



White Rabbit



**Enabling content recognition for p2p streaming and
secure payments with the blockchain.**

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Jump in

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Abstract

White Rabbit is a browser plugin that aims to resolve the failing business model of digital distribution of films and series. Content is expensive, users have less choice than before, revenue is neither transparent nor cash-flow positive and by not accepting users streaming habits, the industry itself encourages piracy. White Rabbit offers a p2p tokenized system powered by blockchain technology that will enable users to access any content globally, reduce cost by paying producers and creatives directly, revenue share with streaming sites to encourage an innovative streaming market and offer a transparent and instant monetization model for producers, investors, the artists and the entertainers. Everybody wins, everyone's happy.

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Executive Summary

The film industry, like the music industry, has been unable to maximize its revenue potential in the digital economy. Instead of replacing old business models with sustainable digital distribution revenue benefitting the entire industry, new distribution companies have filled the void with closed server subscription services. While Netflix, Amazon and other over-the-top (“OTT”) services have expanded digital streaming globally, the traditional studios and independent producers have been unable to create a space of their own to distribute digitally and globally.

Netflix, the most formidable of the digital distributors, has also changed its strategy. Having achieved a global market dominance, they have rapidly decreased the number of films and series available to customers. Instead, their aim is to produce as much content as they buy. In doing so, Netflix and other OTTs have become modern day studios. They are in direct competition with traditional studios, mini-studios, independent producers and other content creators. The major and very important difference between the old and new is that Netflix, HBO and Amazon also control global streaming distribution¹.

The change in strategy is understandable as it’s absolutely necessary. Netflix rapid expansion has been debt financed, using licensed content, subscriber growth and future earnings forecast as collateral. However, in its tenth year since going digital, Netflix is still unable to deliver profit. Netflix subscription based business model has not offered a sustainable revenue stream for themselves nor the film industry. That’s why it makes sense for them to reduce acquisitions (cost), produce more content but overall offer less to consumers. As we shall see later, the lack of available content is a major reason for piracy today.

DVD was once equal in size to a cinema release in a film’s revenue stream. Today, DVD + streaming accounts for less than 15% of revenue. Equally important, the DVD market was once a viable alternative for films without a cinema release. In fact, certain films were made specifically for that market. Today, unless you have a deal with one of the major OTT companies, the non-cinema market is not financially viable.

OTT offers neither films, its producers and filmmakers the revenue, the alternative distribution nor users the extensive content selection DVD once did. OTTs like Netflix and HBO have delivered amazing series and films. Yet, they have not delivered a sustainable business model, fair distribution, transparent revenue or cash flow to the industry. In a rapidly growing \$30B digital distribution market, White Rabbit will solve the following challenges:

Challenge 1: Too few films and even fewer filmmakers make money from digital distribution

A handful of films receive a one-off sum. Most either don’t get distribution or get lost in the iTunes jungle. We are talking brilliant arthouse and indie films, celebrated at major festivals, costing millions of dollars.

Challenge 2: Lack of transparency

What revenue films receive lacks transparency and cash-flow immediacy. It will take 6 months to 5 years to receive what’s due from a film’s revenue stream. Even then, producers, directors and investors have little idea as to how many people actually watched their film.

¹ The last time a handful of studios controlled development, production and distribution of film it was broken up by the US Supreme Court (1948 United States vs. Paramount Pictures)

Challenge 3: Pirates vs. Fans

The industry doesn't distinguish between pirates and fans. Pirates don't pay by principle, period. Fans are forced to break the law because they don't have access to their favourite films and series and aren't necessarily allowed to pay for it.

Challenge 4: Lack of choice

OTT, or closed server subscription services, dominate the market. They produce more of their own content and buy less, offering fans a minimal choice of content. OTT's can no longer be considered distributors; they are modern day studios.

Challenge 5: Lack of convenience

The digital distribution paradox — a lack of competition in OTT hampers innovation in UI, search and services. Yet, more subscription services would mean more accounts, more logins and many more searches for users to find the content they want.

White Rabbit's solution

White Rabbit's solution to these challenges is its unique browser plugin that recognizes the content you are streaming, from any P2P or open server streaming site you choose to stream from. Once the content is recognized, the plugin allows users to pay the rights holders and filmmakers directly as they stream. Therefore, we enable a competitive market for digital distribution and liberate creators, their content and the users from subscription platforms. Instead of closed subscription services, White Rabbit separates distribution from payment, offering one login, one payment system but infinite viewing experiences.

White Rabbit, the Rabbit Hole and maximizing IPR

Users prefer certain sites due to innovative UI, variety, niche selection or simple bandwidth limitations. White Rabbit creates a system to augment popular distribution systems by revenue sharing, allowing third party applications and sponsoring development of tools available to users and sites. When the browser plug-in recognizes streamed content and deducts a set fee, that content is henceforth available in the user's library, in the highest quality, approved by the producers. The White Rabbit plugin is also a portal to the user's own consolidated library and our content ecosystem, which we call the Rabbit Hole.

The Rabbit Hole (library) offers users additional content, like behind-the-scenes or deleted scenes. Unique content, like events with filmmakers, Q&A and fan forums. Monetization by selling of merchandise or props from the film. Technology innovation like special VR screenings of films, where fans globally can meet the filmmakers and engage in their films and filmmaking. By incentivizing fans to engage, even the most obscure films can have a loyal global following.

The options are endless, so two factors are key:

- ★ The Rabbit Hole tears down the many barriers that keep fans apart today, ensuring fans and filmmakers are able to interact and transact so IPR is maximized
- ★ We open up for third party developers through an API. This will lead to new creative ways to monetize, incentivize and engage fans and filmmakers.

Today producers, filmmakers and their investors are not able to maximize their IPR because they are not maximizing the true potential of digital streaming. They are not in contact with their fans. White Rabbit and the Rabbit Hole closes the gap and allows optimal monetization of IPR and engagement with fans.

Product

White Rabbit is an integrated non-intrusive browser plugin/application that ensures a seamless streaming experience for users. The plug-in recognizes the content being streamed and allows users to offer White Rabbit Tokens (WRT) to the content rights holder (CRH). If CRH accepts tokens, it allows for payments of content without hindering the streaming preference of the user.

If CRH accepts the tokens, they initiate a transaction for content. The CRH accepts the token by entering into a smart contract with White Rabbit. Thereafter, no further action is needed by the CRH to receive payment for future streams. The process is now automated.

After acceptance of tokens, the users may continue to stream the content while an original high quality version from the CRH is made available in the Rabbit Hole. The high quality version is available to the user at any time, as is the ability to use tokens for additional content, merchandise etc. The Rabbit Hole is the basis for users to access additional content from the film, interact with fans and filmmakers, merchandise and VR services.

White Rabbit together with the Rabbit Hole is a powerful tool for the CRH, allowing them to monetize, manage and develop IP rights. Payment from users is immediate and transparent, the Rabbit Hole allows CRH to earn additional revenue on versioning or complementary content and they can build and broaden their fan base.

If the rights holder does not wish to enter into a smart contract, future streams are warned that this CRH will not accept tokens for the content and the user should cease streaming. Furthermore, streaming sites that are registered with White Rabbit or are White Rabbit Partner Streaming Sites (PSS) will remove that content from their selection.

In this way White Rabbit can be the most effective tool in determining who is willing to pay. If they stream content and willingly offer tokens, they show they are responsible rebels. The distinction between fan and pirate is clear, the task of reprimanding pirates can be more focused and the reward in welcoming new fans is tremendous.

White Rabbit is...

- ★ A browser plug-in
 - ☆ Installed in your browser(s)
 - ☆ Recognizes content streamed on P2P or open server streaming sites
 - ☆ Deducts a set fee for content, adds film/episode to users rabbit hole (library)
 - ☆ Ensures immediate and transparent payment to CRH
 - ☆ A portal to the Rabbit Hole
- ★ Rabbit Hole (user library)
 - ☆ Accessed via the browser plugin or website login
 - ☆ Provides the highest quality version of the streamed content payed for
 - ☆ Each film or series may offer extras (director's cut, deleted and behind-the-scenes, merchandise and more)
 - ☆ Interaction between fans and filmmakers (forums; VR screenings, AR, etc.)
 - ☆ Third-party development of services in the Rabbit Hole ecosystem generating new revenue streams, interaction and buzz around content

- ★ Streaming sites (registered and Partner Streaming Sites — PSS)
 - ☆ Sites wishing to revenue share with White Rabbit register through a fast secure process
 - ☆ White Rabbit will set out certain rules that must be followed to maintain status as a registered streaming site or PSS – such as removing content from the streaming site upon the request of CRH.
 - ☆ PSS fulfill a high standard of quality in UI, selection, brand and other criteria
- ★ Legal
 - ☆ Blockchain smart contracts allow CRH to collect WRT from users
 - ☆ Token holders may offer tokens to initiate legal streaming
 - ☆ Content rights holders may choose to accept such an offer or decline
 - ☆ Declining means WRT returns to token holder, White Rabbit warns users not to stream, removal of content from registered/PSS sites
 - ☆ Accepting means WRT is transferred to CRH and other parties and high quality version of content is made available in the Rabbit Hole.
- ★ Smart contracts
 - ☆ Smart contracts can ensure distribution of rewards to all stakeholders, based on a recoupment agreement for the content, at CRH discretion
 - ☆ Blockchain ensures complete ledger transparency for all stakeholders, including producers, film investors and artists
 - ☆ Immediate revenue – payment from user to rights holders
 - ☆ Income can be distributed via a collecting agent, producer or directly to each individual rights holder, whatever the rights holders prefer as regulated by their smart contract.
 - ☆ White Rabbit shares revenue statements for content with CRH and non-personal data with CRH at User's discretion
- ★ White Rabbit revenue model
 - ☆ \$2 for a film and \$1 for an episode where White Rabbit holds global or territorial rights for revenue collection (regional price variation may apply).
 - ☆ White Rabbit will offer content with existing global or territory agreement an option to collect lost revenue (pirated), at the distributors minimum territorial fee.
 - ☆ CRH may adjust the price if they so choose.
 - ☆ User may decide to additionally rewards artists and entertainers (director's, writers, composers, actors etc.) at the end of the film (during credits).
 - ☆ Revenue is split 75% to CRH, 15% to White Rabbit, 10% to PSS sites or non-PSS registered sites 5% with the remaining 5% to White Rabbit.

White Rabbit creates....

- ★ A business model for the 21st century
 - ☆ Immediate settlements ensure a cash flow positive industry
 - ☆ A fair and transparent revenue stream for content creators
 - ☆ Cross sale opportunities, new services and interaction with fans
 - ☆ Third-party apps to further innovation in monetization and engaging fans

- ★ A digital distribution revolution
 - ☆ Streaming platforms — revenue model encourages legal services only
 - ☆ Streaming platforms — competitive market encourages innovation in UI, search engines, genre, niche, national or language specific sites
 - ☆ Users — free to choose their preferred streaming site without multiple log-ins
 - ☆ Users — easier to find what they want to watch when streaming sites have a clear brand or service, genre or country specific content
 - ☆ Content creators — freedom to distribute and market on sites most compatible with their product and target market
- ★ ... but a smooth transition from the old
 - ☆ Digital availability can still be synchronized with cinema dates, sold territory rights and global day and date releases.

White Rabbit delivers on the initial promise of digital distribution: users have access to all content while producers can tailor marketing and distribution on relevant platforms. Transparent and immediate revenue distribution to producers, artists, streamers and investors delivers a sustainable film industry, an innovative streaming industry, a viable business model for White Rabbit on the fans premise: access, freedom of choice and not forcing anyone to change their streaming habits.

Case studies

White Rabbit intends to ensure everyone involved in the financing, production, sales and distribution of film get rewarded better than ever before. To describe this in more detail let's look at how White Rabbit allows the Producer, the Sales Agent and the Director to receive more benefits from digital streaming than ever before.

Producer

The Producer is the main content rights holder (CRH) unless the digital streaming rights have been sold to another party, such as a distributor or sales agent. In that case, they would be the decision maker for the respective purchased territories. In unsold territories, the producers sets the terms of the smart contract agreement.

1. The Producer may receive revenue directly and disperse participant's share of revenue themselves OR add the recoupment agreement to the smart contract to automate payment to all involved parties.
2. The Producer may accept the standard White Rabbit price (\$2 for a film/\$1 for a series) or set their own price for their content. Pricing may be adjusted to take into account the need for territorial differences, donation only business model and geo-blocking of sold territories.
3. Once initiated the smart contract ensures collection of revenue from Users, collected automatically and transparently via blockchain. When a User offers WRT they are distributed to the Producer, PSS and White Rabbit. WRT may be converted to cryptocurrency which may then be transferred to fiat. The transaction between Users and the Producer are almost immediate, greatly strengthening cash-flow for the Producer (or other CRH).

4. Aggregated non-personal User data is made available to the Producer if Users have allowed such information to be made available. Users receive a 5% token bonus on the set price for the content if they allow the Producer to access such information.
5. In some cases, the Producer may not have a smart contract with White Rabbit. Users who watch the content on P2P streaming sites are able to offer tokens to the Producer. Should the Producer accept the aggregated Users tokens and enter into a smart contract with White Rabbit, the Producer will receive a one-time 10% bonus on top of the aggregated User tokens from White Rabbit (reserve fund). Furthermore, the film will now be made available on the respective PSS most befitting the content.
6. Should the Producer reject the tokens and not enter into a smart contract, the Users receives the tokens in return. In future, any streaming of that content by White Rabbit Users will initiate the plugin to notify Users that the Producer (or any CRH) will not accept tokens and they should therefore cease streaming the film/series.
7. The White Rabbit Partner Streaming Sites (PSS) allows the Producer (or distributors) to target their audience more efficiently, especially when there are PSS that cater to the target market of the film/series. This means more efficient, less costly marketing campaigns.
8. The Rabbit Hole allows Producers to maximize the potential of their IPR for each film, with third party applications offering new ways to monetize content and incentivize and engage fans.

Sales Agent

Sales Agents have either pre-bought global digital rights or picked up certain territories for film or series. In essence, they receive the same benefits as the Producer as they are now the CRH, but with some marked differences. Only the differences will be covered below. Sales Agents often have vast content libraries with a complicated structure, also with digital streaming. There may be many actors to take into consideration, with many territories sold and with expiration dates. Therefore Sales Agents require a dashboard that allows them to add titles and set up recoupment agreements, making transition to the new business model smooth.

In addition to the relevant features of the Producer above, the Sales Agent...

1. May set a unit price as according to the lowest unit price in sold territories, if they have agreed to collect P2P streaming with the distributor of that sold territory.
2. Have a White Rabbit dashboard and mobile phone app to track, record and update rights and revenue distribution to reflect agreements for content. The dashboard application also allows collecting the necessary deliverables for digital streaming.
3. Blockchain means transparency and allows revenue reports that may be shared with the respective parties.

The Director

Too many times we have heard that directors, writers or actors have not received their fair share of revenue. In recent years lawsuits have been filed by producers, filmmakers and creators of The Walking Dead, Mad Max, The Exorcist, This is Spinal Tap, Smokey and the Bandit and Goodfellas to name a few. The film industry is notorious for its creative accounting and way too often, the artists and producers suffer.

1. Where the Producer has created a smart contract that allows revenue distribution to all parties as according to the recoupment plan, the Director will receive reports along with all other parties as to the digital revenues.
2. Blockchain revenues cannot be tampered, the smart contract is automated and this ensures the Director receives his recoupment as agreed at the start of the films production.
3. White Rabbit allows Viewers to make an additional donation at the end of a film. If the Viewer appreciated the film they are able to offer the Director a sign of gratitude by sending additional tokens directly. The same applies for other artist in the film, such as the screenwriter, actors or composer to name a few.
4. The Director will likely find third party applications in the Rabbit Hole that allows the Director to monetize or increase his fan base. This could be Virtual Reality Q&A's, merchandise or simply letting fans know what the Director is doing next or involving fans in some way.

Revenue model, sharing and transparency

75% of revenue goes to the rights holders (whether producers, studios, sales agents or creators) from the very first sale, 15% to White Rabbit and 10% to streaming sites.

Our aim in revenue sharing with streaming sites is to incentivize a legal streaming industry with a clear revenue model allowing them to innovate in UI and search or create distinct brands. This will make it easier for users to find content as well as producers to optimize target marketing and distribution. If a site focuses on Nordic Noir films and series, then both users and producers can easily find each other on this site. In order to facilitate rapid growth in White Rabbit as an alternative to subscription services, we will launch a Partner Streaming Sites program to incentivize development of new streaming sites that have a clear brand or are innovative in UI, search or recommendation engines. We expect and look forward to receiving plenty of exciting proposals!

Unlike OTT services, White Rabbit provides immediate and detailed revenue statements. White Rabbit provides immediate and detailed revenue statements. To combat lack of data, lack of transparency and too much creative accounting, White Rabbit uses blockchain technology. WRT (White Rabbit Tokens) go directly and immediately from users to the films rights holders, transparent and verified by the blockchain. This represents a revolutionary improvement on current revenue distribution. It means producers, directors, actors, writers, investors and anyone who has a stake in the film, is getting their due, as was envisioned when they first began their collaboration.

WRT will be available to use in the Rabbit Hole, allowing for an ecosystem encouraging fans and filmmakers to find ways to interact, transact and even collaborate.

Token (ERC20)

White Rabbit Token (WRT) works as follows

WRT is a ERC20 token – Content Rights Holder (CRH) – White Rabbit (WR) – Partner Streaming Sites (PSS)

Phase 1

Users purchase WRT during the token sale or via exchanges.*

Phase 2

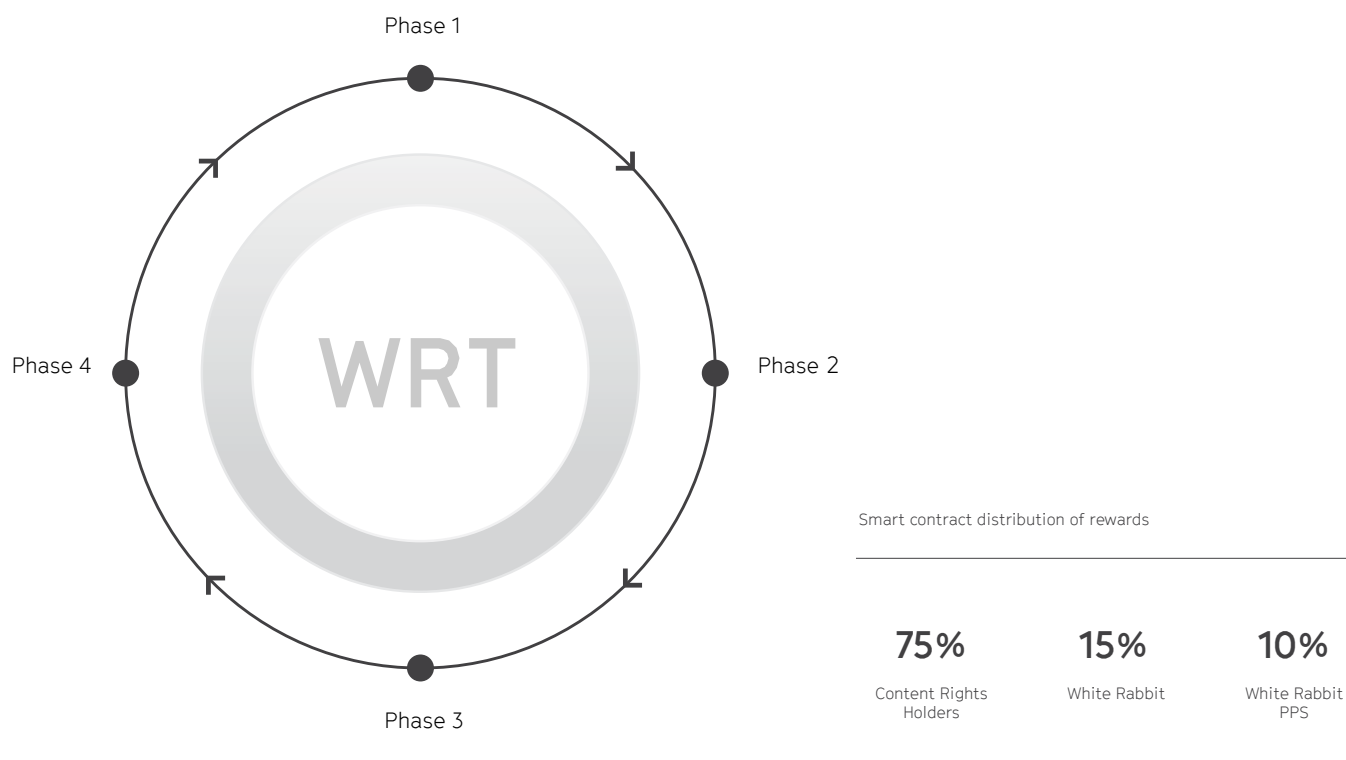
Users stream content from P2P streaming sites or open server sites. WR allows users to reward CRH directly for access to their content. Users send WRT to the smart contract which accumulates rewards for CRH. Where WR does not have a pre-existing agreement with CRH, WRT initiates legal consumption of content once accepted by the CRH.

Phase 3

Smart contract distributes rewards from content streaming between CRH (75%), White Rabbit (15%), and White Rabbit PSS (10%). Registered non-PSS receive 5% of the revenue, with the remaining 5% to WR. Where WR does not have a pre-existing agreement with CRH, CRH receives bonus WRTs from WR should the collective WRT offers for their content be accepted within a set time period. Once CRH has accepted legal consumption of content, CRH does not require further action to receive WRT for future streams.

Phase 4

CRH may exchange WRT into cryptocurrency which makes conversion into FIAT possible.*



White Rabbit will develop additional services in the Rabbit Hole to spend WRT, and allow third parties to create further services to monetize and engage fans.

* it is at the sole discretion of exchanges whether to list WRT or not.

Why WRT?

For too long the film and series industry has put up barriers between fans, films and filmmakers. In a digital age primed for innovation, the industry has instead forced multiple subscriptions on its fans without providing freedom to choose content nor convenience. The core idea of the White Rabbit Token (WRT) is to bring about choice of content and convenience by ensuring access. Access to more films and series, films and series from across the globe, more filmmaker and fan interaction and more content, extras and merchandise to offer fans. WRT is the future of maximizing IPR.

The White Rabbit ecosystem consists of users (token holders), content rights holders, streamers, third party developers and White Rabbit.

Once WRT is accepted by the CRH, it opens access for fans to the high quality version of the film in the Rabbit Hole plus all the extras, behind-the-scenes, deleted scenes, fan and filmmaker interaction and third-party innovation. WRT can be used to access all of this additional content. A cult film with 20,000 fans in 50 different countries can hold a VR cinema screening in the Rabbit Hole with half a million fans from all over the world. Filmmakers and fans can interact – live in the VR cinema, merchandise can be bought, new fans can join. What was once a niche film that was difficult to monetize due to geographical barriers, becomes a very viable business model.

WRT does not distinguish between the rising star and the established filmmakers. The film itself, its resources within its own habitat, its ingenuity or cash, it's fans and the campaign strategy will make the difference between success and failure, not control over distribution. It is no longer about who you know, it's about what and how you deliver. It's about innovation in communication as much as technology. It is a much more even playing field.

WRT enables users to gently nudge the CRH to join White Rabbit and give users access to their art and entertainment – but on the fans terms. The film industry should not demand fans to change their habits, the film industry should adapt. That is the sum of the collective power of token holders. When a film or series is popular enough among fans, it will be difficult for CRHs to resist pulling all the collective tokens on offer (by entering into a smart contract with White Rabbit). WR thereby gives users the power and responsibility to prove their willingness to pay and show the industry that it's a matter of access and convenience. We are after all talking about fans, not pirates.

Fans stream as they do now, where they prefer, but WRT will show that monetization via P2P offers more potential than current distribution models. Once the CRH go down the Rabbit Hole, they will realize P2P opens up more doors for their fans, thereby maximizing the IPR potential.

Demand for WRT

The Rabbit Hole is accessible to third party developers, again revenue sharing with those who contribute to the ecosystem. Demand for WRT will increase as the platform develops more services for more users and continues to convince CRH to join White Rabbit's ecosystem.

Token model defeats piracy

Despite multiple subscriptions, multiple accounts and multiple passwords users receive only a fraction of actual global context through OTT. OTT's lack of access is a contributing factor to an estimated \$15,000,000,000 piracy market –

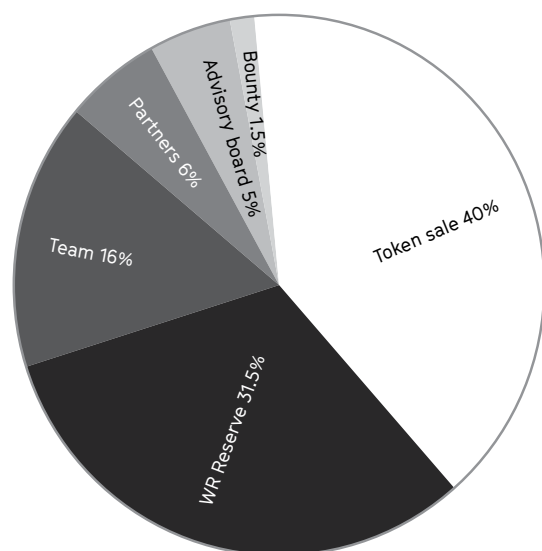
increasing at the rate of 55% year on year. A study from Digital TV research shows a revenue loss of \$51,600,000,000 the next 5 years².

Yet, British and Australian research interviewing 10,000 illegal streamers has shown that 60% are willing to pay if they have access to content. These same streamers have also been proven to spend significantly more on content than those that do not stream illegally. These 60% are not really pirates, but fans without enough access to content.

Allowing pirates to become fans addresses the root of the piracy problem. The token model gives fans the freedom to watch what they want on the platform that gives them the best viewing experience, wherever they might be. By giving them freedom, they offer a token in return – a promise to compensate – if the filmmakers and rights holders will allow them. In doing so we make a clear difference between pirates and fans who just want access.

To stay updated on the token sale, go to www.whiterabbit.one

Token distribution



Pie Chart describing the token distribution

- ☆ 40% token sale.
- ★ 31,5% WR Reserve
- ★ 16% Team (vested 1/3 6months 1/3 12Months 1/3 18Months)
- ★ 6% Partners
- ★ 5% Advisory board (vested for 6 months)
- ★ 1,5% Bounty campaign

The tokens allocated for WR Reserve is dedicated to incentivise and offer further services in the Rabbit Hole. Tokens are allocated to:

- ★ CRH – the first time they accept tokens for content, a 10% bonus on aggregated tokens at time of smart contract commitment
- ★ Users – loyalty bonus, promotion bonus, allocating space for content, new incentives
- ★ Streaming sites – incentives and rewards for development and accomplishments
- ★ Third party applications in the Rabbit Hole rewards for development and accomplishments
- ★ Acquisition and Investment in content

² <http://variety.com/2017/tv/news/piracy-cost-streaming-players-over-50-billion-1202602184/> & <https://www.digitaltvresearch.com/products/product?id=190>

Road Map

| | |
|---------|---|
| Q4 2017 | <ul style="list-style-type: none">★ Partner Streaming application round★ Legal framework |
| Q1 2018 | <ul style="list-style-type: none">★ Preparation of KYC policies★ Whitelist opens |
| Q2 2018 | <ul style="list-style-type: none">★ Presale★ Token sale★ MVP available★ Partner Streaming Sites – first round partners announced★ Content acquisitions announcement |
| Q3 2018 | <ul style="list-style-type: none">★ Launch Alpha – invitation only★ Partner Streaming Sites – second round partners announced★ Content acquisitions announcement |
| Q4 2018 | <ul style="list-style-type: none">★ Launch Beta★ Product launch |
| Q1 2019 | <ul style="list-style-type: none">★ Rabbit Hole release★ New content-recognition technology release |

Road Map variables

Soft cap 5,000 ETH (@ \$400 = \$2,000,000)

The MVP will be improved to include a more sophisticated, independent identification technology. White Rabbit sees this as a key point of mass market adoption, as it will not require any manual confirmation to accurately identify content. This ensures the user has a fully automated viewing experience, without the need to confirm contribution to the content they are streaming – all the steps are automated in the background. The plug-in will be available on all the major browsers.

The Rabbit Hole will be developed with basic functionality – meaning that the filmmakers and the fans will be able to interact and additional content will be accessible.

Medium target 12,500 ETH (@ \$400 = \$5,000,000)

White Rabbit will also be available for the tablet and smartphones.

In addition, White Rabbit will further develop the Rabbit Hole to entail more services and a better user experience. Furthermore, the Rabbit Hole will have sufficient funds to develop its API's and SDK's so that third party developers can start to create new ways to engage and monetize films. Importantly, White Rabbit will be able to speed up its proactive work with content agreements, which requires a large amount of human resources and marketing towards the film and series industry.

Hard cap 25,000 ETH (@ \$400 = \$10,000,000)

Hard cap means faster delivery of product from White Rabbit, substantial funds to foster streaming innovation through the Partner Streaming Sites program. White Rabbit will have a comfortable marketing budget, with the ability to purchase some flagship content to release exclusively through White Rabbit and our PSS.

Reaching the hard cap will truly empower White Rabbit to deliver its full vision, creating an ecosystem for films and series, changing the industry based on the user's habits but taking care of the films, the filmmakers, producers and investors. At this stage, White Rabbit will be the most responsible of rebels.

Marketing Strategy and Partner Streaming Sites

White Rabbit is fair and transparent.

White Rabbit creates chaos in a rigid status quo.

White Rabbit restores logical order.

White Rabbit is a responsible rebel.

Marketing Strategy

In creating our brand we have always had these two words in mind: Responsible. Rebel. We are here to change an industry for the better — for the artist, the entertainer, the producer, the investor, for an entire industry, but perhaps most of all — for the fans. There is too much at stake to not disrupt the industry — and equally too much at stake to not disrupt it right. That is why we call ourselves responsible rebels: we have the key to make sure all the stakeholders get their due. That is our brand, that is our message.

White Rabbit will focus its initial efforts on PR — participating in panels during film festivals, media interviews, blogs, promotion through our community during and after the token sale and at blockchain and crypto conferences. Direct grass roots cause and brand communication is key, befitting our product and profile. White Rabbit is about protecting the artists, the entertainers, the producers, the investors, the industry and the families. It is about protecting and rewarding the fans. The best way we can communicate our mission, is directly to all those concerned.

Our experience as award winning film producers and sales agents with over 800 films puts us in a prime position to promote White Rabbit to the industry and fans. Our entrepreneurship in IT, creating an industry standard for safety in a \$2.3 trillion dollar industry and development of blockchain for international banks allows us to integrate film with software and communicate that to developers and technology enthusiasts.

Partner Streaming Sites (PSS)

One of the increasing challenges of the film industry has been the decline of revenue from the DVD market. Streaming revenue hasn't even come close to compensating this loss. Where DVD once accounted for 50% of a film's revenue, DVD and streaming combined can barely account for 15% today. Not only that, but the DVD market was a market unto itself, where films could be financially successful without any cinema release or major box office success. Today that market is dominated by a handful of closed server subscription services. The market has severely restricted access to films and series, besides Netflix and HBO and other OTT players, in reaching a global streaming audience. The financial risk is too high to compete without a distribution outlet and business model that reassures investors. Furthermore, the hegemony of OTT's has stifled innovation in UI, search and preferences.

White Rabbit will launch a PSS program to encourage competition in the global streaming market. We want to create a marketplace that fosters innovation, clear branding and financial reward for all parties. White Rabbit has allocated 10% of the token sale funds towards PSS, offering up-to \$100,000 per project. We are looking for projects that innovate, have a clear brand or a dedicated team choosing must-watch films and series.

In this way, not only will it be an improvement to the market place, but it will also be an improvement for Users and Producers. If you want Nordic Noir, you'll have a site offering the best of Nordic Noir. If you want Asian Action, there will be a site for that too. You'll have sites which are brilliant at search and recommendation for the User. No longer will one have to sift through the iTunes jungle, now Users will have their favourite site as according to service or likes, while Producers can launch more focused marketing and release campaigns at specific sites that match their target audience for the content.

We expect to see many varieties and ideas we haven't even thought of. We are looking for the best developers, the top film connoisseurs, those most passionate about series today. We are looking for entrepreneurs who clearly understand the value of brand and market.

The PSS program will be an ongoing process. New projects will be supported on a yearly basis, continued innovation and diversity are key elements of the selection process. Two key elements for the PSS is that they receive a higher share of revenue from streaming and users will not require a login. They need only login via White Rabbit. However, only Users that have the White Rabbit plug-in will be able to stream the content. If the site does not recognize the WR plugin from a User, or the WR login is not integrated on the platform, then only the films trailer will be shown.

Prior to the token sale we will release a statement inviting applications, with the requirements we deem necessary to deliver a quality Partner Streaming Site. One of the most important criteria is respect for the content, filmmakers and producers ensuring that we are building a market that rewards the films and series and respects those that do not wish to take part of the new economy for the film and series industry. PSS will be what delivers the promise digital streaming had to replace the DVD market and make films flourish, in creativity, entertainment and revenue.

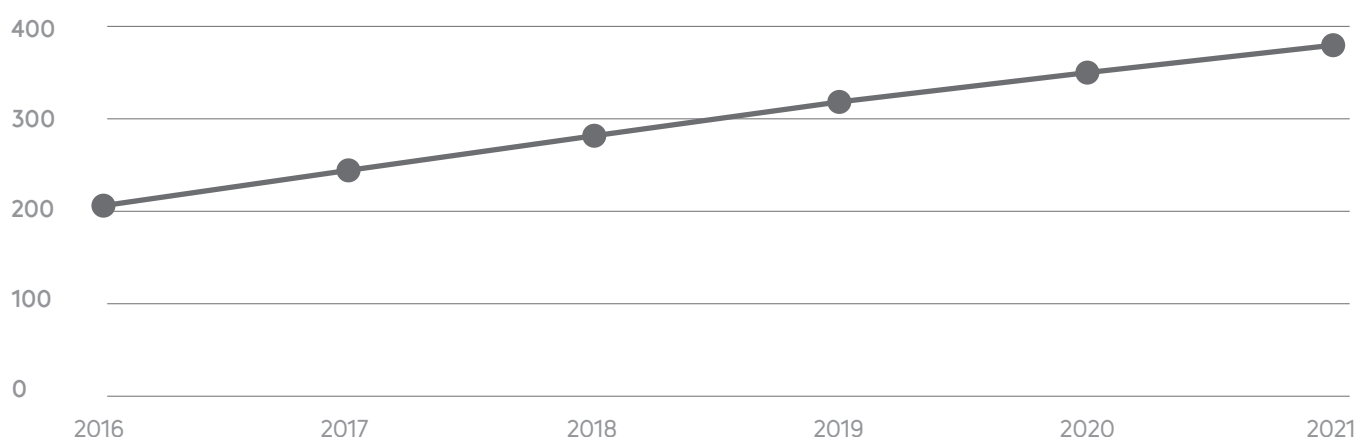
Applications will open in Q4 2017 and the first PSS announces in Q1 2018 before the end of the token sale.

WR Partner Streaming Sites – summary

- ★ WR Partner Streaming Sites (PSS) meet UI standards, show integrity for product, respect for content and with a clear and considered positioning in a competitive streaming market
- ★ Competition aims to make it easier for the users to find films they like, by offering sites that deliver to their preference or have revolutionized UI, search or preference engines
- ★ PSS will be given a larger share of income, visibility and be branded with White Rabbit logo as part of the film industry at large
- ★ White Rabbit will launch a competition for PSS during the token sale. Eight sites, new or current, will be chosen based on their UI, search or branding to receive \$100,000
- ★ The sites must fulfill and accept White Rabbit's criteria and deliver on their promise before receiving funds.
- ★ Two sites will receive an additional \$100,000 based on number of users and another on jury selection

Market

Streaming market turnover was \$29.4bn in 2016 with 206m users, projected to double to \$65bn by 2021 with 383m users.



A report by London-based Digital TV Research Limited sees OTT doubling its users and revenue in the next 5 years³.

Why?

The average American spends \$103⁴ on cable and \$45⁵ on streaming each month. 800,000 Americans are cable cutting every quarter⁶.

As mentioned, DVD/VHS represented nearly 50% of a film's revenue⁷. What is equally important, it was a market unto itself in which certain films could make a healthy return on investment. Today, DVD + streaming accounts for barely 15%. So while a handful of films receive a large one-time buyout from OTT, many films are either not distributed or lost in the iTunes jungle. These are films lauded at the most prestigious film festivals costing millions of dollars.

³ Digital TV Research / https://www.digitaltvresearch.com/ugc/Global%20OTT%202016%20sample_sample_149.pdf

⁴ Fortune.com / Aaron Pressman / <http://fortune.com/2016/09/23/average-cable-tv-bill/>

⁵ Cleeng.com / Benedicte Guichard / <https://cleeng.com/blog/ott-users-budget#gs.7GQ2vWs>

⁶ Fortune.com / Mathew Ingram / <http://fortune.com/2016/08/31/pay-tv-cord-cutting/>

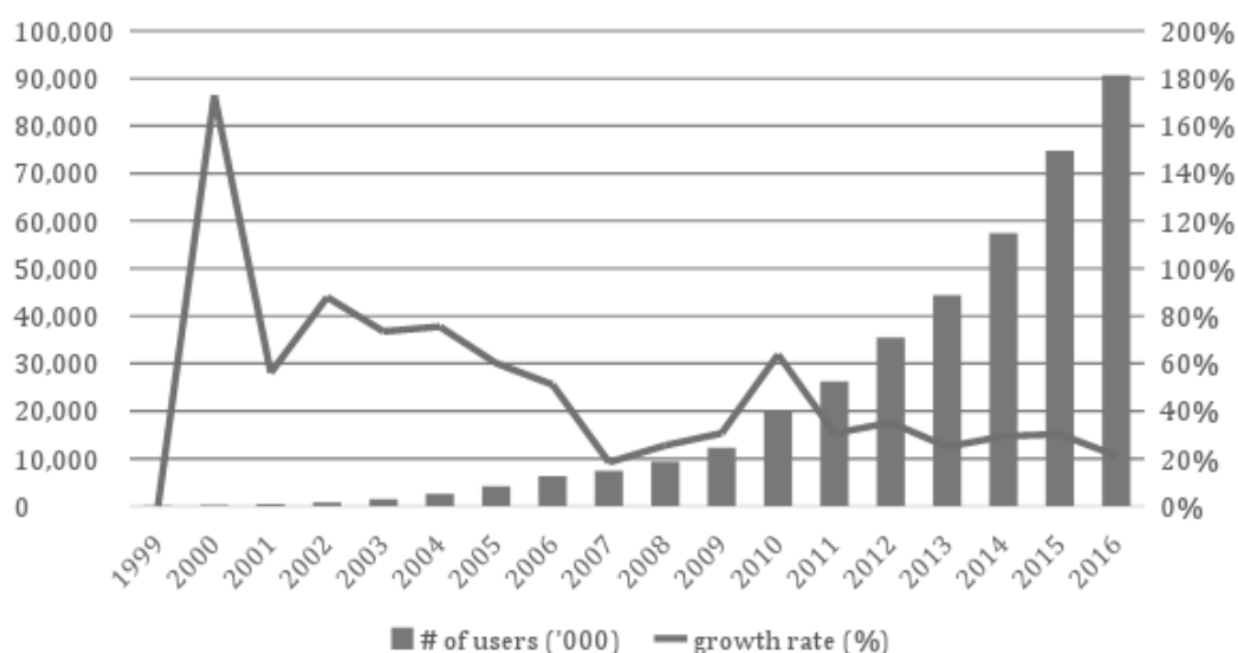
⁷ https://en.wikipedia.org/wiki/Film_distribution#cite_note-PBS-6

Netflix and HBO create amazing content, but exclusively for their sites. So unless producers have a deal with them, the streaming market that was supposed to replace the DVD market, is inaccessible and financially impossible. The industry needs a model that not only ensures market access, revenue for content and extends the earnings lifetime of IPR.

Netflix

Netflix was established in 1997, as a DVD delivery service that has developed into the largest streaming service. Netflix numbers must be taken in context of being a market disrupter and providing a service that was not mainstream at the time. In the first five-year period of operations focusing on DVD delivery, Netflix grew over a five-year period 107,000 users to 1,487 million users. Although the user numbers were low, the growth rates were impeccable seeing their paying users increase by close to 1300% over a five-year period.

Total Consolidated unique subscribers of Netflix



In 2008 Netflix began moving away from DVD sales and into the streaming or Video on Demand (VOD) model, at this point total users had reached approximately 7,5 million. The new shift in strategy saw them grow their user number to 35,5 million users in 2012. Additionally, they entered the international market in 2011 reaching 190 countries by 2016. The next five-year period ending in 2015 saw them increase users to 74,76 million users.

We have modelled the White Rabbit earnings based on Netflix growth rates and figures, substantially moderated. What is crucial to consider is that many of these users are families with multiple users, therefore the actual number of people is substantially higher. The expectation is that Netflix will surpass 100 million users in 2017.

Popcorn Time

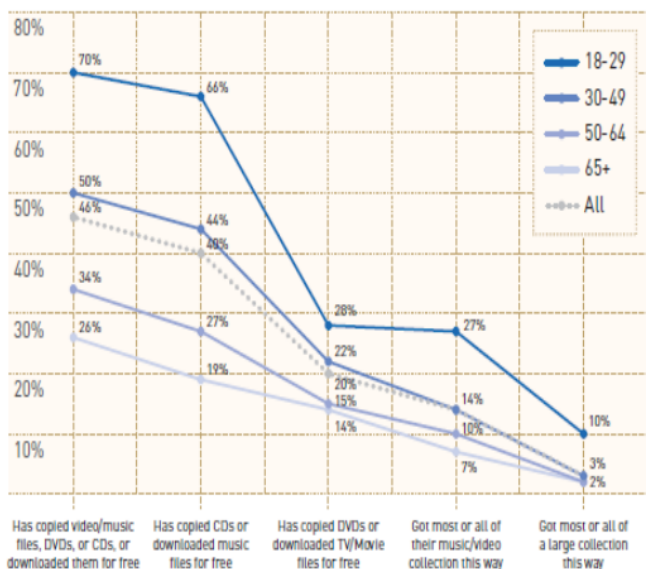
Customer expectations changed dramatically in 2014/2015 with the arrival of Popcorn Time. Popcorn Time offered full freedom of choice, i.e. access, wrapped in a sleek, intuitive user interface. Prior to Popcorn Time being removed from service in March 2015 it was being downloaded at a rate of 100,000 times per day -- that takes it to a run rate of 9 million new users per quarter versus Netflix achieving 2.5 million new users per quarter⁸. While most people believe it's because it was free, as we shall see below Popcorn Time mostly changed users expectations for choice and convenience.

Piracy

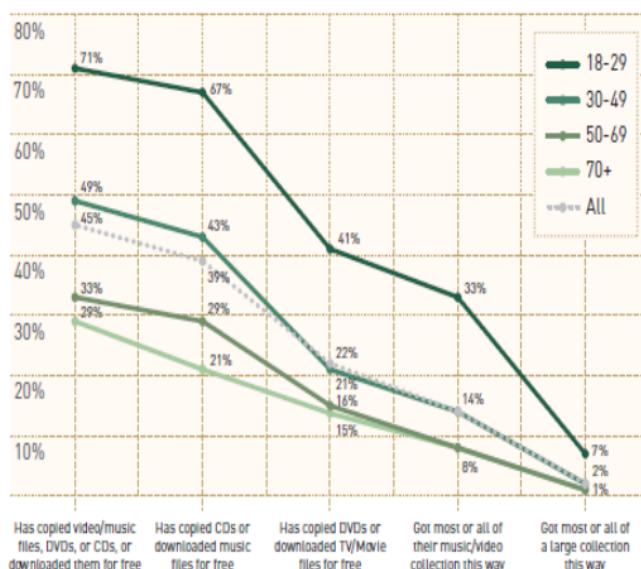
What Netflix and Popcorn Time have done is alter expectations from the user. Film piracy has been a threat to the film industry for decades and despite substantial efforts only continues to grow. Columbia University's American Assembly estimates nearly 50% of Americans and Germans pirate films, jumping to 70% for younger demographics⁹. Currently piracy accounts for an estimated \$12-16 billion dollar loss per year to the film industry. VPN, services used to hide user identity, has shown tremendous growth and is expected to be a \$26 billion dollar market by 2020¹⁰.

Yet, according to research from Portsmouth University interviewing over 6,000 Finnish people aged 10 – 80 revealed that 60% of those that admitted piracy of films or series would be willing to pay, if given the option¹¹. The Australian research company Ipsos surveyed 3,321 illegal TV viewers and found that 31% have Pay-TV. Twice as many illegal streamers actually pay more for streaming or downloading films, than does the general population. Again, in Australia 60% said they were willing to pay if given the option¹². With access to content and an option to pay the majority are willing and ready to pay.

Copy Culture (US) [AMONG ALL ADULTS]



Copy Culture (Germany) [AMONG ALL ADULTS]



“When an entire generation breaks the law, it shouldn’t be a crime, it should be a business opportunity”

Alan R. Milligan, White Rabbit founder

⁸ Bloomberg.com / Mark Milian / <https://www.bloomberg.com/news/articles/2015-01-21/this-is-the-chart-that-s-freaking-netflix-out>

⁹ The American Assembly / <http://piracy.americanassembly.org/copy-culture-report/attitudes/>

¹⁰ Global Newswire / Michelle Thoras / <https://globenewswire.com/news-release/2015/12/29/798362/0/en/MPLS-IP-VPN-Services-Market-Size-Worth-USD-26-62-Billion-By-2020-Radiant-Insights-Inc.html>

¹¹ The Guardian / Samuel Gibbs / <https://www.theguardian.com/technology/2014/may/06/piracy-film-music-study-pay-illegal-download-damage>

¹² The Sydney Morning Herald / Laura Demasi / <http://www.smh.com.au/digital-life/social-radar/four-myths-about-online-piracy-whos-doing-it-and-why-20150309-13z2ym.html>

DailyTech.com / Jason Mick / <http://www.dailytech.com/Nearly+Half+of+Americans+Pirate+Casually+But+Pirates+Purchase+More+Legal+Content/article29702.htm>

Distributors became studios – so we must ensure market competition in delivery

OTT providers like Netflix, Hulu and HBO offer a limited film selection. Netflix has steadily reduced its titles since 2012 from over 11,000 titles, to 6,494 in 2014 and 4,355 in 2016. It's expected to be under 3,000 by the end of 2018.

"Our goal is to become HBO faster than HBO can become us."

Ted Sanderos, Netflix Chief Content Officer.

Netflix has yet to show a profit for its operations. Their global expansion has been financed by debt driven title acquisitions and territory expansion. Netflix has smartly shifted its strategy. They are taking advantage of their global distribution position to compete directly with the film and TV industry itself. HBO and Amazon Prime have been doing the same since their inception.

"Netflix is driving toward having half the content on its streaming service be original productions over the next few years, with the other 50% representing licensed TV shows and movies."

David Wells, CFO of Netflix

Their decision to produce, rather than buy, worries the majority of filmmakers, film producers and investors. This is a return to the studio system of old, controlling financing, production and distribution under one house. It should worry users too. The more control a few players have, the less choice the consumers will be given under the closed server subscription based model.

Netflix broke new ground in digital distribution and with HBO and Amazon has created fantastic content. Since they are no longer merely distributors, there is a market need for a competitive distribution, service and revenue model for the thousands of non-Netflix, HBO and Amazon titles that struggle to distribute globally. Producers and investors have begun to understand that this situation of scarcity is driving fans towards piracy. How else can they watch what they want to watch? The only option to avoid the spiraling piracy is to ensure we have a competition in distribution.

While these companies may have challenged the studio system of old, White Rabbit represents the next generation global digital distribution model.

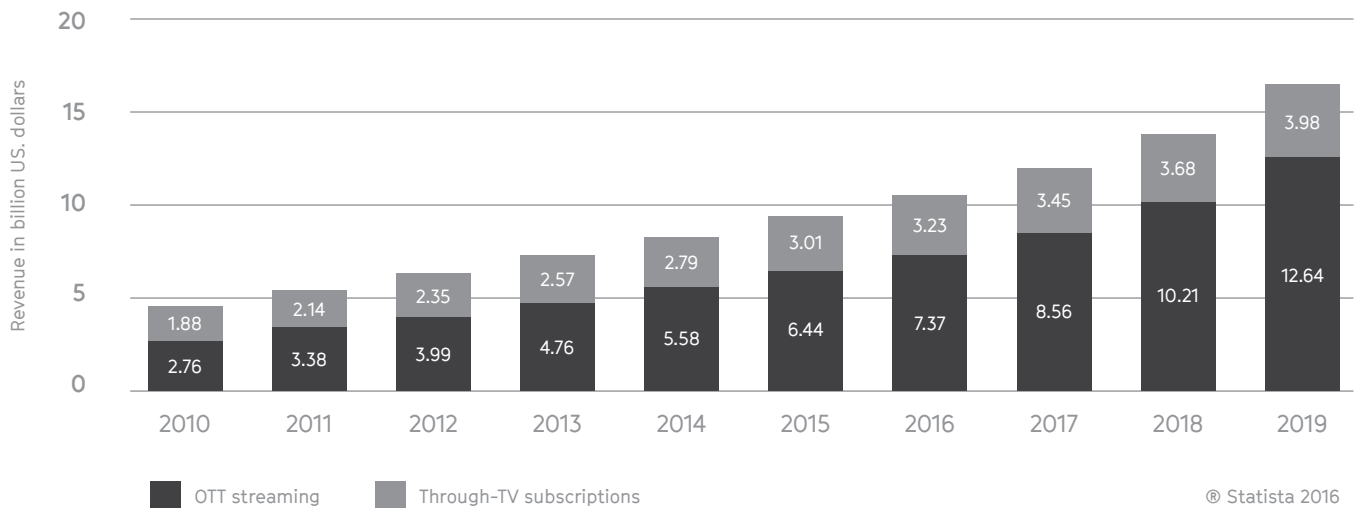
Choice, price and convenience



White Rabbit is positioned to offer more choice in films and series, more convenience to find what you are looking for and stream it from where you prefer, and by allowing fans to pay filmmakers directly - we can do this at a reasonable price.

OTT growth and specializing services

Over the Top (OTT) services are merely a server and user interface. White Rabbit plan to create the Airbnb experience for the content streaming industry - choose what you want to call home. This allows UI designers, branding and film buffs to create streaming sites catered to every and any taste. Ultimately producers can release content to specifically target their audience by way of streaming sites that match their content. The below graph shows the total revenue in the industry from OTT streaming.



White Rabbit offers young developers a sustainable business model to compete in the OTT service market by freeing them from the cost and know how of acquisition rights while providing revenue sharing based on a user's preference to stream from their site. Developers are free to focus on what they do best without the need for a war chest to compete with the likes of HBO and Netflix. The trends we are seeing in the film industry is similar to musicians revenue from Spotify. Fewer artists can make a living off selling records, which severely limits diversity in numbers and innovation – or from the consumer perspective: it limits choice and quality. White Rabbit separates payment of content from viewing content ensuring all parties; fans, filmmakers, producers, consumers, financiers, and web developers/streamers are in fair competition meaning it's a win-win situation for all.

Team & Advisory Board

Core team



Alan R. Milligan
(CEO & Partner)

Alan is a film producer with awards from Cannes, Venice, Gothenburg and more than 50 other awards and nominations since 2014. Prior to this Alan was a software entrepreneur, developing MCIS, a database for safe transportation of chemicals at sea and an automated stowage system for chemical tankers. MCIS is installed on hundreds of chemical tankers around the world and has become the industry standard for safety in the chemical tanker industry, MCIS was sold to Heidenreich Innovation in 2008. Alan holds an MA in International Relations and International Business.

[LinkedIn](#)



Adrian Hessel-Rütter
(COO & Partner)

Adrian graduated from the University of St. Andrews with a degree in Management and Psychology and immediately pursued a career in the IT industry. For the last 7 years Adrian has been employed with Intility and Atea, helping their customers implement their digital strategy.

[LinkedIn](#)



Jon Inge Buli
(CFO & Partner)

Jon Inge has bachelor degrees in Finance and Marketing from David Eccles School of Business and a Specialist Masters in Finance from CASS Business School in London. Having spent a majority of his career in the Shipping and Oil Industry in various commercial roles, his career began at DVB Bank performing risk analysis and financial modelling on existing and potential clients. This financial root has been the base in all endeavours and project work over his banking and brokering career. His projects have led to extended working engagements in Mexico City, Newfoundland, Rio De Janeiro, New York, Houston, Rotterdam, London and Oslo experiencing significantly different approaches to project methodology and financial solutions. Most recently, he has earned his PRINCE2 Foundation certificate in project management.

[LinkedIn](#)



Jonas Foy Therkelsen
(CTO)

Jonas is a full stack blockchain developer with a Msc. Computer Science Engineering from NTNU (Norwegian University of Science and Technology). Jonas mined his first Bitcoin in 2011 and has worked on several Ethereum projects as developer and architect.

[LinkedIn](#)



Jon Ramvi
(Lead blockchain developer)

Jon has been a web developer for 12 years, an entrepreneur for 10, and a blockchain developer for 3 years. An early interest in blockchain has led him to organize Northern Europe's largest blockchain conference and Ramvi founded and runs Oslo Blockchain Day. In 2015 he started Blockchangers AS, a boutique consultancy for blockchain development for 30+ corporations.

[LinkedIn](#)



Robin Pedersen
(blockchain developer)

Robin is a full stack blockchain developer from the NEM project with years of open source contributions. Outside work, Robin has developed an Ethereum game. Before he discovered the blockchain he worked as a web consultant.

[LinkedIn](#)

Advisory Team



Gregory Carson

Entrepreneurial, hands-on business & people developer. Directly driven dozens of capital fundings and led the growth & exits of a few companies. International Board Member & Angel Investor in High Tech(Cryptocurrency Bitcoin, Telecom software security, Blockchain, AR/VR), Med Tech, eHealth. Expertise in Security, Med Tech, Software, Disruptive Tech Market Entry and sales.

[LinkedIn](#)



Alexander Yarushin

Alex has been programming since 1996. He has been a principal developer and system architect in various projects including production automation system for submarines, billing for mobile telecommunications, pharmaceutical distribution systems and healthcare automation. As IT technical director of Milbros Software he developed MCIS (Milbros Chemical Information System) together with Alan and his father, a pioneer of chemical tanker industry. Today, MCIS is the industry standard for safe transportation of chemicals at sea.

[LinkedIn](#)



Dr. Daniel Baur

Daniel Baur co-founded K5 International together with Oliver Simon in 2007. In collaboration with their partners Prestel and Schaefer they transformed the enterprise into the world-wide operation that is now K5 Media Group with offices in Munich and New York covering sales, financing and production.

Daniel Baur is producer of ANON, directed by Andrew Niccol (Gattaca, Lord Of War) starring Clive Owen (The Knick, Valerian) and Amanda Seyfried (Les Misérables, Mamma Mia!). Daniel also executive produced Denmark's highly acclaimed Academy Award Foreign Picture entry Martin Zandvliet's Land Of Mine as well as - in cooperation with Amazon Studios - Jim Jarmusch's Cannes Competition title Paterson starring Adam Driver (Star Wars: The Force Awakens) and Golshifteh Farahani. Daniel is currently producing THE COLDEST GAME starring Bill Pullmann and Lotte Verbeek.

Daniel Baur is a graduate of the highly respected MEGA program of the Media Business School in Spain where he studied management of media companies and received a Masters in Audiovisual Management (Honors) in 2001. During MEGA Daniel Baur interned at Deutsche Bank in the entertainment division. Before that Daniel Baur studied entertainment law at the university of Freiburg im Breisgau where he later completed his PhD with a thesis about film licence agreements.

[LinkedIn](#)



Hans Clemetsen

Hans is an experienced commercial lawyer and holds a master of laws degree from the University of Oslo and Monash University in Australia. Hans has many years of experience with corporate law, general commercial law and cross boundary transactions. Hans is a founder of Javelin Corporate Services AS and Javelin Advokatfirma AS, which specialize in providing full service corporate services for Norwegian and international clients. Jav Corp is located in Oslo, Norway.

[Read more](#)



Alexander Hagerup

Energetic entrepreneur. Strong in Sales, Marketing, Business Strategy, Start-up culture. Built and sold two tech companies by the age of 30; most recently sold The Online Backup Company to J2 Global Inc. (Nasdaq:JCOM).

[LinkedIn](#)



Tom Emil Olsen

A multi-award winning Creative Director with more than 20 years' experience in the industry, Tom Emil Olsen is the founder of global branding agency Kind, and the company's CEO. The success of Kind's unique approach to its clients' needs – termed 'Conceptual Branding' – has seen it rapidly expand with an additional Norwegian office in Oslo, as well as regional offices in Sweden, the UK and China.

Tom has received numerous prestigious awards for design and creative thinking, both in his native Norway and internationally. He has repeatedly received 'The Award for Design Excellence' from The Norwegian Design Council. Tom is also featured in hundreds of international blogs, books and magazines, as well as the highly regarded Adweek Talent Gallery, where he was listed in Adweek Magazine's Top 100 list of global creative talents.

[LinkedIn](#)



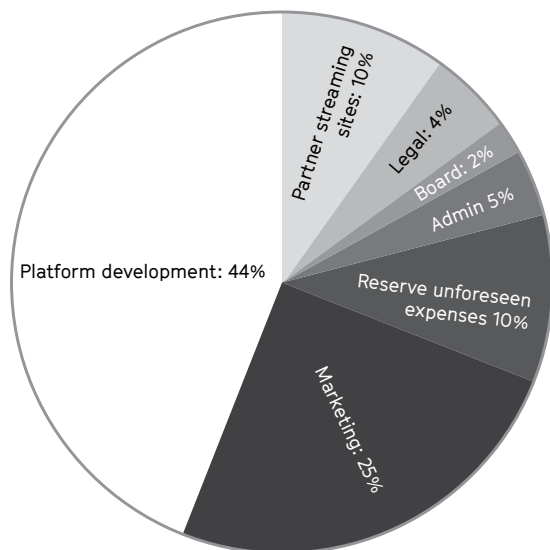
Michael Terpin

Michael Terpin is Founder and CEO of Transform Group, the leader in blockchain and ICO PR and advisory services (60 ICOs and counting), as well as CoinAgenda, the leading conference series connecting mainstream investors with blockchain and cryptocurrency investments. Michael has been in the bitcoin and blockchain sector since 2013, when he co-founded BitAngels as the world's first angel network for digital currency start-ups. He is also CMO and special advisor to Alphabit Fund, a \$300 million digital currency fund.

[LinkedIn](#)

Financial Overview

Funds allocation from the token sale



Pie chart describing the funds allocation from token sale

The above shows the funds allocation from the token sale. We invest heavily in platform development, at the same time we recognize that marketing is important for the success of White Rabbit. Parts of the marketing may include purchasing digital rights for flagship films or series. Partner streaming sites is a core feature of the ecosystem and is therefore allocated a significant amount. We keep a reserve for unforeseen expenses.

Growth in user figures (likely scenario)

The initial figures utilized for White Rabbit begin at 500,000 users in year one rising to 50,000,000 by year five. We are assuming a solid growth rate increase from start to year three, whereby the figures reach high user targets and growth rate is moderate. We believe these are conservative estimates compared to growth rates for similar disruptors like Uber, Airbnb and Popcorn Time.

User spending figures

Our model and its assumptions on user spend are based on figures from current streaming providers and research on average spend of a consumer in the entertainment sector. The total amount spent on subscriptions to Netflix, Amazon, HBO and Cable providers has then been heavily discounted to form a conservative estimate.

- ★ How much do we pay for cable a month?
 - ☆ \$103¹³
- ★ How many OTT subscriptions¹⁴?
 - ☆ 3 @ \$15 average price = \$45
- ★ What are consumers willing to pay for OTT?
 - ☆ \$30 per month for slimmed down version¹⁵
- ★ How much Netflix do we watch a day?
 - ☆ 1h33 min¹⁶

White Rabbit savings

- ★ Savings on cable = \$20-\$50 (reduced packages)
- ★ Saving by going down to 1 or 2 OTT = \$15-\$30

White Rabbit price foundation

- ★ Viewing habits = 1h33m or 1 film per day
- ★ \$2 a film or \$1 an episode = up to 60\$ per month
- ★ Our P&L based on average \$20 p/month

In the next five years White Rabbit can generate \$1,9B in revenue, sharing \$1,1B with streaming sites and \$18,5B to the content rights holders of the film and series industry.

The development of the model and the main drivers are focused off the figures from current streaming providers and the average spend of a consumer in the entertainment sector. The total amount spent on subscriptions to Netflix, Amazon, HBO and cable providers has been heavily discounted, and as can be seen below we have deduced an average user spend of \$20 per month.

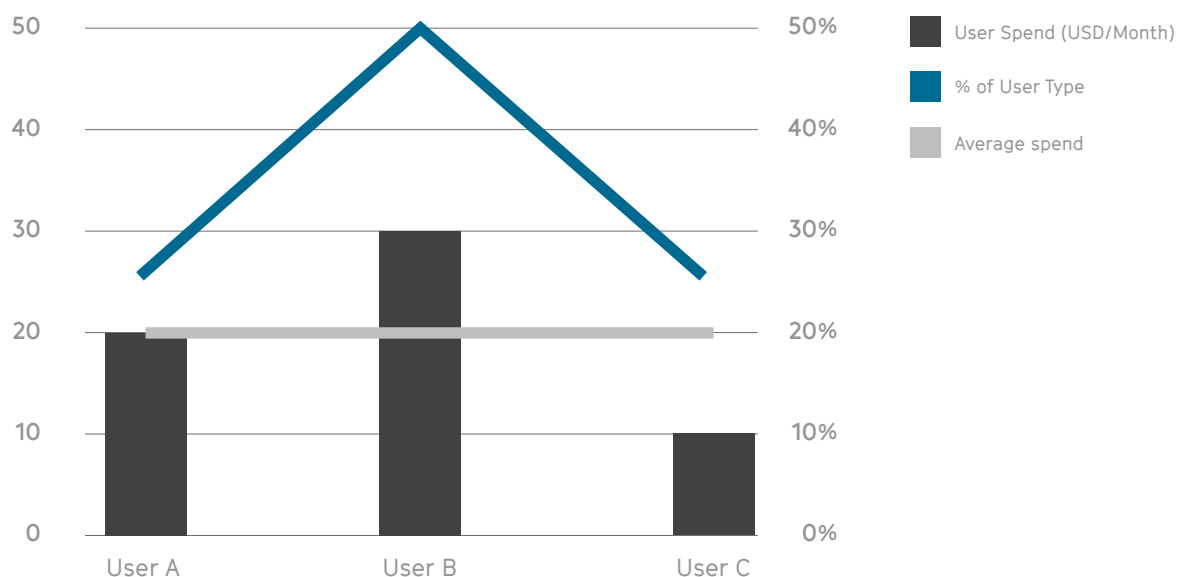
¹³ Fortune.com / Aaron Pressman / <http://fortune.com/2016/09/23/average-cable-tv-bill/>

¹⁴ Cleeng.com / Benedicte Guichard / <https://cleeng.com/blog/ott-users-budget/>

¹⁵ Cleeng.com / Benedicte Guichard / <https://cleeng.com/blog/ott-users-budget/>

¹⁶ Time / Victor Luckerson / <http://time.com/4186137/netflix-hours-per-day/>

User configuration for White Rabbit



Revenue

The revenue created by White Rabbit is distributed to three parties. White Rabbit will charge a 15% commission on all income, while the streaming sites will receive up-to 10% in order to create a competitive market and the content rights holders will receive the remaining 75% of revenue generated by user payments.

By 2022, we estimate that White Rabbit can generate almost \$700M annually for streaming service providers and more than \$10B for content creators and rights holders.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|---------------|---------------|-----------------|-----------------|------------------|
| Net Earnings to White Rabbit | \$7,328,125 | \$41,688,750 | \$225,305,625 | \$455,074,688 | \$1,154,195,136 |
| Total Gross Income to Content Owners | \$108,000,000 | \$432,000,000 | \$2,160,000,000 | \$4,320,000,000 | \$10,800,000,000 |
| Total Gross Income to Website/Server Providers | \$6,750,000 | \$27,000,000 | \$135,000,000 | \$270,000,000 | \$675,000,000 |

Notes to the forecasts

Below are three probable scenarios graded by their likelihood, namely the Likely scenario, the Small scenario, and the Big scenario. Please note that none of those scenarios takes future revenue stream of the Rabbit Hole into account. The number of third-party revenue is impossible to estimate at present stage, but it is likely to be quite substantial.

Before presenting scenarios we will explain some of the assumptions made in the forecasts.

User spend

We have defined three different user types. They are categorized based on how much they spend on films and TV series/month. User A are 25% of White Rabbit users, spending an average of \$20/month. User B are Early Adopters and the majority with 50% of users, spending an average of \$30/month. User C, the laggards are the last 25%, spending an average of \$10/month. In total we get a non-weighted average across all user types of \$20/month. When considering that the average American spends \$148/month on cable and streaming service we believe that our assumptions are quite conservative.

User Acquisition

The major factor affecting the difference in the forecasts between small-likely-big is the number of active contributing users on the platform.

Costs

There is a cost differentiator between the three scenarios given the scale of operations. We anticipate a 30% lower cost on the small scenario than on the likely scenario, for the big scenario we assume 30% higher cost structure than for the likely.

This forecast shows the estimated earnings of White Rabbit, while the Content Rights holder and the PSS revenue is not a part of this forecast, which was covered on the previous page.

Disclaimer: The forecast is what the team believes is the potential for a successful White Rabbit platform. The actual budget might be changed as factors not accounted for might affect the cost and revenue structure. This is not a binding forecast, and might not reflect the final result.

Target scenario

Forecast starts at year 1. This is the first year that White Rabbit is operational with a full launch of the platform. For the cost-structure related to year 0, i.e the development phase please refer to the Funding allocation described in Funds allocation above.

PROFIT AND LOSS STATEMENT

Target scenario

| Revenue | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|---------------------|---------------------|----------------------|----------------------|------------------------|
| Number of users | 500,000 | 2,000,000 | 10,000,000 | 20,000,000 | 50,000,000 |
| Sales User A | \$4,500,000 | \$18,000,000 | \$90,000,000 | \$180,000,000 | \$450,000,000 |
| Sales User B | \$13,500,000 | \$54,000,000 | \$270,000,000 | \$540,000,000 | \$1,350,000,000 |
| Sales User C | \$2,250,000 | \$9,000,000 | \$45,000,000 | \$90,000,000 | \$225,000,000 |
| Net Sales | \$20,250,000 | \$81,000,000 | \$405,000,000 | \$810,000,000 | \$2,025,000,000 |
| Salaries & Wages | \$2,260,000 | \$2,560,000 | \$3,520,000 | \$4,260,000 | \$5,340,000 |
| Offices | \$100,000 | \$100,000 | \$350,000 | \$400,000 | \$450,000 |
| IT Costs | \$500,000 | \$750,000 | \$1,125,000 | \$1,687,500 | \$2,531,250 |
| Travel Costs | \$550,000 | \$825,000 | \$1,237,500 | \$1,856,250 | \$2,784,375 |
| Streaming Sites | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| Infrastructure Costs | \$4,340,000 | \$17,360,000 | \$86,800,000 | \$173,600,000 | \$430,107,527 |
| Film Fund | \$202,500 | \$810,000 | \$4,050,000 | \$8,100,000 | \$20,250,000 |
| PR & Marketing | \$1,110,000 | \$1,410,000 | \$5,610,000 | \$11,010,000 | \$21,810,000 |
| Legal | \$200,000 | \$600,000 | \$900,000 | \$1,320,000 | \$1,800,000 |
| Total Expenses | \$10,262,500 | \$25,415,000 | \$104,592,500 | \$203,233,750 | \$486,073,152 |
| Operating Income | \$9,987,500 | \$55,585,000 | \$300,407,500 | \$606,766,250 | \$1,538,926,848 |
| Taxation | \$2,496,875 | \$13,896,250 | \$75,101,875 | \$151,691,563 | \$384,731,712 |
| Carry over Tax | -\$162,500 | \$0 | \$0 | \$0 | \$0 |
| Net Profit | \$7,328,125 | \$41,688,750 | \$225,305,625 | \$455,074,688 | \$1,154,195,136 |

Small scenario

This is the conservative estimate of White Rabbit forecast. Main differentiator from the other forecasts is the user acquisition growth.

PROFIT AND LOSS STATEMENT

Small scenario

| Revenue | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| Number of users | 300,000 | 1,000,000 | 3,000,000 | 6,000,000 | 10,000,000 |
| Sales User A | \$2,700,000 | \$9,000,000 | \$27,000,000 | \$54,000,000 | \$90,000,000 |
| Sales User B | \$8,100,000 | \$27,000,000 | \$81,000,000 | \$162,000,000 | \$270,000,000 |
| Sales User C | \$1,350,000 | \$4,500,000 | \$13,500,000 | \$27,000,000 | \$45,000,000 |
| Net Sales | \$12,150,000 | \$40,500,000 | \$121,500,000 | \$243,000,000 | \$405,000,000 |
| Salaries & Wages | \$1,990,000 | \$2,224,000 | \$3,028,000 | \$3,678,000 | \$4,638,000 |
| Offices | \$70,000 | \$70,000 | \$245,000 | \$280,000 | \$315,000 |
| IT Costs | \$350,000 | \$525,000 | \$787,500 | \$1,181,250 | \$1,771,875 |
| Travel Costs | \$385,000 | \$577,500 | \$866,250 | \$1,299,375 | \$1,949,063 |
| Streaming Sites | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| Infrastructure Costs | \$1,822,800 | \$6,076,000 | \$18,228,000 | \$36,456,000 | \$60,215,054 |
| Film Fund | \$85,050 | \$283,500 | \$850,500 | \$1,701,000 | \$2,835,000 |
| PR & Marketing | \$777,000 | \$987,000 | \$3,927,000 | \$7,707,000 | \$15,267,000 |
| Legal | \$140,000 | \$420,000 | \$630,000 | \$924,000 | \$1,260,000 |
| Total Expenses | \$6,619,850 | \$12,163,000 | \$29,562,250 | \$54,226,625 | \$89,250,991 |
| Operating Income | \$5,530,150 | \$28,337,000 | \$91,937,750 | \$188,773,375 | \$315,749,009 |
| Taxation | \$1,382,538 | \$7,084,250 | \$22,984,438 | \$47,193,344 | \$78,937,252 |
| Carry over Tax | -\$162,500 | \$0 | \$0 | \$0 | \$0 |
| Net Profit | \$3,985,113 | \$21,252,750 | \$68,953,313 | \$141,580,031 | \$236,811,757 |

Big scenario

This is our optimistic forecast. Main differentiator is the speed at which the platform acquires users and films. The costs are 30% higher than that of the likely scenario.

PROFIT AND LOSS STATEMENT

Big scenario

| Revenue | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------------------|---------------------|----------------------|----------------------|------------------------|------------------------|
| Number of users | 1,000,000 | 5,000,000 | 20,000,000 | 50,000,000 | 100,000,000 |
| Sales User A | \$9,000,000 | \$45,000,000 | \$180,000,000 | \$450,000,000 | \$900,000,000 |
| Sales User B | \$27,000,000 | \$135,000,000 | \$540,000,000 | \$1,350,000,000 | \$2,700,000,000 |
| Sales User C | \$4,500,000 | \$22,500,000 | \$90,000,000 | \$225,000,000 | \$450,000,000 |
| Net Sales | \$40,500,000 | \$202,500,000 | \$810,000,000 | \$2,025,000,000 | \$4,050,000,000 |
| Salaries & Wages | \$2,530,000 | \$2,896,000 | \$4,012,000 | \$4,842,000 | \$6,042,000 |
| Offices | \$130,000 | \$130,000 | \$455,000 | \$520,000 | \$585,000 |
| IT Costs | \$650,000 | \$975,000 | \$1,462,500 | \$2,193,750 | \$3,290,625 |
| Travel Costs | \$715,000 | \$1,072,500 | \$1,608,750 | \$2,413,125 | \$3,619,688 |
| Streaming Sites | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$1,000,000 |
| Infrastructure Costs | \$11,284,000 | \$56,420,000 | \$225,680,000 | \$564,200,000 | \$1,118,279,570 |
| Film Fund | \$526,500 | \$2,632,500 | \$10,530,000 | \$26,325,000 | \$52,650,000 |
| PR & Marketing | \$1,443,000 | \$1,833,000 | \$7,293,000 | \$14,313,000 | \$28,353,000 |
| Legal | \$260,000 | \$780,000 | \$1,170,000 | \$1,716,000 | \$2,340,000 |
| Total Expenses | \$18,538,500 | \$67,739,000 | \$253,211,250 | \$617,522,875 | \$1,216,159,882 |
| Operating Income | \$21,961,500 | \$134,761,000 | \$556,788,750 | \$1,407,477,125 | \$2,833,840,118 |
| Taxation | \$5,490,375 | \$33,690,250 | \$139,197,188 | \$351,869,281 | \$708,460,029 |
| Carry over Tax | -\$162,500 | \$0 | \$0 | \$0 | \$0 |
| Net Profit | \$16,308,625 | \$101,070,750 | \$417,591,563 | \$1,055,607,844 | \$2,125,380,088 |

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Revision log.

Date: 22.02.2018 Revised by: Alan R Milligan. Edits: Update: Team memebers (page: 23)

Date: 09.04.2018 Revised by: Alan R Milligan. Edits: Update: Roadmap, Team and advisory memebers, (pages: 13, 21-23)