CAPTIVE APP

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VISION

To fuse augmented reality and blockchain to give brands and creators the captivating power to develop unrivaled user experiences.

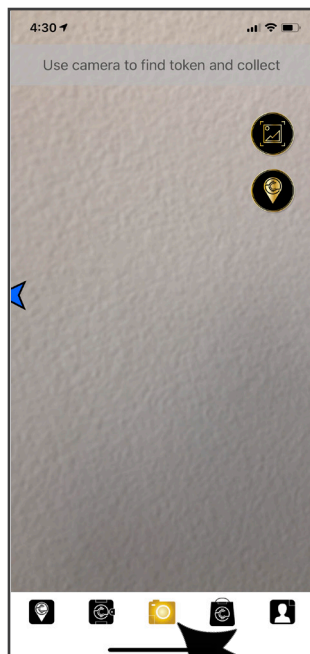# EARN YOUR FIRST COIN (CAPCN) NOW!

STEP 1

DOWNLOAD THE APP!

Find it at www.CaptiveApp.com or on the Apple App Store and Google Play.

STEP 2

REGISTER A NEW ACCOUNT

Sign up by email and get started!

STEP 3

SELECT CAMERA ICON

Select the Camera Icon and start collecting your first coins!
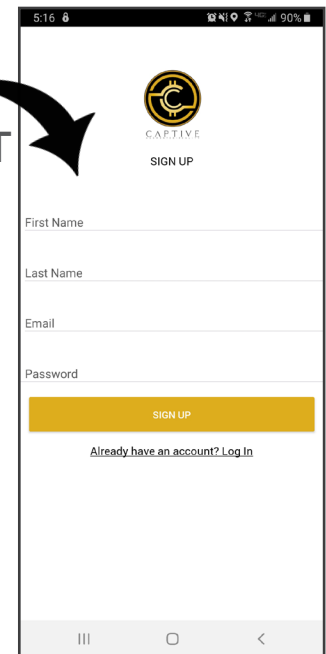
A coin (CAPCN) will be available near you. For a chance to collect more throughtout the day, try searching the MAP . Our IMAGE function allows you to scan registered images for a chance to collect coins and possible bonuses!

Try scanning these branded logos to see how it works
by tapping the IMAGE icon.

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IMPORTANT NOTICE

The Captive Carats and Captive Coins ("Captive Tokens") are not intended to constitute securities in any jurisdiction. This Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. The Captive Tokens are not an investment in any way and are not securities since they do not have the legal qualification as a security. The possession or ownership of the Captive Tokens does not grant any title, right, or interest in any company, enterprise, or undertaking, and does not grant the owner a share of any revenue or profits outside of the capital gains (or losses) they might realize in trading on the exchanges or community. Any updates regarding this and other issues impacting the Captive Tokens or the Captive platform will be found on our Website or subsequent updated versions of this Whitepaper.

The Captive Tokens grant no property or administrative rights in the company or any voting rights in resolutions of the company, participation rights at shareholder meetings of the company or others shareholder rights. As pure utility tokens, Captive Tokens are not suitable as an investment or asset in the business development of the company. The Captive Tokens will have limited supply, which will lead to fixing the supply while demand can increase due to market conditions that may or not lead to capital gains for token holders. The purchase and use of Captive Tokens shall therefore not be done for speculative usagev. Captive Tokens are a decentralized cryptocurrency that has the functionality of a voucher for the payment option for products and services from the Captive platform, structured as a utility token which provides for specific access to the Captive platform, benefits, and products within the platform itself.

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This Whitepaper does not constitute or form part of any opinion on any advice to sell, or any solicitation of any offer by the distributor/vendor of the Captive Tokens (the "Distributor") to purchase any Captive Carats nor shall it or any part of it nor the fact of its presentation form the basis of, or be relied upon in connection with, any contract or investment decision. The Distributor will be an affiliate of Captive Inc. and will deploy all proceeds of sale of the Captive tokens to fund the platform operations. No person is bound to enter into any contract or binding legal commitment in relation to the sale and purchase of the Captive Carats and no cryptocurrency or other form of payment is to be accepted on the basis of this Whitepaper. Any agreement as between the Distributor and you as a purchaser, and in relation to any sale and purchase, of Captive Carats (as referred to in this Whitepaper) is to be governed by only a separate document setting out the terms and conditions (the "T&Cs") of such agreement. In the event of any inconsistencies between the T&Cs and this Whitepaper, the former shall prevail.

No regulatory authority has examined or approved of any of the information set out in this Whitepaper. No such action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction. The publication, distribution or dissemination of this Whitepaper does not imply that the applicable laws, regulatory requirements or rules have been complied with.

EXECUTIVE SUMMARY

Captive is an **augmented reality mobile app** and web platform that gives brands and influencers the power to create unique and compelling interactions for their customers and followers to **experience**. Captive technology gives brands the ability to see how their users interact with the AR experience to provide tangible **analytics**. And, we give users the ability to **redeem** directly through those AR experiences with our **crypto rewarding** technology and wallet feature in the form of Captive utility tokens called Captive Carats (CAPCT) and Captive Coins (CAPCN).

What's more, **Captive** was built to facilitate cutting edge experiences between brands and consumers where it hasn't existed previously (off screen and onscreen) through augmenting reality experiences, capturing unique analytics and driving attrition through our crypto reward token and coin exchange.
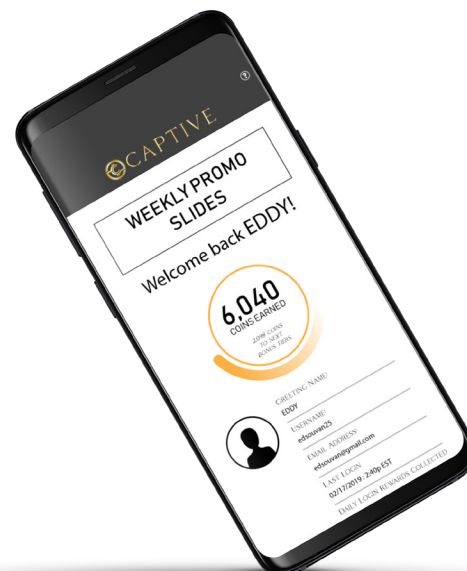
We give users the ability to earn tokens through Augmented Reality experience interactions so that they can use those tokens to redeem real products in the marketplace.
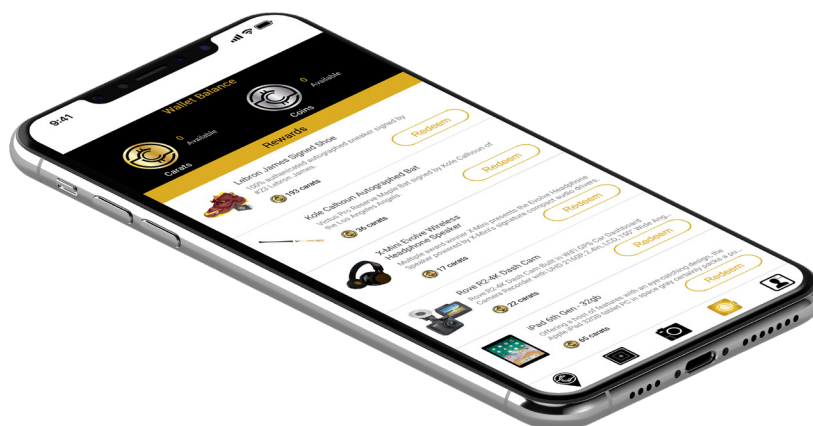
INTRODUCTION TO
AUGMENTED REALITY

In the simplest explanation, augmented reality overlays images or videos on top of real world objects. For example, we could overlay a movie trailer over the movie poster hanging at the bus stop. That experience is what we call augmented reality.

Augmented Reality may prove to be a very useful and productive tool in our everyday lives. From shopping to traveling, to even household everyday activities. It has the potential to upgrade the simplest activities because it infuses the virtual world with the real world, enhancing the things we see, feel, and hear. In contrast to virtual reality, which is a completely new and created digital world, augmented reality is the intersect between the digital and real world. It resides slap dab in the middle of the mixed reality spectrum.

Defining Augmented Reality:

An enhanced version of reality where live direct and indirect views of physical real world environments are in fact augmented with superimposed computer-generated images over a user's view of the real-world, in such a way as to enhance one's current perception of reality.

The origin of augmented is Augment - which means to add something. In the case of AR, sounds, graphics, and touch feedback are also added into our real world. Unlike Virtual Reality (VR requires you to inhabit the entire virtual environment, AR uses the existing environment and overlays virtual information on the top of it.)

TYPES OF AR

There are several categories of Augmented Reality, each with varying differences in their applicational use cases and objectives. These are the various types of technologies that make up AR:

Marker Based

Uses a camera to produce a result when the marker is sensed by a reader, also known as Image Recognition.

Markerless Based

Uses a GPS, velocity meter, digital compass to provide data based on the location.

Superimposition Based

Uses object recognition in order to replace an entire object or a part of it with an augmented view.

AR MARKET SIZE

Overview of the AR market

There is rapid growth within the AR and VR markets, making the sector one of the key drivers of the IT industry. A 2016 survey from Juniper Research indicated that the total volume of the market is roughly USD 3 billion with AR and VR combined. It will likely exceed USD 150 billion by 2020.
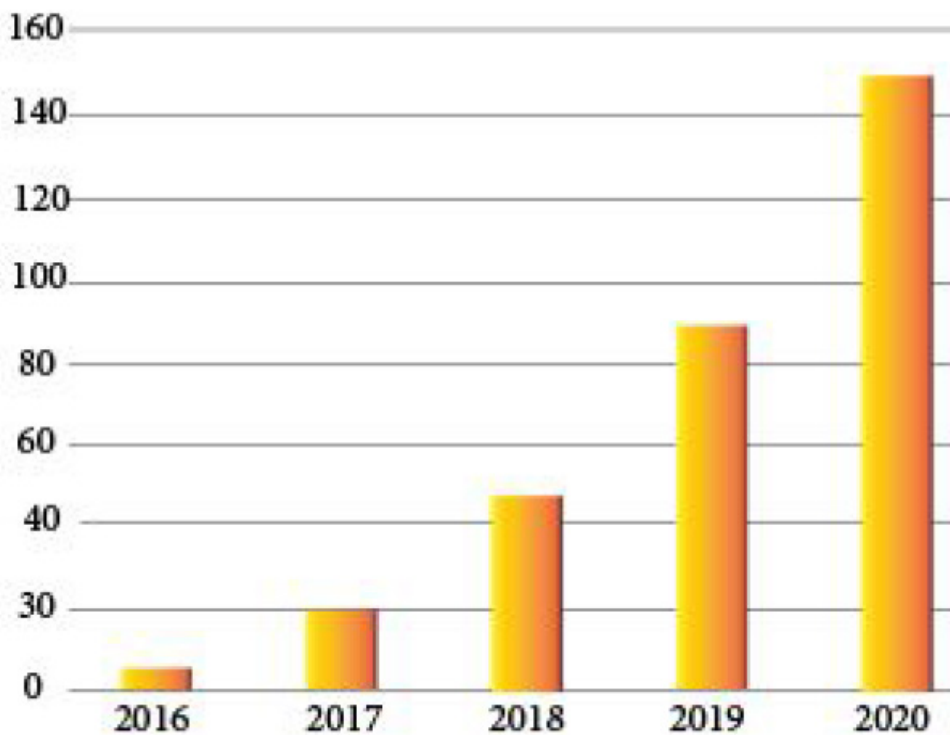
All major tech corporations are developing AR platforms. Google, Apple, and Facebook have already begun developing their own AR-based technologies, and investments are also increasing. The volume of investments increased from USD 250,000 to USD 1.6 billion between 2014 and 2016.

NOTABLE AR COMPANIES AND SUCCESSES

Examples of massive AR deals:
- Magic Leap raised USD 793.5 million from an Alibaba-led pool of investors, making this a record-breaking funding round. The company is estimated to be valued at USD 4.5 billion.
- Google bought Eyefluence, which is a company that uses AR/VR for eye-tracking technology, for USD 14 million;
- Apple bought Metaio, a company building an AR platform, for USD 30 million;
- DAQRI acquired ARToolworks, a software development company for Hololens-style headsets, for USD 38 million;
- PTC bought Vuforia, a company building an AR platform, for USD 65 million.

AR MARKET TRENDS

Until 2016, companies that provide SDKs for smartphones with standard cameras determined the market. Large numbers of start-ups have been bought up by industry giants like Facebook, Google, and Apple over the last couple of years.

Others such Aurasma, Wikitude, and market leader Vuforia, are focused on computer vision and on tracking both flat and 3D objects through real time and space. Facebook and Snapchat both announced the development of an AR ecosystem in April of 2017. According to Digi-Capital, the "platform war" has contributed to the attraction of new-comers like WeChat, BaiDu, Alibaba.

Point cloud-based contactless positioning systems and the improvement of the recognition technologies for 3D markers are the most prominent technological trends.

The last few year's most notable events were:
- The AR game Pokémon GO came to the market, gained international recognition and brought AR to the attention of new users. Nintendo, the game's developer, saw a market cap of USD 14.8 billion just one week after its release.
- Apple released the ARKit framework, making AR an integral part of the iOS operating system. This, designed with developers in mind, has great potential to bring the technology to mass market users.

What makes Captive stand out from other AR projects is its universality. It has been designed from the start to incorporate augmented reality in all areas of real-world business. Unlike the vast majority of other projects (Reality Clash, Augmentors, Neverdie), it has not been restricted to the gaming industry or to the development of 3D content (Cappasity).

Captive may be put to great effect in real estate, tourism, media, game, advertising, education, and the art industry. Captive is a simple and convenient means of delivering AR projects of any complexity and style.

Apart from this, Captive is 100% real-world oriented: all projects within the system will be integrated into the world around us. It will also make possible the use and monetization of digital land remotely from anywhere in the world. No existing project offers such capabilities.

INTRODUCTION TO BLOCKCHAIN

For broader coverage of this topic, see Blockchain.
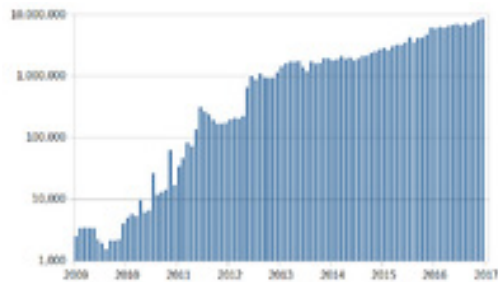
Number of bitcoin transactions per month (logarithmic scale)
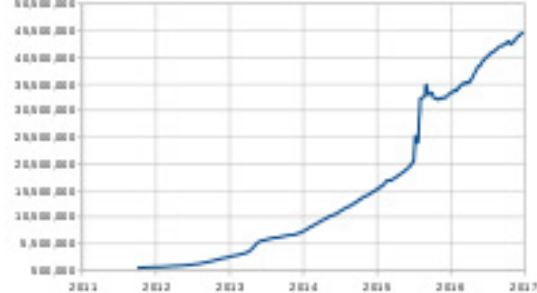
The bitcoin blockchain is a public ledger that records bitcoin transactions. It is implemented as a chain of blocks, each block containing a hash of the previous block up to the genesis block of the chain. A network of communicating nodes running bitcoin software maintains the blockchain. Transactions of the form payer X sends Y bitcoins to payee Z are broadcast to this network using readily available software applications.

Network nodes can validate transactions, add them to their copy of the ledger, and then broadcast these ledger additions to other nodes. To achieve independent verification of the chain of ownership each network node stores its own copy of the blockchain. About every 10 minutes, a new group of accepted transactions, called a block, is created, added to the blockchain, and quickly published to all nodes, without requiring central oversight. This allows bitcoin software to determine when a particular bitcoin was spent, which is needed to prevent double-spending. A conventional ledger records the transfers of actual bills or promissory notes that exist apart from it, but the blockchain is the only place that bitcoins can be said to exist in the form of unspent outputs of transactions.

Cryptocurrency and Blockchain at its peak

*In December 2017, cryptocurrencies made another dent in history, as the combined value of all cryptocurrencies (total market cap) surged past $600 billion – nearly $75 billion higher than that of social media giant Facebook.*

As explained in a report on Google Finance, "In December 2017, the introduction of Bitcoin futures on regulated U.S. Exchange CBOE Global Markets helped boost the price of Bitcoin from $13,390 all the way up to $17,102 – a whopping 28% increase in its already sky-high price tag. During the same period, the Bitcoin market cap also increased by a similar margin, going from $222 billion to $282 billion in just 24 hours.
Thanks to the back-to-back Bitcoin futures contracts, the total cryptocurrency market cap has soared by $237 billion, or 65% in just under a week."

Dan Morehead, the founder of cryptocurrency hedge fund Pantera Capital, predicted that the cryptocurrency market cap could potentially reach $40 trillion. He also told Bloomberg that he believes "the fair market value of the cryptocurrency market cap is an order of magnitude or two above where it currently sits."

"*Obviously, we're very bullish on the space. We think we're way below, maybe an order of magnitude — or two — below the real fundamental fair value of blockchain*," he said, later adding that "the industry as a whole is $400 billion. It easily could go to $4 trillion, and $40 trillion is definitely possible."

"*Anything that's a $400 billion asset will not be ignored for long*," he also said. If the cryptocurrency market does reach a market cap of $40 trillion, then this will mean a percentage increase of 10,000%. If the current market share distribution remains stable, which isn't probable, then the price of Bitcoin would trade at a value of $1 million.

CAPTIVE APP
FUSING AR & BLOCKCHAIN

TOKENIZATION

The underlying cryptocurrency of the NEM network is called XEM. Mosaics are assets that are created in the NEM blockchain. Captive CARATS and COINS are NEM Mosaics.

01   **Captive CARATS (CAPCT)**

Max Total Supply: 20 million CAPCT
CAPCT are used to develop and promote AR experiences

02   **Captive Coins (CAPCN)**

5 Billion CAPCN Generated
CAPCN are used to reward engagements with AR Experiences

CARATS (CAPCT)	COINS (CAPCN)
CAPCT ARE USED TO DEVELOP AND PROMOTE AR EXPERIENCES. GET RARE AND LIMITED PRODUCTS.	CAPCN ARE USED TO REWARD ENGAGEMENTS WITH AR EXPERIENCES.
20 MILLION MAX SUPPLY	5 BILLION CAPCN GENERATED

01   Captive CARATS (CAPCT)

Captive Carats (CAPCT) are digital tokens used to drive the adoption of our Augmented Reality Reward (**ARR**) experiences. **CAPCT** tokens can be used to purchase all sorts of unique and exclusive merchandise from our private marketplace, like signed memorabilia from celebrities, athletes, and authors, non-public music, branded products, and content.

Developers earn **CAPCT** tokens by creating AR experiences. **CAPCT** tokens will function as an incentive system for developers to build augmented reality apps and for marketers to promote Captive powered AR experiences. Captive gives developers the opportunity to monetize their games, apps, and programming skills. With Captive, social influencers can provide their fan base with relevant AR content and earn **CAPCT**.

CAPCT tokens will also give you access to very rare and limited prizes, like access to exclusive events and one-of-a-kind products in our marketplace. Examples: Autographed Marvel Comics by Stan Lee, autographed memorabilia, one-of-a-kind art and VIP access to private events.

There are a total of 20 million **CAPCT** created.

02   Captive COINS (CAPCN)

Captive Coins (CAPCN) are digital tokens rewarded to users for engaging with Augmented Realtity experiences. To earn **CAPCN** a user will have our app downloaded onto their mobile phone, be near a geolocation-based target or physical marker (a poster, sticker or sign), and engage with that augmented reality experience using their mobile phone. The user will earn **CAPCN** in their Captive wallet and use those **CAPCN** to purchase products in our marketplace.

CAPCN tokens can be used to redeem products like gift cards, Captive merchandises like hats, t-shirts, sweaters, and other prizes from the Captive marketplace.

There are a total of 5 billion **CAPCN** created.

TOKEN ECONOMICS

THE INTRODUCTION OF CAPTIVE TOKENS BEGINS TO CREATE MULTIPLE DIMENSIONS TO THE USER EXPERIENCE AND INCREASES THE STICKINESS OF THE CAPTIVE PLATFORM. THE CAPTIVE TOKENS ARE USED TO HELP GAIN INTEREST AND PARTICIPATION FROM USERS AND INCENTIVIZE DEVELOPERS TO BUILD AUGMENTED REALITY EXPERIENCES.

Users earn Captive tokens by interacting with Captive markers. Tokens are used to reward users for engaging with Captive AR experiences. Captive tokens will function similar to reward points that can be redeemed for prizes, merchandise and access to events through our exclusive marketplace. We want to create a competitive advantage by having the first mover advantage and establishing the Captive tokens as the "token of choice" when thinking about rewards and events. Example: Free subs at Subway, free drinks at 7-Eleven, and swag from our marketplace.

Token Distribution

- Token Sale (35%)
- Founders (20%)
- Partners (19%)
- Employees (7%)
- Bounty (5%)
- Developers (5%)
- Influencers (4%)
- Rewards (4%)
- Advisors (1%)
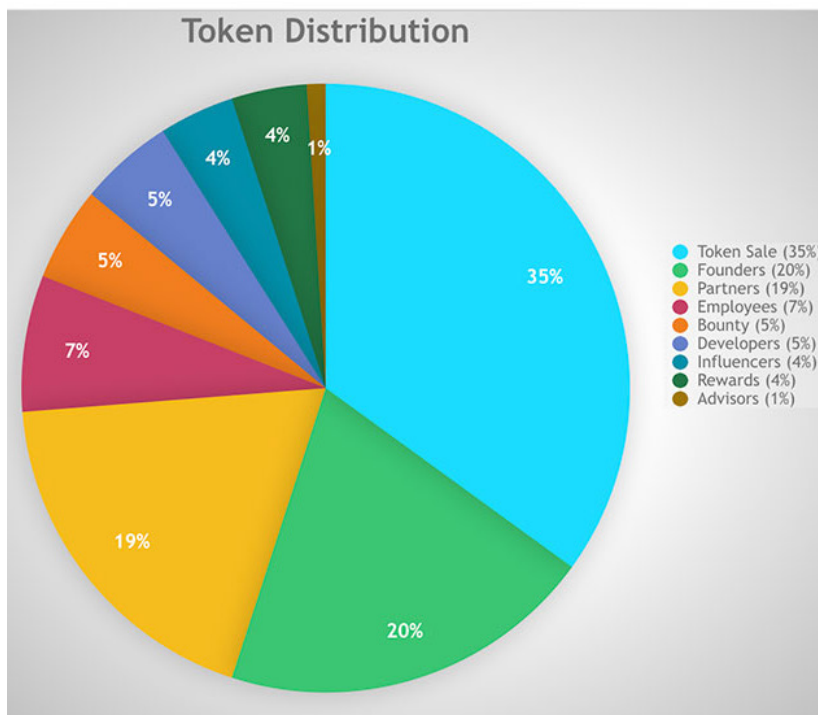
TOKEN ECONOMICS

100% of Founders, and Advisors Tokens locked out for 6 months from date of tokenization.

25% of Founders and Advisors Tokens removed from lock out after 6 months.

25% of tokens of Founders and Advisors released from lock out after 12 months.

25% of tokens of Founders and Advisors released from lock out after 18 months.

Last 25% of tokens of Founders and Advisors released from lock out after 24 months.

TOKEN ECONOMICS

MARKETPLACE

Our goal is to establish a robust portfolio of exclusive merchandise and events where users can redeem their Captive reward tokens.

We have 2 types of tokens: Carats (CAPCT) and Coins (CAPCN).

We give game developers the opportunity to monetize their games, apps, and skills through our tokens. CAPCT are used to create bounties for developers to build augmented reality apps,

Captive tokens are used to reward users for engaging with **AR** experiences. Both CAPCT and CAPCN can be used to redeem prizes in the Captive marketplace.

To explain simply:
- We reward developers to create AR apps and experiences for brands.
- We reward marketers to promote AR experiences.
- We reward consumers who view our augmented reality experiences.
- Users can hold onto their Captive tokens or use them to purchase products our marketplace.

USER GROUPS

Our goal is to completely disrupt the current marketing and advertising industry by challenging old paradigms of middlemen, agencies and blind faith advertising. To accomplish our goal we need to build each part of the ecosystem with defined user groups (as outlined below).

Development does not stop, as we are continuously evolving these key components of our ecosystem to add value to our growing user base and technology. We understand that future customers, users, technologies, and campaigns will come to rely on our ability to react to the ever-changing technical landscape.

If Augmented Reality games such as Pokemon GO can motivate people to walk for miles and travel to new destinations chasing after fictitious characters, drawing more crowds and en-gagement than all of the network television channels in 2016 alone (http://www.businessofapps.com/news/in-2016-pokemon-go-attracted-more-peak-users-than-all-the-major-tv-networks-in-the-u-s/), then Augmented Reality Rewards (ARR) powered advertising has the potential to generate never before seen levels of consumer engagement using geolocation based promotions all over the world.

Key groups:
1. Companies and Brands
2. Influencers
3. Consumers

COMPANIES AND BRANDS

Our proprietary AR technologies allow our teams to intelligently place virtual objects anywhere in the real world. Our new technology represents a revolutionary advancement in digital advertising and engagement marketing.

Companies and brands will be able to either work with us directly through our agency arm, or build their own AR experiences with our engine and self-serving ad platform. These businesses and brands will be able to attract new consumers and users through immersive ad campaigns and user experiences.

For example, let's say 7-Eleven wants to get more people to their store locations. 7-Eleven can retain Captive to build them an augmented reality experience that would do just that. The users of the app would have to go around to various 7-Eleven locations to collect exclusive CAPCN they would receive when they engage with an AR experience.

Additionally, users can buy real products and exclusive items through the marketplace like autographed memorabilia, trips, gift cards, and other amazing rewards. The campaign would drive new foot traffic to all of the 7-Eleven stores that participated in the campaign.

INFLUENCERS

Thanks to social media, new types of affiliate marketing and direct-to-consumer technology, social influencers have the ability to track new levels of influence and engagement unprecedented in previous years.

In order to facilitate these interactions for influencers, we have created a unique token monetization revenue channel. For any influencer that shares an existing AR campaign or creates their own, they have the ability to earn Captive tokens any time an end user engages with that experience.

For example, a social influencer could earn Captive tokens anytime their followers engage with Captive AR experiences. So, as an influencer, he/she not only receives direct compensation in CAPCT, but also provides their followers with a unique and immersive augmented reality experience worvldwide.

CONSUMERS

Technology has advanced society further and faster than many people can comprehend or imagine. Flying cars and landing on Mars is just around the corner, and the consumer experience has reaped many technological benefits.

However, most of the e-commerce consumer benefits have been marginal, until now. Through our platform and the use of augmented reality with Captive reward tokens, we have created a totally unique and immersive consumer experience.

The consumer reaps a massive benefit following the 7-Eleven scenario above. In our example, the consumer has the capability to earn Captive tokens when engaging with our AR experiences and can purchase real and exclusive products through our marketplace.

SELF SERVE PAY-PER-ENGAGEMENT PLATFORM

Pay-Per-Click Advertising vs Pay-Per-Engagement Advertising

Pay-Per-Click

If you have ever noticed the advertisements that appear alongside search results on Google and other search engines, you are already familiar with pay-per-click, or PPC advertising. PPC is an online advertising model in which advertisers pay each time a user clicks on one of their online ads.

There are different types of PPC ads, but one of the most common types is the paid search ad. These ads appear when people search for things online using a search engine like Google – especially when they are performing commercial searches, meaning that they're looking for something to buy. This could be anything from a mobile search (someone looking for "pizza near me" on their phone) to a local service search (someone looking for a dentist or a plumber in their area) to someone shopping for a gift ("Mother's Day flowers") or a high-end item like enterprise software. All of these searches trigger pay-per-click ads.

In 2018, Google Adwords PPC campaigns had an average cost per click of $2.69. The marketing campaigns produced an average conversion rate of 3.75%. A conversion is explained "…occurs when a visitor to your website completes a desired goal, such as filling out a form or making a purchase" by wordstream.com. In other words, if a business were to spend $26,900 on a marketing campaign, at a rate of $2.69 per click, they would have purchased 10,000 clicks. Sounds great! However, of all the total clicks purchased, an average of 9,625 clicks (or visitors) left your site without converting!

What if there was a better way? Especially for small to midsize businesses who can not afford extravagant marketing budgets with low conversion rates. What if, instead of paying $2.69 per click, you could pay $2.69 per person that we send to your store… or to attend your event… or collecting your logo or product image on their phones? Welcome to Pay-Per-Engagement, or PPE for short.

Pay-Per-Engagement

Let's start by comparing a PPC campaign model vs. PPE campaign model to successfully engage 375 potential customers or leads:

PAY-PER-CLICK CAMPAIGN	PAY-PER-ENGAGEMENT CAMPAIGN
Purchase 10,000 clicks x $2.69/click = $26,900.00	Purchase 375 engagements x $2.69/engagement = $1,008.75
Avg. Conversion @3.75% = 375 consumers engaged	Engagement @100.0% = 375 consumers to your storefront
Avg Cost per conversion: $71.73/conversion	Avg Cost per Engagement: $2.69/engagement

WITH PAY-PER-ENGAGEMENT (PPE) CAMPAIGNS, YOU ONLY PAY FOR THE CONSUMERS THAT GO TO YOUR PHYSICAL LOCATION AND ENGAGE IN YOUR AR EXPERIENCE. NOT PAY-PER-CLICK, PAY-PER-IMPRESSION, OR PAY-PER-VIEW...
WHY PAY FOR CHANCES TO ENGAGE WITH YOUR CUSTOMERS?
WHY NOT ONLY PAY FOR SUCCESSFUL ENGAGEMENTS?

A business owner may now ask: "Say I ask for 375 people to show up in my store this month, how do you guarantee 375 people will definitely show up? What if only 100 people show up?" The way the PPE Campaign works is simple. Mr. Business Owner, if you want, say, the 375 people to be engaged, you would purchase 375 engagements worth of credits. Think of this as a balance that sits in your marketing account. If only 100 people were to show up, then 100 worth of credits would then be debited from your marketing account balance, with the remaining 275 worth of credits still available. You would be able to decide to continue the campaign, or make adjustments to the campaign strategy, or simply end your campaign and withdraw your remaining balance.

To further increase the effectiveness of these campaigns, let's see what Mr. Business Owner could do with the $25,900 he saved by not purchasing the PPC Campaign. If Mr. Business Owner owned a coffee shop, he could then create a Buy One Get One Free (BOGO) offer at his store. If each coffee is $2 and all 375 customers showed up at his coffee shop, his total PPE marketing cost would be $1,758.75, which doesn't include the $750 of revenue his store pulled in!

Our PPE model is not mutually exclusive with PPC campaigns. In actuality, we anticipate and support businesses to utilize both campaigns initially, and adjust their marketing budget breakdown as they see results.

TECHNOLOGICAL OVERVIEW

NEM BLOCKCHAIN

It's important to note that Captive tokens are built on the NEM blockchain. Some of the content contained below are the relevant technical components we pulled from their white paper to give readers a more in-depth overview of our blockchain technology.
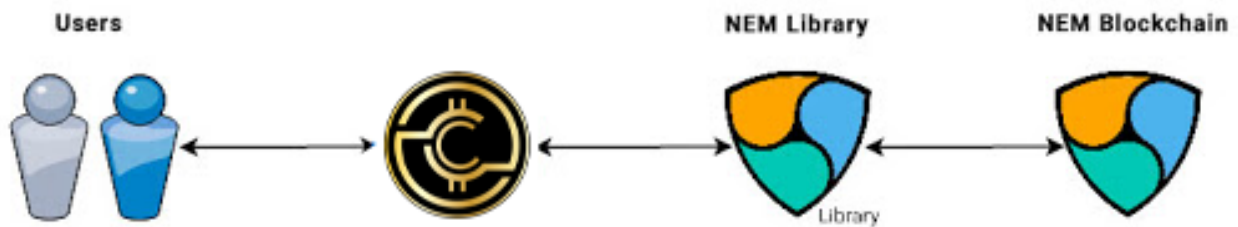
NEM is more than just a new cryptocurrency or an altcoin; it's a completely revolutionary platform based on Blockchain technology, re-imagining (if you will) from scratch the ideal Blockchain of tomorrow.

Blockchain technology can at best be explained in its most basic terms of understanding as a digital ledger solution. Naturally, as a ledger, its distinct feature is particularly relevant to the financial industry as well as many others too. All financial institutions use the ledger as the single most important element in their core banking solution.

Implementing the tokens we created using NEM's powerful cryptography in our custom AR application uses RESTful JSON API calls allowing us to configure our own "Smart Assets" and make use of NEM's powerful blockchain platform as our fast, secure and scalable solution.

NEM IS CONFIGURED FOR MANY USES, MAKING IT IDEAL FOR A VARIETY OF SOLUTIONS, INCLUDING DIRECT PUBLIC TRANSACTIONS THROUGH THE USE OF A SMARTPHONE APP, CLOUD SERVICES THAT EFFICIENTLY CONNECT WEB APPLICATIONS, OR A HIGH-PERFORMANCE PERMISSIONED ENTERPRISE BACK-END FOR BUSINESS-CRITICAL RECORD KEEPING.

Rather than forcing us to write our own "smart contract" code from scratch or use off-blockchain methods of defining custom assets for our business, using **NEM** provides us with access to on-blockchain features that are specialized, secure, and fully tested.

NEM allows for P2P standard transfer transactions and additional, attractive features such as data storage, identify authentication, date and time stamps, a domain registry system, and the possibility to create new digital assets.

Due to the use of secure cryptography, **NEM** can be utilized for a diverse array of applications across a variety of different industries. These industries can include the financial and medical industries, as well as government and logistics.

Any individual or organization can use the **NEM** platform due to its high level of availability to make traditional processes more efficient and reduce costs.

NEM is very oriented for our uses and the possibility of running on third-party software. Its memory footprint is very small, making it light, as well as improving its ease of use and installation through a portable client (NanoWallet or iOS/Android) or even a traditional server (NIS Node).

Its features and contracts are proven and transparent with no need for developers to write complicated contracts from scratch. These facts made this ecosystem the only leading choice for implementing Blockchain applications in this early research and development stages of **Captive** and our Blockchain revolution.

After much research and development, we determined that **NEM** is a perfect fit and is a complete production ready Blockchain platform that has been tested by many companies and institutions.

TECHNOLOGICAL OVERVIEW

Q1 2019 Captive App Launch

App is live on Apple Store and Google Play Store. The first version of the app supports includes Account Creation, Account Recovery, Automated Welcome Email, and Augmented Reality (AR) Camera supports image scanning targets.

UI Design
- Create UI Design for Sign Up, Login and Forgot Password
- Design Buttons and icons for bottom menu
- Add Captive logo to Splash screen and app icon

Backend Application Interface (API) V1
- Requirek valid token authentication for backend API requests
- Supports password encryption
- Automated Email Module

Account Creation
- Process Sign up form
- Automated welcome email after sign up
- Verify email is unique

Account Recovery
- Send email to user with code to reset password
- Verify reset code and expiration date
- Allow user to enter a new password

Map Module
- Ask user for permission to use their Current Location
- Get user current coordinates
- Show a map near their coordinates

AR Camera Module
- Ask user for permission to use their Camera
- Scan Target Images with AR Camera
- Scan Captive coins with AR Camera

Q2 2019 Location-based AR Drops, Wallet, & Marketplace

Location-based AR Drops
- Use the Map Module to Show user Drops/Coins near their location
- List view of Coin drops near their location
- Use the AR Module to scan Drops/Coins around them

Marketplace Rewards
- Show current rewards available
- Allow users to redeem reward if they have sufficient coins
- Process and ship rewards

Share App to Friends Referral Program
- Let user share Captive app via Message, Web Link, Facebook or Instagram
- Track conversion rate of shared app
- Credit user coins for referrals

Wallet
- Generate QR code of User NEM wallet Address
- Show user current coin balance

Support, FAQs, & Privacy Policy
- Send user question to technical support
- Show FAQs with in the mobile app
- Let users see Privacy Policy

Q3 2019 User Profile, Friends, Improvements

Remote Push Notification
- Send notification via Apple's Push Notification service (APNs) for iOS
- Firebase Remote Push Notification for Android
- iOS Notification Badge

Android and iOS Upload Profile Picture
- Ask user for permission to access their photos
- Crop selected image for optimal speed
- Store photo in AWS S3

Q4 2019 AR Social Drops

Send your friends and family augmented reality gifts and messages.

Support for Login with Facebook
- Use the Official Facebook SDK
- Let user choose Sign in with Facebook at Login page
- Retrieve user email from Facebook profile

Support for Login with Google
- Use the Google Login SDK
- Let user choose Sign in with Google at Login page

Q1 2020 AR Wallets

Send captive tokens directly from the augmented reality view

Q2 2020 AR Commerce

View products and shop directly from the Captive AR commerce platform

Q3 2020 Multi-player AR Games

Multiplayer augmented reality games and join AR leagues

Q4 2020 My AR

Create your own augmented reality rooms and experiences

Q1 2021 AR Travel

Visit other users augmented reality rooms and experiences. Leave messages or gifts

Q2 2021 AR Encryption

Augmented reality experiences are encrypted

Q3-Q4 2021 AR Exchange

Trade assets via augmented reality

CASE STUDIES & USE CASES

Use Cases

Some brands are ahead of the curve and are already experienced with augmented campaigns and physical experiences to immerse customers in more compelling stories.

MTV

The MTV VMA's are used to raising the stakes. But historically, the production has relied on live performances and candid moments to hook viewers. This year, however, MTV decided not to rest on its laurels, and instead launched an aggressive augmented-reality based campaign to entice viewers before the big night. The network turned its iconic Moonman logo into an augmented effect that allowed fans to place images of themselves in the Moonman on Facebook.

National Geographic

National Geographic has built a media powerhouse by bringing every corner of the earth to life through bold, lifelike photography and videos. With augmented reality, National Geographic can take that one step further. The media company dipped its foot into augmented waters at the 2017 SXSW festival to promote its scripted Albert Einstein series, Genius. This new phase of the company's life presents an interesting challenge because the scripted television landscape is already overcrowded with quality narratives. To break through the noise and establish itself as a force out of the gate, National Geographic knew it had to make bold marketing plays. The augmented reality installation allowed festival-goers to essentially go into the mind of Albert Einstein by building out Einstein's mathematical theories virtually and mapping them to physical objects in the room, ultimately enabling visitors to interact with Einstein's ideas.

Adobe

Adobe's recent venture into the realm of augmented reality proves that this technology is more than a gimmick, it has the potential to instill real value for consumers and businesses, alike. Adobe's HoloLens developments showcased the ways in which augmented visualizations can overlay the actual in-store setting to offer more insight into who shoppers are and how they behave. The applications include data paths hovering above a store layout to illuminate common traffic routes and smart mirrors that instantly relay insights about which items are being tried on, which are being purchased, etc.

Apple

Apple's recently launched ARKit has given developers across the globe the tools to begin developing their own augmented reality experiences. By democratizing the augmented development process and giving more individuals the opportunity to create experiences for Apple's built-in user audience, the tech company has effectively expedited the impact of augmented reality on all of our daily lives. A wide range of voices all working toward creating more immersive experiences means that consumers will have a range of choices at their fingertips to begin entering the augmented era.

Tapping into augmented reality development platforms gives brands the agency to determine how to best bring experiences and stories to life for specific audiences.

USE CASES

Augmented reality and geo-tagging bring an exciting layer of information and user experience to the needs of consumers and businesses alike. Our AR platform is the engine that powers the world to create augmented reality experiences at scale. Our tech enables artists and developers to create cross-platform, engaging mobile apps while saving time, costs and effort. Developed and fine-tuned since 2011, our engine offers a complete toolset in delivering rich, dynamic content for both outdoor - GPS locations - and indoor – iBeacon devices. Coupled with a powerful back-end server, our engine provides full control over the app development stage, content delivery, and maintenance.

Our key user groups are diverse and our business is built to focus on the following customer avatars:

**BRANDY
THE BUSINESS**

**DANNY
THE DEVELOPER**

**MANNY
THE MARKETER**

**CINDY
THE CONSUMER**

BRANDY   Brandy owns a local coffee shop. She wants more customers to come to her store.

DANNY   Danny is a mobile app developer. He wants to make money developing great apps.

MANNY   Manny is a social influencer. He wants to monetize while providing great content to his fans.

CINDY   Cindy is an everyday consumer. She wants to save and find products that interest her.

Here are examples of how these users interact in our ecosystem:

1. Brandy can purchase and distribute tokens through an existing Captive app and have them dropped in front of her business.

2. Brandy can also hire Danny the mobile developer to build a unique experience using our AR plugin.

3. Then, she can hire Manny to promote the experience.

4. This brings Cindy to her business because she is incentivized by this fun new way to interact with brands and businesses. Cindy is happy because she is rewarded to engage with the business.

5. Brandy is happy because she can track user engagement and drive traffic to her front door.

6. Danny is happy because he just got paid for building a fun app.

7. Manny is happy because he uses his social influence to promote a business he believes in and gets paid to do it.

8. And everyone in our ecosystem wins.

TENTATIVE EVENTS

ROAD MAP

JUN 2019

Start Date: June 19, 2019
Location: Los Angeles, CA

AUGMENTED REALITY FOR MARKETING

Learn more about how brands are using Augmented Reality (AR) for marketing and PR.

JUL 2019

Start Date: July 28, 2019
Location: Los Angeles, CA

SIGGRAPH

An AR/VR event which focuses on computer graphics and interactive techniques.

AUG 2019

Start Date: August 13, 2019
Location: New York, NY

ELEV8

ELEV8's vision is that blockchain, cryptocurrencies, digital assets, and new emerging technologies create a more interconnected economic global ecosystem, working to eliminate barriers to growth and creating increased value for stakeholders across all industries.

SEP 2019

Start Date: September 23, 2019
Location: London, England

ELEV8

ELEV8's vision is that blockchain, cryptocurrencies, digital assets, and new emerging technologies create a more interconnected economic global ecosystem, working to eliminate barriers to growth and creating increased value for stakeholders across all industries.

OCT 2019

XRDC

Start Date: October 28, 2019
Location: San Fransisco, CA

Premier conference for AR, VR and MR innovators with a focus on use cases across a broad range of industries.

OCT 2019

XRDC

Start Date: October 29, 2019
Location: Las Vegas, NV

Executives, enthusiasts, and professionals from global enterprise companies, financial service providers, investment firms, traders, advisory & auditing institutions, a blockchain focused startups, academic institutions, government policy advisors, and application developers will descend on Las Vegas to discuss the most pressing topics facing our emerging industry.

NOV 2019

MALTA AI & BLOCKCHAIN SUMMIT

Start Date: November 7, 2019
Location: Malta

Bringing together thousands of investors and innovators in Blockchain, Artificial Intelligence, Quantum Technology, Big Data and the Internet of Things.

DEC 2019

ELEV8

Start Date: December 10, 2019
Location: Las Vegas, NV

ELEV8's vision is that blockchain, cryptocurrencies, digital assets, and new emerging technologies create a more interconnected economic global ecosystem, working to eliminate barriers to growth and creating increased value for stakeholders across all industries.

TENTATIVE EVENTS ROAD MAP

MEET THE TEAM

Da Phakousonh, 38
Co-Founder

Experienced Co-Founder with a proven history of working in the philanthropy industry and tech industry. Da has 15 years of experience in building companies. At the age of 22, in 14 months he helped to build an ad network of websites which brought in $2.2M in revenue through affiliate programs and ad placements. Indream Corp. and Nu Corp., two of his early companies, were part of the first 500 companies that helped beta test Yahoo Publisher when they acquired Overture. These companies were also early adopters of Google's Adwords and Adsense programs.

Da is an early cryptocurrency investor, miner, analyst, and blockchain enthusiast. He currently advises several blockchain companies. He believes that blockchain and cryptocurrency are more than a business. You are in actuality building an ecosystem and a community more than just a business. You are creating systems where the people control the trajectory of the business.

He was the Co-founder and CFO for SWCH, LLC and helped build the most robust marketplace for the vape industry. He is currently helping to take the company public.

He was the Co-founder of Kids Code Academy, a coding school that has taught hundreds of students how to code.

He founded Free Non-profit Marketing to help provide free marketing for non-profits. They build free websites and offer their marketing expertise for qualifying non-profits. He and his brothers helped start multiple coding non-profits: Coder Dojo OC and Gift of Code. Through these programs, they have taught thousands of kids how to code for free.

He is on the board of advisory for I'm Possible. Through I'm Possible he inspires children through motivational speakers, giving them the empowerment they need to overcome obstacles through determination, hard work, and focus.

"*Blockchain is the most disruptive technology of our times. What other technology has caused governments, banks and the wealthy to scramble to stop it. But in reality, all they can do is slow it down until they figure it out themselves. It's a revolution that is happening today without any violence or guns being drawn. It's a redistribution of wealth and power.*"

-Da Phakousonh

Andrew Medal, 35
Advisor

In his early career, he raised $2.3M and scaled a sports nutrition company to $60M. Since then he has gone on to build many other successful businesses, became a self-taught web designer and angel investor. He has consulted and worked with some of the biggest Fortune 500 organizations on the planet like the California Education Department, Procter & Gamble, Microsoft, IBM, Warner Bros, and Inc. Magazine by developing software and driving growth.

He has published thousands of articles as an expert contributor on Entrepreneur, Inc., The Next Web, and Forbes, and has a video show on Entrepreneur's 15m monthly viewership network where he interviews other ultra-successful entrepreneurs and influencers. Recent guests include DJ Khaled, Kym Gold (who co-founded and sold True Religion for $835M), Rich Antoniello (who co-founded and sold Complex for $200M+), Damon Dash (Jay Z's partner from Roc-A-Fella Records), and many more.

He's a contributor to Forbes, Inc., and Entrepreneur, and has been featured in Forbes, The Next Web, Inc., TIME, Fox, Fox News, and hundreds of others. He is a volunteer member of The Last Mile, which is a non-profit that teaches inmates in prisons how to computer program.

Dave Lee, 36
International Expansion into Asia

Dave has over 10 years of experience in trading commodities, project development and investments. He now also invests in innovative blockchain technology companies. Lee has managed over $400m in portfolio assets and has helped raise billions for various projects.

He conducts business in Korea, Japan, Hong Kong, Philippines, Singapore, Mongolia and the U.S.

"*Innovation is taking two things that already exist and putting them together in a new way. For the future of mankind, we must put our social system and technology to create a more stable, efficient, and unified system that improves our lifestyle, like the internet and mobile devices. That is the definition of Blockchain for me. A new system that improves our lifestyle in finance, businesses, and, ultimately, globalization of mankind.*"

Ouneheuane Phakousonh, 44
Chief Techonology Officer

Ouneheuane is the lead developer for Captive. He uses the NEM blockchain to help build the Captive ecosystem and marketplace. Ouneheuane have over 20 years experience in software engineering and has coded using many computer programming languages including PHP, Python, Java. Ruby of Rails, C++, Objective C, and JavaScript. He have worked with my databases including Oracle, SQL Server, MySQL, MongoDB, and different Blockchain platforms.

Ouneheuane started his professional career as Microsoft SQL Server database administrator at North America. He then worked for Robert Half International as an Oracle Database Developer. Ouneheuane was one of the early employees and Manager at Quest Software, an IT and database management software company. He founded a development firm that specializes in building web platforms and mobile applications.

Ouneheuane was also a Managing Director at PeopleSpace, a non-profit tech co-working space and incubator in Orange County, CA. He was also an instructor at coding schools for adults and for kids. Ouneheuane developed Vape Estate (formerly SWCH) a marketplace for vape products. He also developed Henry.tax - a platform that matches taxpayers with experienced tax advisors.

David Myung, 41
Chief Strategy Officer

Entrepreneurial professional with a multicultural experience in generating value-driven growth, strategic partnerships (domestic and foreign), and operational foresight.

A brand consultant and strategic planner specializing in startup brand management, and infusion of capital growth strategies. With over 15 years in import/export of manufactured goods, owner of a multi-location of franchise M&A, David is an experienced strategic operator in these elements:
- Establish overall direction for company growth and sales goals
- Develop and execute strategic planning guidelines to maximize company sales and profit
- Work closely with CEO/CTO, to bring value-driven goals that entice VC, Private Equity, and Private Family wealth offices.
- Manage new brand partnerships and explore strategic business opportunities
- Directed a companywide re-organization of existing teams, resulting in increased efficiencies, communication, teamwork, and productivity.

Ha Phakousonh, 36
Corporate Brand Synergist

With over 10 years experience in computer programming, Ha is passionate about developing platforms that will make an impact in people's lives. Ha is a co-Founder and program director at Kids Code Academy that teaches computer programming at various schools. He volunteers at Coderdojo and also teaches inner city youth how to code.

John "J-Walk" Walker, 36
Public Relations Specialist

Graduated from the University of Southern California, where he studied Communications "Gender & Ethnic Relations" and Exercise Science/Kinesiology. J-Walk also won 2 NCAA National Championships while playing on the USC football team and is a retired NFL veteran.

He currently owns multiplpe gyms and is an entrepreneur, consultant, philanthropists, motivational speaker, celebrity personal trainer, performance specialist, and life coach.

Leon "Roccstar" Youngblood, 29
Head of Brands and Partnerships

Leon is an American music producer, songwriter, recording artist and rapper. Youngblood has written and produced songs for artists such as Chris Brown, Rihanna, Post Malone, Usher, Rita Ora, Fergie, Prince Royce, Kendrick Lamar, J.Lo, and Melissa Etheridge. He wrote and produced a number of tracks on Chris Brown's album X, which was nominated for Best Urban Contemporary Album Grammy Award in 2014.

Eddy Souvannavong, 33
Creative Director

Throughout his career designing for over a dozen private labels, he's helped several small businesses develop and increase their brand awareness through creative imagery, marketing, and market-based designs. His vast portfolio consists of a wide range canvases from paper to walls, from digital to carbon. Eddy has also worked with several non-profits by volunteering and also donating personal artwork to several fundraisers like Legacies of War and Lao Heritage Foundation.

Sabrina Bing
Influencer and Brand Partnership Manager

Sabrina Bing is a popular model and social media influencer who is an mix of Chinese and Spanish. She has been published by various magazines both locally and internationally. Aside from modeling, she is a full time doctoral student and aspires to become a licensed psychologist by 2021. Moreover, she is an entrepreneur who owns a vape and a CBD company. She is the epitome of a triple threat: beauty, brains, and va big personality.

Thomas Campbell, 32
Telegram & Social Media Manager

Thomas uncovers buried potential by seeing both the big picture and the details. He is multiskilled and able to adapt, learn, and thrive in new conditions. Thomas has been involved with ecommerce for almost 10 years; and he has also designed and developed logos and websites, built (crypto) mining rigs and fast cars, and helped colleagues create positive energy and motivation. Emerging technologies and people are the center of his career focus. When he is not searching for hidden treasures, you might find him eating street food in Cambodia, taking selfies while parachuting, or driving your next Uber ride.

Sri Lakshmi Gurram, 25
Senior Developer

She is a Software Developer with expertise in web application development, mobile application development, operating systems software engineering, python web application development using Django, Machine Learning engineering, python code development for data wrangling techniques. She is Proficient in Java Web technologies and Versatile with Javascript and Python. She also works as a volunteer for a Non- Profit Organization, NASV(Native Americans of Silicon Valley) teaching web-technologies for Native American students.

Sathwik Nagulapati, 25
Software Developer

Sathwik is a recent Masters Graduate in Computer and Information Sciences. He worked for three years as a Software Developer in a Multi National Company in India and as a Mobile Application Developer for Baker Hughes, a GE Company. He is an expert in various Mobile Application development languages for both Android and iOS devices. He is also an expert in Cross Platform technologies such as Flutter and Xamarin. He worked on Google Cloud Platform, AWS and various Databases like MYSQL, SQL Server and MongoDB. He is skilled in Programming languages such as Java, Python, Dart, C# and JavaScript.

AS A COMPANY OUR GOAL IS TO COMPLETELY DISRUPT THE CURRENT MARKETING AND ADVERTISING INDUSTRY BY CHALLENGING OLD PARADIGMS OF MIDDLEMEN, AGENCIES AND BLIND FAITH ADVERTISING. TO DO THIS WE NEED TO BUILD EACH PART OF THAT ECOSYSTEM.

WE ARE CONSTANTLY EVOLVING OUR TECHNICAL FEATURES TO ADD VALUE TO OUR GROWING USER BASE AND CONTINUALLY ADVANCING OUR TECHNOLOGY. WE UNDERSTAND THAT FUTURE CUSTOMERS, USERS, TECHNOLOGIES, AND CAMPAIGNS WILL COME TO RELY ON OUR ABILITY TO REACT TO THIS EVER-CHANGING LANDSCAPE IN AN EFFICIENT STYLE.

TEAM OVERVIEW

THE SUCCESS OF A PROJECT IS MORE A PRODUCT OF A GREAT TEAM AND EXECUTION. THIS TEAM CONSISTS OF SEASONED ENTREPRENEURS UTILIZING COMBINED KNOWLEDGE IN MANY DIFFERENT RELATIVE INDUSTRIES, WHICH MARKS THE FOUNDATION FOR CAPTIVE'S SUCCESS. THE TEAM CONSISTS OF EARLY ADOPTERS AND CREATORS IN THE DIGITAL ADVERTISING SPACE, AUGMENTED REALITY SPACE, BRAND AND SOCIAL INFLUENCER MARKETING, AND AGENCY WORK. OUR TEAM HAS WORKED WITH MULTIMILLION DOLLAR AND BILLION DOLLAR BRANDS.

DISCLAIMER

DISCLAIMERS

Please read this Disclaimer section carefully. Please seek independent professional advice prior to acting on any of the information contained in this paper.

Captive Carats and Captive Coins ("Captive tokens") are tokens that will allow the User to access the service provided by the Captive platform. The Captive tokens do not have the legal qualification of a security since it does not give any rights to dividends or interests. The sale of Captive tokens is final and non-refundable. Captive tokens are not shares and do not give any right to participate in the general meeting of the Company. Captive tokens cannot have a performance or a particular value outside the Captive Platform. Captive tokens shall therefore not be used or purchased for speculative or investment purposes. Anyone purchasing Captive Carats expressly acknowledges and represents that she/he has carefully reviewed the Available Information and fully understands the risks, costs and benefits associated with the purchase of Captive Carats.

The following information may be incomplete and in no way implies a contractual relationship. While the authors make every effort to ensure that all information in this whitepaper and any and all information available on Captive, Inc.'s website, Website located at www.CaptiveApp.com and participating in the Captive token sale outlined in this Whitepaper is accurate, up to date, and in compliance with the requirements of applicable laws rules, and regulations, such material in no way constitutes professional advice. Captive, Inc. (the "Company") neither guarantees nor accepts responsibility for the accuracy, reliability, recency (as of this Whitepaper) or completeness of this content. Users intending to own Captive Carats or Captive Coins ("Captive tokens") should seek independent professional advice prior to acting on any of the information contained in this paper.

The Available Information (including the Website and this Whitepaper) is provided on an "as is" basis and without any warranties of any kind, either expressed or implied. You assume all responsibility and risk with respect to your use of the Available Information and ownership of any amount of Captive tokens and their use. If applicable law does not allow all or any part of the above limitation of liability to apply to you, the limitations will apply to you only to the maximum extent permitted by applicable law.

The Tokens are functional utility tokens designed for the Captive platform. The Captive tokens are not securities. If you purchase Captive tokens, your purchase cannot be refunded or exchanged. All company names and products are trademarks or registered trademark of their respective holders. Use of them does not imply any affiliation with or endorsement by them. The information in this document is subject to change or update without notice and should not be construed as a commitment by the Company.

REGIONAL RESTRICTIONS

Given the lack of crypto-token qualifications in most countries, each buyer is strongly advised to carry out a legal and tax analysis concerning the purchase and ownership of Captive tokens according to their nationality and place of residence.

NO ADVICE

No part of the Available Information should be business, legal, and financial or tax advice regarding the Company, the Captive tokens, the Token Sale or any of the matters to which all or any part of the Available Information relates. You should consult your own legal, financial, tax or another professional advisor regarding the Available Information. You should be aware that you might be required to bear the financial risk of any purchase of Tokens for an indefinite period.

LIMITATION OF LIABILITY

To the maximum extent permitted by applicable law, you hereby irrevocably and unconditionally waive: (i) all and any claims (whether actual or contingent and whether as an employee, office holder or in any other capacity whatsoever or howsoever arising) including, without limitation, claims for or relating to the excluded liability matters, any payment or repayment of monies, indemnity or otherwise that you may have against the Company or against any of the Company Representatives; and (ii) release and discharge the Company and all of the Company Representatives from any and all liability (of whatsoever nature or howsoever arising) it or they may have to you. If for any reason you hereafter bring or commence any action or legal proceeding in respect of any claim purported to be released and discharged pursuant to this paragraph or these Terms, or otherwise attempt to pursue any such claim against the Company or any Company Representative then you hereby irrevocably and unconditionally undertake to indemnify, and keep indemnified the Company and all Company Representatives fully on demand from and against: (a) All liabilities or losses suffered by the Company or any Company Representative; and (b) All reasonable costs, charges and reasonable expenses (including without limitation reasonable legal costs and expenses) reasonably and properly incurred by the Company or any Company Representative, in each case by reason of or in connection with the bringing or commencement of such action or pursuit of such claim by you.

If any provision or part-provision of this Disclaimer section is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this "Disclaimer" section shall not affect the validity and enforceability of the rest of this "Disclaimer" section.

FORWARD-LOOKING STATEMENTS, CAUTIONARY NOTES

All statements contained in the Available Information, statements made in any press releases or in any place accessible by the public and oral statements that may be made by the Company or the Company Representatives (as the case may be), that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. However, these terms are not the exclusive means of identifying forward-looking statements. All statements regarding the Company's financial position, business strategies, plans and prospects and the prospects of the industry which the Company is in are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Company's revenue profitability and growth, expected revenue profitability and growth, prospects, future, other expected industry trends and other matters discussed in the Available Information regarding the Company are matters that are not historical facts, but only estimations and predictions. The Company makes no representation or warranty on having made any predictions or estimates or expectations based on any formula, any mathematical or scientific modeling or forecast, or having made any due and proper inquiries or having undertaken any independent research or studies or otherwise. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual future results, performance or achievements of the Company to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. These factors include, among others:

(a) Changes in political, social, economic and stock or cryptocurrency market conditions, and the regulatory environment in the countries in which the Company conducts its business and operations;

(b) The risk that the Company may be unable or execute or implement its business strategies and future;

(c) Changes in interest rates and exchange rates of fiat currencies and cryptocurrencies;

(d) Changes in the anticipated growth strategies and expected internal growth of the Company;

(e) Changes in the availability and fees payable to the Company in connection with its business and operations;

(f) Changes in the availability and salaries of employees who are required by the Company to operate its business and operations;

(g) Changes in preferences of customers of the Company;

(h) Changes in competitive conditions under which the Company operates, and the ability of the Company to compete under such conditions;

(i) Changes in the future capital needs of the Company and the availability of financing and capital to fund such needs;

(j) War or acts of international or domestic terrorism;

(k) Occurrences of catastrophic events, natural disasters and acts of God that affect the businesses and/or operations of the Company;

(l) Other factors beyond the exclusive control of the Company; and

(m) Any risk and uncertainties associated with the Company and its business and operations, the Tokens, the Token Sale and reliance on all or any part of the Available Information.

All forward-looking statements made by or attributable to the Company or Company Representatives are expressly qualified in their entirety by such factors. Given that risks and uncertainties that may cause the actual future results, performance or achievements of the Company to be materially different from that expected, expressed or implied by the forward-looking statements in the Available Information, undue reliance must not be placed on these statements. These forward-looking statements are applicable only as of the later of the date of publication of the Whitepaper and the latest date that the Website has been updated. Neither the Company nor the Company Representatives nor any other person represents, warrants and/or undertakes that the actual future results, performance or achievements of the Company will be as discussed in those forward-looking statements. The actual results, performance or achievements of the Company may differ materially from that anticipated in these forward-looking statements. Nothing contained in the Available Information is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Company. Further, the Company disclaims any responsibility to update any of these forward-looking statements or publicly announce any revisions to these forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.

NO REPRESENTATIONS AND WARRANTIES

The Company does not make or purport to make, and hereby disclaims, any representation, warranty or undertaking in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy, and completeness of any of the information set out in the Available Information.

REPRESENTATIONS AND WARRANTIES BY YOU

BY HOWSOEVER ACCESSING AND/OR ACCEPTING POSSESSION OR COMMUNICATION OF ALL OR ANY PART OF THE AVAILABLE INFORMATION, YOU REPRESENT AND WARRANT (AND SHALL BE DEEMED TO REPRESENT AND WARRANT) TO THE COMPANY ON THE DATE OF SUCH ACCESS OR ON THE LATEST DATE ON WHICH YOU RETAIN POSSESSION OF ALL OR ANY PART OF THE AVAILABLE INFORMATION AS FOLLOWS:

(a) You are over 18 (eighteen) years of age;

(b) You agree and acknowledge that the Captive tokens do not constitute securities in any form in any jurisdiction;

(c) You agree and acknowledge that the Available Information (including the Whitepaper and the Website) does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities in any jurisdiction or a solicitation for investment in securities and you are not bound to enter into any contract or binding legal commitment and no cryptocurrency or another form of payment is to be accepted on the basis of the Available Information;

(d) You agree and acknowledge that no regulatory authority has examined or approved of the Available Information, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction and the publication, distribution or dissemination of all or any part of the Available Information to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;

(e) You agree and acknowledge that the Available Information, the undertaking and/or the completion of the Token Sale, or future trading of the Tokens on any exchange or market (regulated, unregulated, primary, secondary or otherwise), shall not be construed, interpreted or deemed by you as an indication of the merits of the Company, the Captive Tokens, the Token Sale or the Available Information;

(f) The distribution or dissemination of the Available Information any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions in relation to possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to the Company;

(g) You agree and acknowledge that in the case where you wish to purchase any Captive Tokens, the Captive Tokens are not to be construed, interpreted, classified or treated as:

(i) Any kind of currency or commodity;
(ii) Debentures, stocks or shares issued by any person or entity (whether the Company or otherwise);
(iii) Rights, options or derivatives in respect of such debentures, stocks or shares;
(iv) Rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss;
(v) Units in a collective investment scheme;
(vi) Units in a business trust;
(vii) Derivatives of units in a business trust;
(viii) Any other security or class of securities; or
(ix) Any type of investment (as such term is defined by the Financial Services (Investments and Fiduciary Services) Act 1989-47 of Gibraltar (as amended or reenacted from time to time) or as such term might be construed under similar legislation in any other part of the world);

(h) You are fully aware of and understand that you are not eligible to purchase any Captive Tokens or access the Available Information if you are a citizen, national, resident (tax or otherwise) and/or green card holder of a Restricted Jurisdiction or if you are a Restricted Person;

(i) You have a basic degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology, and smart contract technology;

(j) You are fully aware and understand that in the case where you wish to purchase any Captive Tokens, there are risks associated with:

      (A) the Company and its business and operations;
      (B) the Captive Tokens;
      (C) the Token Sale; and
      (D) relying or acting on all or any part of the Available Information;

(k) You agree and acknowledge that the Company is not liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, or loss of use or data, or loss of reputation, or loss of any economic or other opportunity of whatsoever nature or howsoever arising), arising out of or in connection with any acceptance of or reliance on the Available Information or any part thereof by you; and

(l) All of the above representations and warranties are true, complete, accurate and not misleading from the time of your last access to and/or possession of (as the case may be) the Available Information.

RISKS

You should carefully consider and evaluate each of the following risk factors and all other information contained in this white paper before deciding to purchase Captive tokens. To the best of the Company's knowledge and belief, all risk factors, which are material to you in making an informed judgment to participate in the Token Sale, have been set out below. If any of the following considerations, uncertainties or material risks develop into actual events, the business, financial position and/or results of operations of the Company and the maintenance and level of usage of the Captive Tokens could be materially and adversely affected.

Regulatory actions could negatively impact the Captive tokens and the Company's offering in various ways, including, for example, through a determination that the Captive tokens are regulated financial instruments required to be registered with the appropriate regulatory agency. Any of these outcomes could prevent the company from fully developing the Captive platform, tokens and other offered services.

The Company believes that it is not a money transmitter ("MT") or a money services business ("MSB"). If the Company was deemed to be a MT and/or MSB, it would be subject to significant additional regulation. This could lead to significant changes with respect to the Company's platform, how the Captive tokens are purchased and utilized, and other issues, and could greatly increase the Company's costs in creating and facilitating transactions involving the Captive tokens within the Captive platform. It could lead to the termination of the Captive tokens. Further, a regulator could take action against the Company if it views the Captive tokens and the Company's platform as a violation of existing law. Any of these outcomes would negatively affect the utility of the Captive tokens and/or could cause the Company to cease operations.

Prior to the Token Sale, there has been no public market for Captive Tokens. Although the Company may use reasonable endeavors to seek the approval for the availability of the Captive tokens for trading on a cryptocurrency exchange or market, there is no assurance that such approval will be obtained. Furthermore, even if such approval is granted by a cryptocurrency exchange, there is no assurance that an active or liquid trading market for the Captive tokens will develop, or if developed, will be sustained after the Captive tokens have been made available for trading on such market. There is also no assurance that the market price of the Captive tokens will not decline below the original or issue purchase price (the "Purchase Price"). The Purchase Price may not be indicative of the market price of the Captive tokens after they have been made available for trading on a market. A Captive token is not a currency issued by any central bank or national, supra-national or quasi-national organization, nor is it backed by any hard assets or other credit nor is it a commodity in the traditional sense of that word.

The Company is not responsible for, nor does it pursue, the circulation and trading of Captive tokens on any market. Trading of Captive tokens will merely depend on the consensus on its value between the relevant market participants. No one is obliged to purchase any Captive tokens from any holder of the Captive tokens, including the purchasers, nor does anyone guarantee the liquidity or market price of Captive tokens to any extent at any time. Furthermore, Captive tokens may not be resold to purchasers who are citizens, nationals, residents (tax or other-wise) and/or green card holders of Restricted Jurisdictions or to Restricted Persons or to purchasers in any other jurisdiction where the purchase of Tokens may be in violation of applicable laws. Accordingly, the Company cannot ensure that there will be any demand or market for Captive tokens, or that the Purchase Price is indicative of the market price of Captive tokens after they have been made available for trading on any cryptocurrency exchange or market.

Acquiring Captive tokens and storing them involves various risks, in particular the risk that the Company may not be able to launch all anticipated operations and develop its blockchain and provide all the services promised. Therefore, and prior to acquiring Captive tokens any user should carefully consider the risks, costs and benefits of acquiring Captive tokens, and, if necessary, obtain any independent advice in this regard. Any interested person who is not in the position to accept or to understand the risks associated with the activity (incl. the risks related to the early-stage development of the Captive platform) or any other risks as is indicated www.Captiveapp.com indicated in the Terms & Conditions of the crowd sale should not acquire Captive tokens.

Cryptographic tokens such as the Captive tokens are a relatively new and dynamic technology. In addition to the risks included in the above discussion of risk factors, there are other risks associated with your purchase, holding, and use of the Captive tokens, including those that the Company cannot anticipate. Such risks may further appear as unanticipated variations or combinations of the risks discussed above.

On concluding the Commercial Operation, these tokens will be issued by a technical process referred to as a «Blockchain». This is an open source IT protocol over which the Company has no rights or liability in terms of its development and operation. Purchasers of Captive Carats and Users acknowledge and understand, therefore, that the Company (incl. its bodies and employees) assumes no liability or responsibility for any loss or damage that would result from or relate to the incapacity to use Captive tokens, except in case of intentional misconduct or gross negligence.

Captive is based on the NEM protocol. Therefore, any malfunction, unplanned function or unexpected operation of the NEM protocol may cause the Company's network or Captive App to malfunction or operate in a way that is not expected. XEM, the native NEM Protocol account unit, may itself lose value in a similar way to Captive, and also in other ways.

CAPTIVE APP

A U G M E N T E D · R E A L I T Y

To fuse augmented reality and blockchain to
give brands and creators the captivating
power to develop unrivaled
user experiences.

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