strategy:

- **Jurisdiction Approach:** Initially focus on jurisdictions with clear supportive regulations for blockchain identity and DeFi oracles (e.g., EU, US, Singapore). Adapt strategy as regulations evolve globally.

- **KYC/AML Requirements:** Leverage the decentralized oracle to verify government-issued IDs **without storing raw personal data**, reducing direct handling of PII and enhancing privacy compliance. Facilitate optional compliance for dApps needing KYC/AML via hashed proofs rather than raw data exchange.

- **Token Classification:** NEARCL will be designed primarily as a **utility and governance token**, avoiding direct securities classification by ensuring no promises of profit or investment returns. Legal counsel will be engaged to monitor evolving regulations.

- **Data Privacy Compliance:** Committed to compliance with data protection laws such as **GDPR** and **CCPA** by never storing raw personally identifiable information on-chain or centralized servers. Use cryptographic hashing and zero-knowledge proofs to minimize data exposure.

- **Oracle Operation Compliance:** Design oracle node operator rules to comply with applicable data protection and financial regulations, including clear terms around data handling and dispute resolution.

- **Future-proofing:** Plan to integrate advanced privacy tech like **Zero-Knowledge Proofs (ZKPs)** to further enhance compliance and reduce regulatory risks.
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12. Tokenomics (if applicable)

12.1 Token Model:

- Utility + Governance token (NEP-141 on NEAR)

- Fixed supply of 1,000,000,000 NEARCL

- No inflation, deflationary burning of 2–5% oracle fees

12.2 Token Utility:

- Oracle fee payments by dApps & vaults (NEARCL or auto-swapped)

- Staking requirement for oracle nodes with slashing on misbehavior

- Governance voting rights on protocol upgrades, fees, treasury
- Discounts on oracle fees for token holders
- Cross-chain oracle settlement token potential

12.3 Distribution Mechanism:

Allocation	Percentage	Vesting Details
Community Incentives	25%	Early adopters, grants, developer incentives
Oracle Node Incentives	25%	Distributed over 5 years based on uptime, accuracy, volume
Team & Advisors	15%	6-month cliff, then linear vesting over 30 months
Treasury (DAO controlled)	15%	Ecosystem grants, partnerships, buybacks

Investors / Seed Round	10%	12-month lock, 24-month linear vesting
Liquidity Provision (DEXs)	10%	Market liquidity and stability

12.4 Vesting Schedules:

- Team: 6-month cliff → linear release over 30 months
- Investors: 12-month lock → linear release over 24 months
- Community rewards: Emission over 4–5 years tied to usage milestones
- Oracle Nodes: Linear rewards based on uptime and performance

12.5 Governance Rights:

- NEARCL holders propose and vote on upgrades, fees, treasury allocation
- Quadratic voting with delegation to avoid whale dominance
- Control over protocol parameters, new ID/document support, fee structure