SOCIALCHAINS – INTRODUCTION

CONNECTING **REAL PEOPLE** WITH
REAL OPPORTUNITIES FOR **SOCIAL GOOD**

SOCIaL CHaINS

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https://socialchains.io

CONTENTS

"Human beings are born solitary, but everywhere they are in chains - daisy chains - of interactivity. Social actions are makeshift forms, often courageous, sometimes ridiculous, always strange. And in a way, every social action is a negotiation, a compromise between 'his,' 'her' or 'their' wish and yours."

Andy Warhol

MARKETSPACE

The problem

Social networks have gone beyond sharing vacation pictures. They function as market places, offer financial services, provide social outreach, are gaming sites, and connect their users as never before.

The big social networks were not built to provide all the services they expanded to do. It is very easy for people to fake their identities. For example, romance crimes, which rely heavily on fake social network identities and financial transactions, are the second-largest online crime in terms of monetary damages. According to FBI agent Nick Savage in a 2018 ABC News interview, people get caught in these scams because they are so interwoven into our daily needs. "Intelligence has nothing to do with this. It's Need. Driven. Behavior."

Not a day goes by without the news media mentioning how BigTech circumvents privacy

Sometimes, user transactions such as shopping or transferring money have fees attached. They enrich the social network and its business partners. But not its users. Besides, users have their data sold out from under them in vast and unregulated moneymaking schemes.

What customers want

Three years ago, SocialChains was created in response to a fundamental lack of trust. A world where fake and fraud are the new norm. Where social value is grabbed by a dominant few. And where user data is being exploited. Back then, our experience with digital media and advertising gave us insight into the issues that are mainstream today.

Interacting with our users, we have learned how to solve this pain point; distrust that is so great that people avoid using social networking and online transactions. We built a

safer, ethical social economy network allowing regular people to do what they need to do. To directly benefit from any social or commercial transaction on our network.

What regulators want

The issue with identity has become so bad that international action is being taken against social networks. They have become a major outlet for organized criminal activities using false identities. These activities range from scams to illegally swaying elections in countries around the world. Users have become aware of the gravity of this issue through intensive media coverage.

"The concerning part, though, is that this regulation, if it is upheld, would theoretically be crippling to Facebook's business. There's a technical component: A lot of people sign up for Instagram with their Facebook account, for example, or see ads on Instagram because of activity from their Facebook profile. Uncoupling all of Facebook's apps would be a technical hurdle, to say the least."

-Kurt Wagner, Recode 02/07/2019

But, despite growing actions against social networks to stop criminal activity, it may be the rampant data collection that causes these networks to collapse on themselves. Recently, Kurt Wagner of the online news site Recode published on how the current enforcement of regulations to protect privacy may be the undoing of traditional network models of data harvesting and fake identities.

SocialChains in the marketspace

SocialChains will use its safe, commerce, and social functions to be a new social economy platform; we envision many uses cases for both consumers and businesses as illustrated in **Figure 1**.

Initially, we are focused on influencer marketing to students through local-level businesses and financial institution partners. We want to have local businesses work with our economic system to enable everyday transaction needs like groceries and laundry. We have also identified special customer segments. Students, especially international students, have needs for micro-transactions and micro-loans for a variety of situations. Today, they have few options other than undesirable predatory payday or emergency loans.

Once a person's identity is validated by our proprietary SocialChains technology, many opportunities are open. For example, the "gig economy" of small job hiring is safer and more fluid for both parties (compare to the dangers of hiring a scammer off Craigslist!) As our platform gains momentum, we expect to develop partnerships to develop vertically integrated solutions; e.g. for private communities or online dating. Solutions can be marketed and purchased through an Application Store in the future.

How SocialChains interacts with users

Unlike other social media platforms (both established and start-ups), our solution starts with the user first. We do not believe in exploiting users' data nor do we think that the right to user privacy is a 'grey area' that can be circumvented for advertisers. Our core values are clear and straightforward. We also offer users privacy rights that exceed GDPR (General Data Privacy Rules) of the European Union and Economic Area's stringent privacy regulation. For example, even our platform cannot access user data without express permission. This is enforced through smart contracts. And finally, all users are verified to participate in the platform economy on our network so they can trust each other. This creates an intrinsic circle of trust that allows both social connections and commercial transactions to flourish on our network. Our principles:

- • Make every user a stakeholder
- • Respect privacy without compromise
- • Ensure that every user is verified

At the outset, our platform awards users for their time by offering tokens. We will also share a significant portion of our profits with our users as shown in Figure 2.
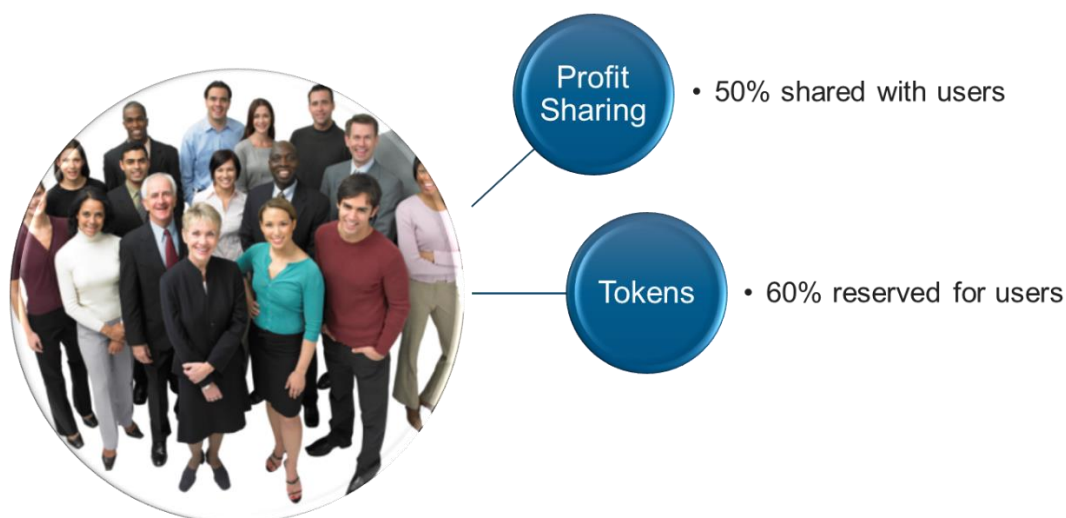

Figure 2: How users can monetize their participation

While the term 'user' often implies an individual consumer; in our vision, it also extends to businesses. We believe that local and small businesses deserve a voice as both partners and users. Offering a circle of trust with verified users on our platform levels the playing field for them to participate in a fair share of the local economy even though they do not have the capacities of larger competitors.

Our circle of trust has another advantage in our strategy. Since everyone on the network is verified, it encourages adoption by governments like China and India that have hitherto restricted cryptocurrency because of fears of abuse through anonymity.

SociaChains currently offers users the ability to use match the functions of traditional social networks. Users can post, share, comment, and upvote/downvote posts; Share photos; Connect to friends; Schedule meetups and appointments; Receive notifications; View newsfeeds; and Encourage friends to join; among other features that we have come to expect from a social media platform.

Soon, we will introduce true peer-to-peer "EZcommerce" that allows individuals and/or businesses to transact with each other leveraging our blockchain infrastructure.

GROWTH PLAN

As shown in **Figure 3**, our initial focus is on English speaking countries, primarily in the US and India. We are also targeting youth for a variety of reasons:
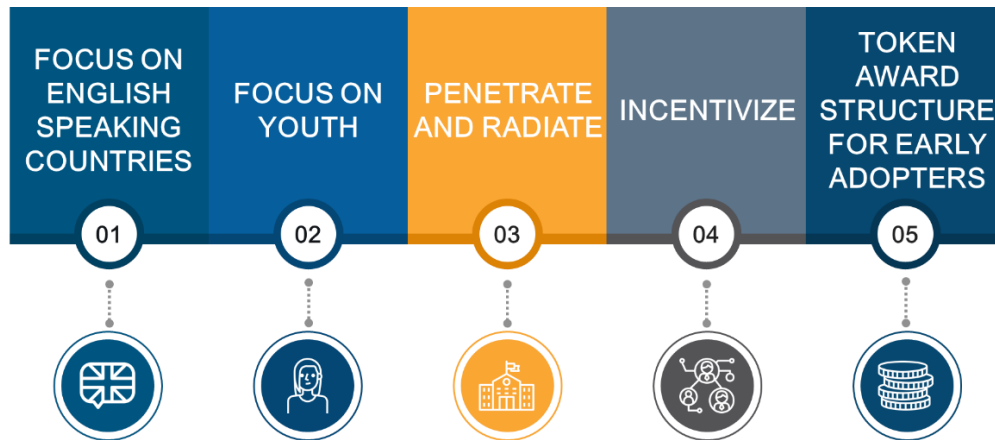

FOCUS ON ENGLISH SPEAKING COUNTRIES	FOCUS ON YOUTH	PENETRATE AND RADIATE	INCENTIVIZE	TOKEN AWARD STRUCTURE FOR EARLY ADOPTERS
01	02	03	04	05

Figure 3: Strategy for User Growth

- This demographic is willing to try new things
- There is increasing negativity about Facebook and others, so they are looking for alternatives.
- Finally, the youth tend to go through multiple life events in a short period of time – from entering college, to graduating, to getting married, and starting a family. Each of these transitions represents significant business opportunities to make new connections, as well as drive more commercial transactions.

To kick things off, we are actively onboarding community managers with experience in viral marketing and community engagement. We have been able to successfully recruit these individuals through tokens as incentives.

We plan to grow our user base by using two key levers – the community managers, as well as micro-influencers. In parallel, we will be onboarding local businesses by offering them the benefit of a verified, local user base. We will be leveraging our KYC (Know Your Customer), facial recognition technology. To foster commercial growth, we will enable our permission-based ad platform and email marketing capability.

HOW DOES SOCIALCHAINS MAKE MONEY?

Permission marketing

Users as stakeholders of the platform provide their wants and needs in the interest section of the platform (*e.g.,* Lisa wants to buy an Audi. And Stephanie wants a travel package to Hawaii from Houston for two adults and two children between the dates of March 1st and 15th of 2019). When users explicitly share their intent, it has three-fold benefits: For users, it saves them time from searching for deals. SocialChains proprietary algorithms take care of searching for the best, "most situationally relevant" deals and proposing them to users *with their permission*. *No user data is ever shared, period*. For businesses, they save time and money with high-value leads that have high propensity to buy. For advertisers, they no longer must resort to 'spray and pray' – and for that, they are willing to pay a premium to SocialChains and collect more revenue from their business clients.

B2C email delivery

Advertisers are willing to pay huge sums for TV ads. But they treat email as a commodity – they expect users to read their emails for free just because they have brought lists of users' email ids. This has never worked; and in fact, spam has increased exponentially. The email marketing model is broken. Isn't it time that marketers should start paying users for reading their email advertising? SocialChains provides a win-win proposition. SocialChains' users only receive emails in their inboxes for which they have given explicit permission – by indicating an intent. We expect businesses to pay for emails that are opened by users, and not resort to 'click bait' tactics. And, of course, users are encouraged to directly contact the business if they like a product or service.

Other revenue streams

Additionally, we also expect to collect revenue by leveraging our KYC platform; as well as through peer-to-peer EZcommerce facilitated through our blockchain implementation, and custom, vertical applications built on our platform.

TEAM

SocialChains is blessed with a team of great minds that is creative, innovative, experienced and seasoned with an extraordinary ability to deliver impactful results. In our journey together, we have learned valuable lessons.

As an example, our AI based facial recognition was failing 90% of the time when used by users in India. We weren't disappointed or started blaming each other. Instead, we had a code lockdown. We analyzed each line and found there was nothing wrong. We then went back to our partner company that provided the verification API and asked them to test with us. This improved our overall solution. We are proud of the way we worked as a team in partnership with our users. Together, we found a better solution than we started with.

Our founder Srini Katta is a serial entrepreneur and an expert in CRM, Blockchain and AI. He is a well-known speaker on these subjects. For example, in November 2018, Srini Katta was invited as part of the U.S. Delegation to China where he spoke about AI and Blockchain Applications in three cities. Srini is joined by Padmanand Warrier ("Pad"), who has a 360^0 experience in product management from chips to cloud at both large enterprises and startups. We also have a development and support team at our development center. Complementing our team is an active advisory board that advices us across a range of technology and business issues.

SRINI KATTA
Founder & CEO
Successful at multiple startups and exits

PADMANAND WARRIER
Head of Product
360^0 "Chips to Cloud"
Product Management

JOMARI PETERSON
Crypto Economy Strategist
Blockchain Protocol

ANDREW NOBBAY
Finance & Platform Strategy

ANIRUDHA PANGARKAR
Corporate Strategy

CHARLIE LINDAHL
AI & Cybersecurity

SANDEEP TYAGI
Advisor Funding

KEVIN WILSON
Technology

CONCLUSION

Thank you for your interest!

Remember when Apple's Steve Jobs gave his new product introduction presentations with a dose of extravaganza, grandiosity and showmanship? He would frequently sprinkle superlatives and hyperbole into his descriptions of his exciting new products and services with terms like amazing, fantastic, incredible, wonderful, most powerful, highest quality and others. Current CEO Tim Cook continues that tradition of shall we say, "grand language." This confidence is rooted in their DNA of always being "customer-centric".

We certainly cannot (and should not) even consider using use those superlatives until we at SocialChains start achieving levels of success that warrant and justify their initial and perhaps subdued use. But, as users, you can rest be assured we are also customer-centric — that our team, as it grows with a culture saturated with creativity and continuous learning and improvement for our users as stakeholders — will strive to work harder, smarter, longer, better and with more imagination.

You'll be part of our grand vision, our solid progress to date, our confident and highly competent team, and our game-changing plan — all fueled by our limitless dedication, persistence, and optimism. Now, if that sounds like 'grand language' we stand by it! If you're as excited as we are to start a new social movement, then invite your friends to join. And play an active role in shaping our product. We hope you do!

DISCLAIMER

Purpose of this document

The purpose of this document is to share information about the operations of SocialChains, Inc., a global social network, and to introduce SocialChains Token ($SOCT), as the recipient considers participation in the sale of $SOCT. There is sensitive information enclosed, and it is expected this packet will be used solely for the purpose above. It is not for public consumption or consideration.

The sole purpose of this White Paper is to provide relevant and reasonable information for those qualified readers who may determine to more thoroughly analyze SocialChains and its related tokens. This White Paper is informational only; not a solicitation, nor a contract; neither an offer nor sale of any product or security. It is merely descriptive, binding on none possible basis for any liability of commission or omission. It makes no representations.

It merely describes a prospective potential start-up venture in which the reader may become more interested. Necessarily, therefore, the statements herein are speculative, forward-looking, by no means exhaustive, not intended to be relied upon for any reason other than familiarizing the reader with general concepts and perspectives relating to a prospective potential start-up and its proposed business model. Nothing described in this White Paper is security required to be registered under the securities laws of the United States, any State thereof or any other jurisdiction.