

# Blockchain Social Network



## monoreto

White Paper

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## Background for Creating Monoreto

Data for January 2018 shows that 2.5 billion people on Earth use social networks every day and post a variety of content ranging from text and photographs to comments and likes.

Social network users can be sorted into three categories:

- Professional bloggers, opinion makers, photographers (when creation of content is a source of professional income)
- Regular users who post quality content but don't have the opportunity to monetize it
- Regular users who do not create quality content (or any content at all) but make use of someone else's product (photographs, posts, comments)

Only a small percentage of users, those included in the first category, are able to monetize their publications by cooperating with brands and companies that promote their services. A significant number of social network users that create high quality and popular content don't have the opportunity to make money from it (the second category). What happens is that the content earns money for the companies that own the social networks as opposed to the creators themselves. This is how Facebook's market value has reached \$350 billion to date and continues to grow first and foremost because of user content.

The overwhelming number of social media users is the audience (the third category). They usually do not create their own content but actively use social networks, ranking and commenting on content posted by others and also communicating with each other. This is the audience that creates the added value of a social network as a product.

## Project Ideology

Each of these user categories needs to have several important psychological and economic attributes:

- Creative fulfillment
- Compassion
- Recognition of talent and professional skills
- Earning income

Our product has been designed to solve the problems had by all three social network user categories. The Monoreto team offers an innovative platform that help all its users earn from using it. Monoreto is a blockchain-based social network where everyone can get rewards for their unique content. How? It's all very simple. Every like will bring the creator of the photo or video liked at least 5 cents in Monoreto tokens.

Professional bloggers will easily be able to join our social network and earn additional money and users who create quality content but have not received any monetary reward for it can start getting a regular monthly income. Monoreto encourages people to create quality photo and video content and enables talented users to earn from what they produce and be motivated to create more. The most popular content will be highlighted in the Monoreto newsfeed and allow content authors to expand their audience.

Monoreto will help raise funds for charity. For the first time, likes can end up helping save someone's life or make their dreams come true! The platform can also help raise money to implement business ideas.

Our team is also developing a mechanism for Monoreto users to easily publish their Monoreto content on other social networks (Instagram, Facebook, etc.) with a single click. We understand that it's hard to abandon other social networks. That's why we are trying to simplify this process as much as possible and create additional value through income generation.

### **Why would a user pay to like photos?**

Liking content published on the social network rewards and promotes the author of that content and promotes his account in the newsfeed. The more likes a user gives, the higher his photos will be displayed in the feed.

In liking content, every user participates in a competition of predictions. Victory or a high ranking will guarantee a solid cash prize. Predictions are accepted in every category that content on Monoreto is divided. The top winners (those who have given the highest number of likes) in each category will receive prizes.

Monoreto will make it possible to effectively promote brands and companies. Annoying ads won't be needed anymore! Now all that needs to be done is to post quality content in relevant categories and attention from users participating in the prediction contests is guaranteed. Promotion can also be paid for by tokens.

If a user wants, his like can cost more than 5 cents. The higher the cost of the like, the higher the value of the like.

### **Why does Monoreto need blockchain?**

First and foremost, it will avoid inflation of tokens by limiting the number of them. Secondly, it will ensure security and transparency of the social network and transactions that take place on it.

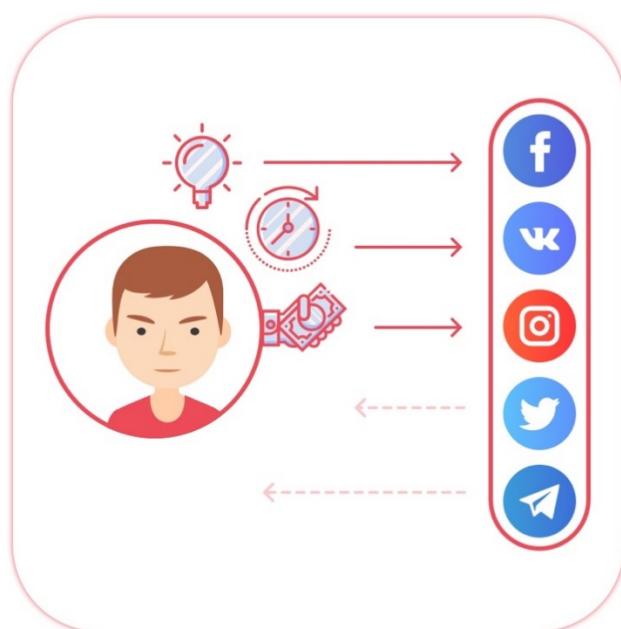
## Description of Problems for Social Network Users

**The biggest problem of existing social networks is their “ungratefulness” for the efforts made by ordinary users that create content.** On existing social networks like Instagram, Facebook, Reddit, Twitter, VK, and many others, users generate quality and unique content without any compensation at all. No users of these popular social networks get rewarded for their content by the network or other users.

Monetization of content through advertising is usually done by hyped bloggers and photographers who decide which advertisers to cooperate with as well as new authors who advertise questionable goods and services to earn money.

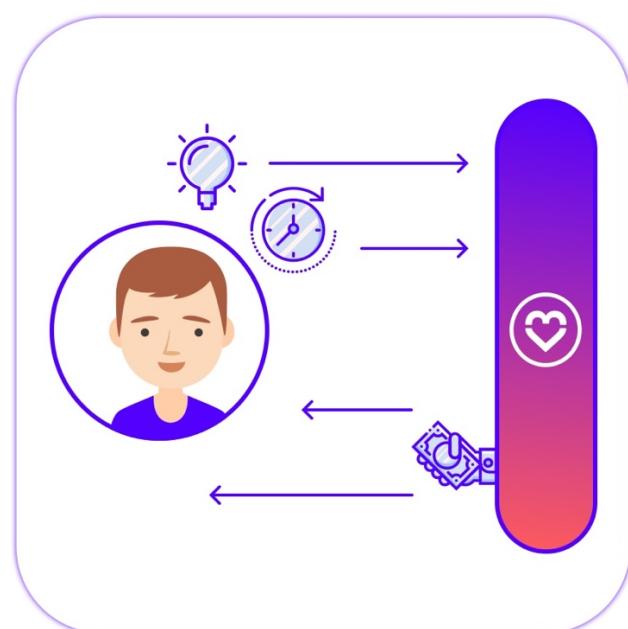
The structure of most social networks does not value the idea of likes as promotion of the content’s author. This leads users to like things even when they don’t really like the photo or video and also like things for the sake of attracting new followers. But even if the like is legitimate, it still doesn’t bring direct benefit to the author.

### Problem



**Centralized social networks do not monetize the content of their users**

### Solution



**User receives MON-tokens for each like got!**

To solve this problem, a team of specialists has developed the innovative Monoreto platform. Monoreto is a social network that:

- Gives every user the opportunity to earn from posting photos and videos
- Increases the significance and value of likes and improves the overall quality of content
- Reduces the need for blogger ads as a monetization method
- Makes fake likes and bots unprofitable

The cost of a like in MON tokens will be the U.S. dollar equivalent of 5 cents. If the user wants to thank the author of the content with more than the equivalent of 5 U.S. cents, it will be possible to transfer a greater number of MON tokens with the like.

All MON token transactions will be made using special wallets that are connected with personal user accounts. It will be possible to convert received MON tokens to major cryptocurrencies (Bitcoin, Ethereum, and others) in the wallet. Conversion from major cryptocurrencies to MON tokens will also be possible in the wallet.

**The social activity of existing social network content users is not currently encouraged at all.** The majority of social networks have an exclusively one-sided type of user interaction:

- If a user likes something, it is free support for the author who doesn't have reverse feedback
- If the author is famous, desire to further promote the author is reduced because of the volume of likes that have already been received
- When 1 like = 5 cents in tokens, this problem becomes greater since real money that the user will have to part with is being deducted

To solve this problem, a team of experienced Monoreto specialists decided to base their product on a simple and understandable mechanism to promote giving likes. The main point is that **both content creators and users get benefits**. The more likes the user gives, the higher his own rating on the user chart becomes.

A low cost for likes allows people to do what they "like" and also gives them something to compensate for the fact that they are transferring money to do so.

**Another serious problem faced by social media content users is the high number of advertisement posts.** Young audiences strive to search out information on their own and are thereby annoyed by excessive advertising.

A survey conducted by Harris Insights & Analytics (Harris Poll) shows that in the 16-19 and 20-39 age groups, 74% of people don't want to see messages from brands in their newsfeeds.

Over a half (56%) cut back social network activity or stopped using services altogether on account of excessive advertising.

The authors of this research say that direct targeting through advertising on social networks leads to a loss of users. A more effective way of reaching the audience is a basic presence on the most popular platforms.

In order to solve this problem, the Monoreto network will help talented authors break free from dependence on advertising. If content popularity is sufficiently high, authors will get a large number of monetized likes. This will promote relations between content makers and followers and increase audience loyalty as a result of the reduction in annoying advertisement posts.

**Content theft** on social networks is a problem specific to the past decade. Copyright owners of music, films, photos, and books are all faced with the fact that it is not that easy to remove their materials that have been uploaded to social networks. The situation became particularly heated when it became possible to earn money from this material and create public pages and groups. As a result, content theft on social networks reached mass proportions.

There are many public pages with millions of followers that contain news that has simply been copied from other communities and photos stolen from the original author without mention of him. The issue of public pages and individual users being promoted at the expense of other groups and users is so widespread that no one pays attention to it.

When monetizing likes becomes possible, this problem will become more serious because:

- The rightsholder might not get revenue from his own product
- There is a possibility that a user who wants to support a creative person he likes will end up dealing with a scammer, be disappointed, and refrain from supporting others in the future

**In order to solve this problem, the Monoreto team will develop an automated mechanism to check content uniqueness when it is uploaded to the social network.**

**The Monoreto team is creating the world's first generous social network for every user on the planet.**

## Overview of Social Networks (Facebook and Instagram)

Statistics shows that the two most popular social networks in the world are Facebook and Instagram.

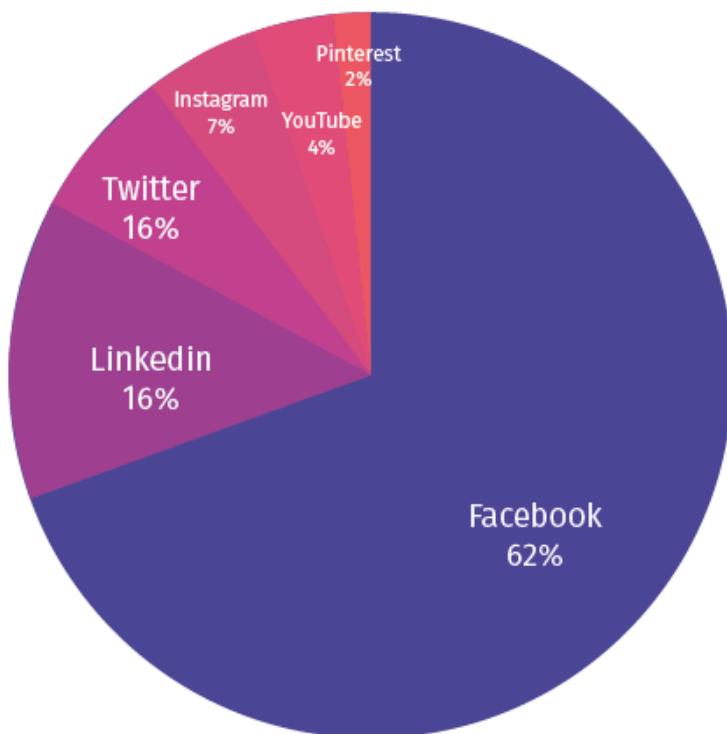
	Snapchat	Twitter	Instagram	WeChat	YouTube	Facebook
People /month	255 million	328 million	800 million	889 million	1.5 million	2.2 million

**Table 1. Number of active users per month on leading platforms.** Source: TechCrunch, companies listed

The comScore portal reveals that users visit their Facebook pages eight times a day on average. Moving along the statistics, we see that, on average, Instagram is checked six times, Twitter is checked five times, and Facebook Messenger is checked three times.

Data from the Social Media Marketing Industry Report 2018 indicates that Facebook and Instagram are the main social platforms used by businesses and demonstrated positive dynamics in 2017 compared to 2016.

About two thirds of entrepreneurs (62%) choose Facebook as their main platform for doing business. It is followed by LinkedIn (16%), Twitter (9%), and Instagram (7%).



#### **Change in 2017 indicators compared to 2016 (Figure 1):**

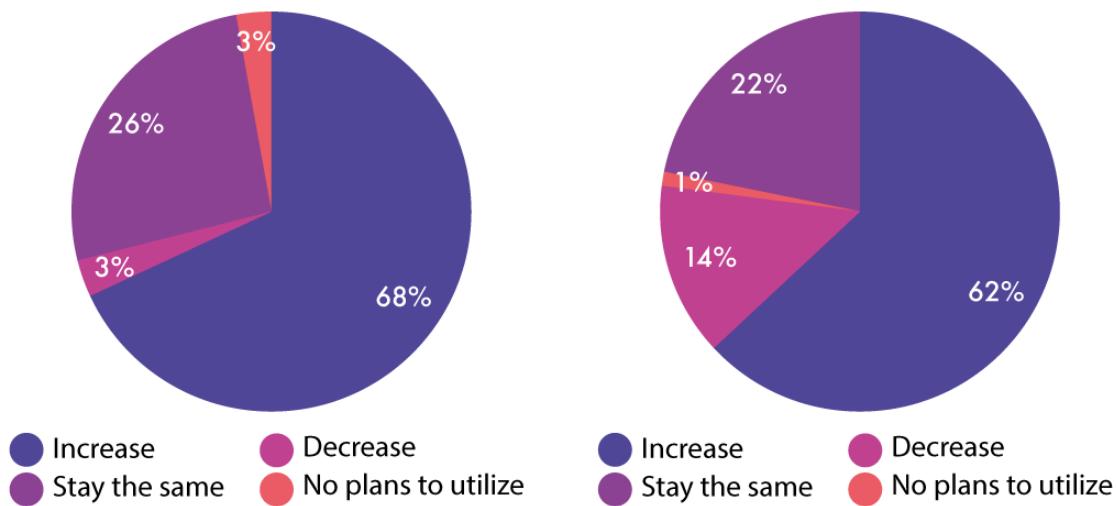
**Figure 1. Percentage of social media platforms used by businesses.** Source: Social Media Marketing Industry Report, 2017 (Social Media Examiner)

- Use of Facebook grew from 55% to 62% in 2017
- Use of LinkedIn fell from 18% to 16%
- Use of Twitter fell from 12% to 9%
- Use of Instagram grew from 4% to 7%, overtaking YouTube;

Statistics for YouTube and Pinterest remained unchanged.

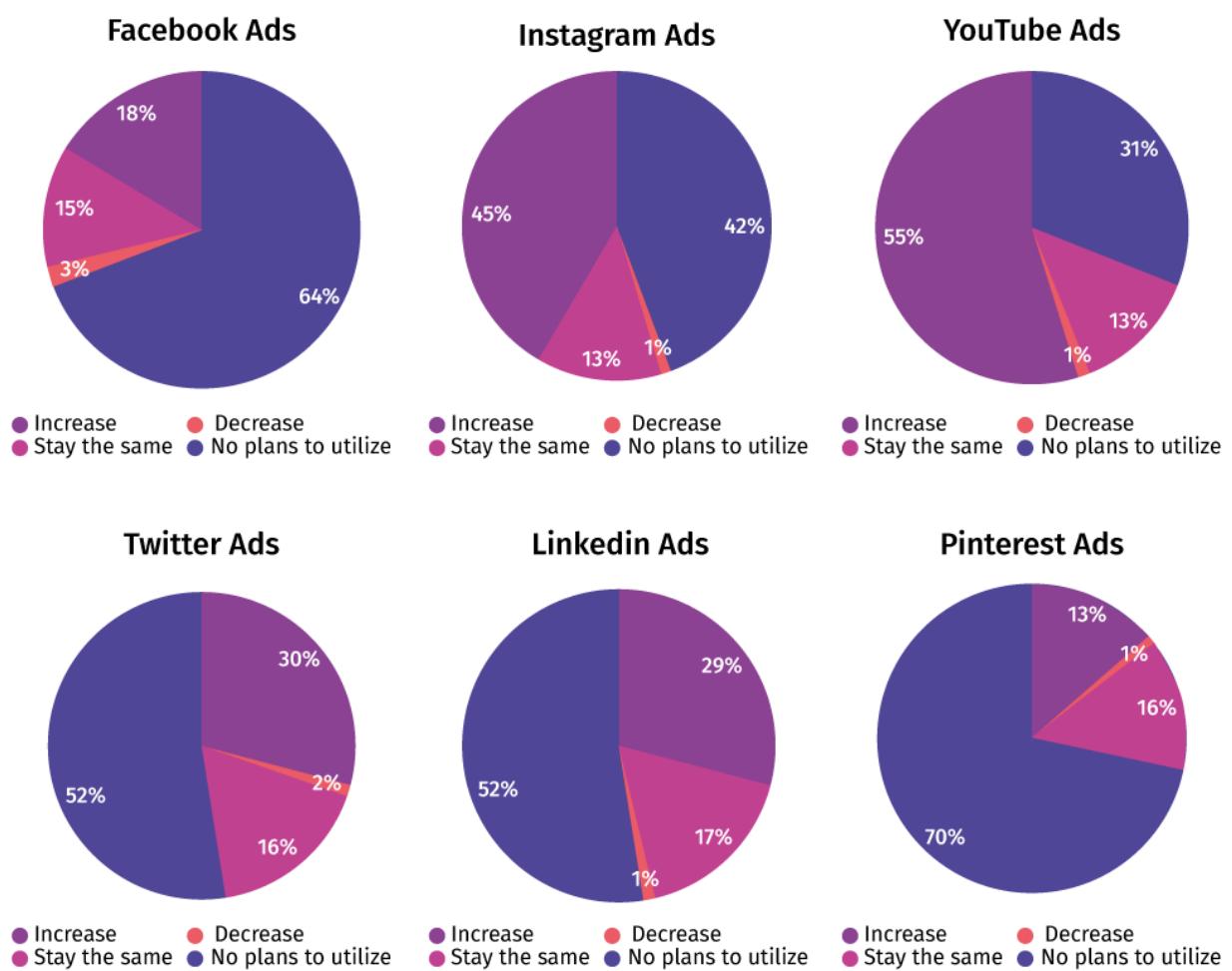
**Entrepreneurs plan to further increase business activity on Facebook and Instagram in 2018.**

Growth in advertising activity is expected to be 64% on Facebook, 42% on Instagram, 31% on YouTube, 30% on Twitter, and 29% on LinkedIn.



**Figure 2. Growth of business activity on Instagram.** Source: Social Media Marketing Industry Report, 2017 (Social Media Examiner)

**Figure 3. Growth of business activity on Facebook.** Source: Social Media Marketing Industry Report, 2017 (Social Media Examiner)



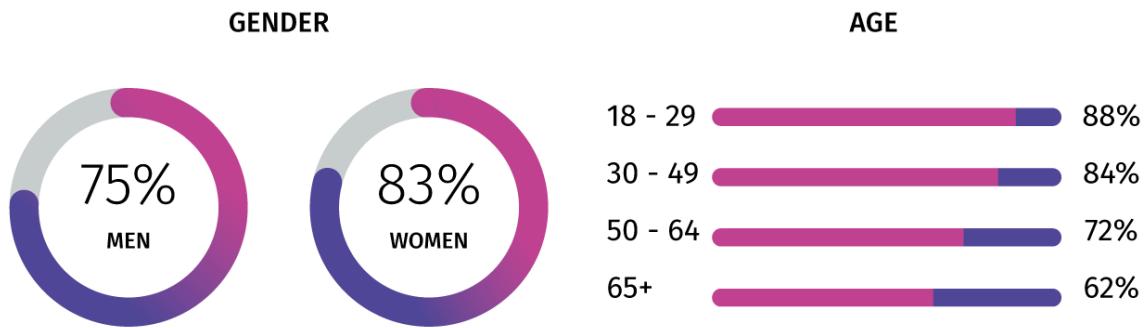
**Figure 4. Percentage of social platform advertising activity dynamics.** Source: Social Media Marketing Industry Report, 2017 (Social Media Examiner)  
: Social Media Marketing Industry Report, 2017 (Social Media Examiner)

### Facebook. 1 billion active users per day.

Data collected by the Pew Research Center shows that Facebook is used by 83% of women and 75% of men. People aged 18 to 29 are Facebook's most common users and people 65+ are the least common users.

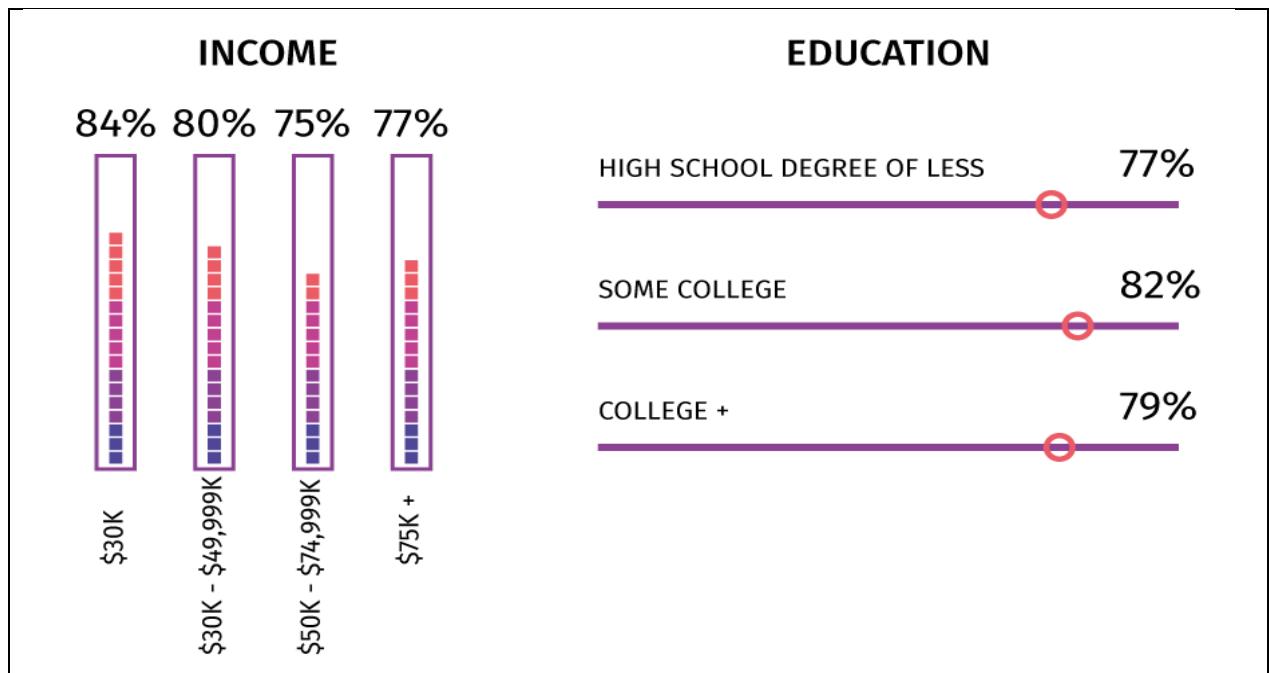
Facebook's age groups are broken down as follows:

- 88% of users between the ages of 18 and 29
- 84% of users between the ages of 30 and 49
- 72% of users between the ages of 50 and 64
- 62% of users aged 65+.

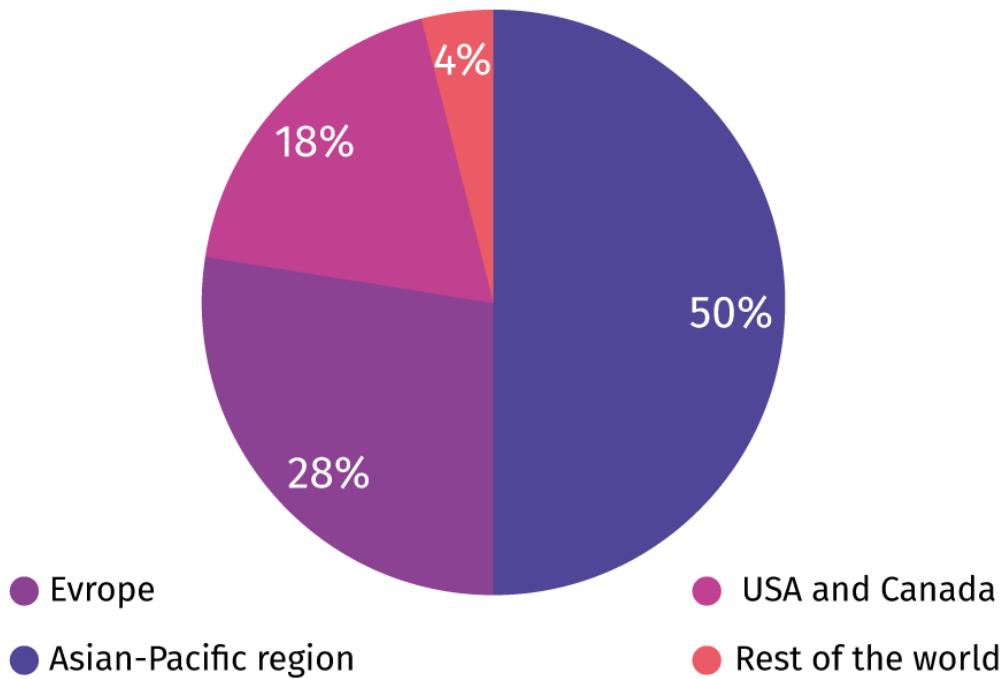


Source: Pew Research Center

79% of users have graduated from college, 82% have some college education, and 77% have finished high school or are still studying. Users have middle and higher incomes.



Source: Pew Research Center



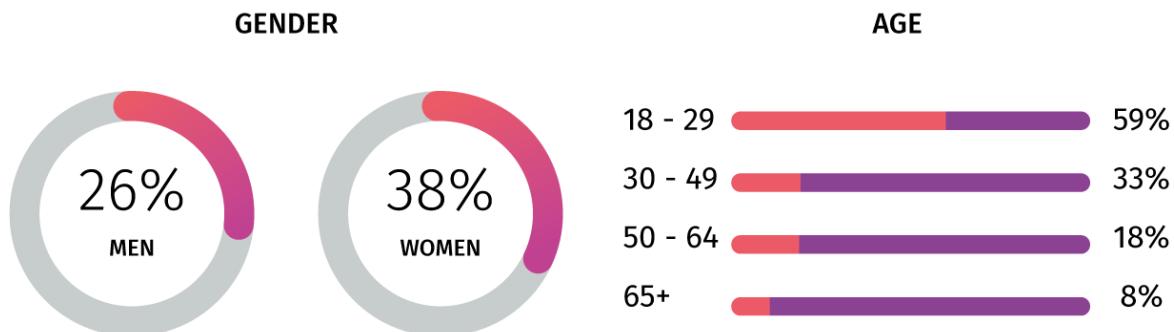
Official data from Facebook for the 4th quarter of 2017 shows that **the Asia-Pacific Region is the social network's largest market** with 499 million active users per day. The second largest market is Europe with 277 million. And the third is the USA and Canada with 184 million active users per day.

### **Instagram has 500 million active users per day.**

The Instagram Stories function had 250 million users daily in 2017 (Source: CNBC).

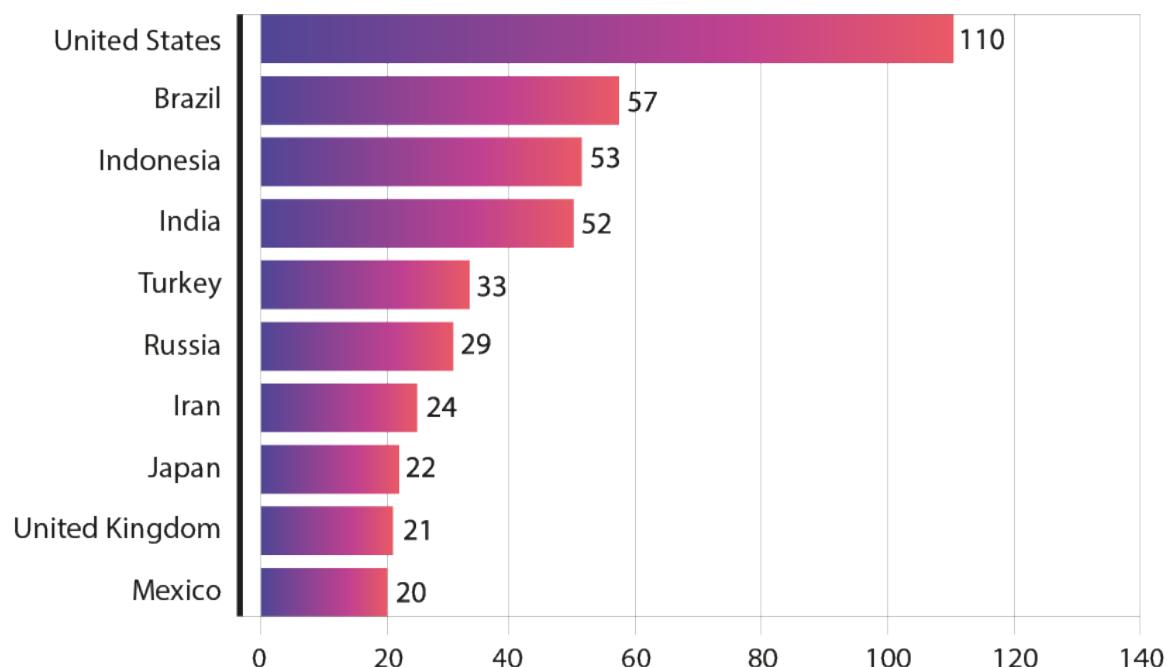
The Pew Research Center indicates that 95 million photographs are uploaded to Instagram a day on average and about 4.2 billion likes are given.

The majority of Instagram users are aged 18 to 29 (59% of all users) and 32% are college students.



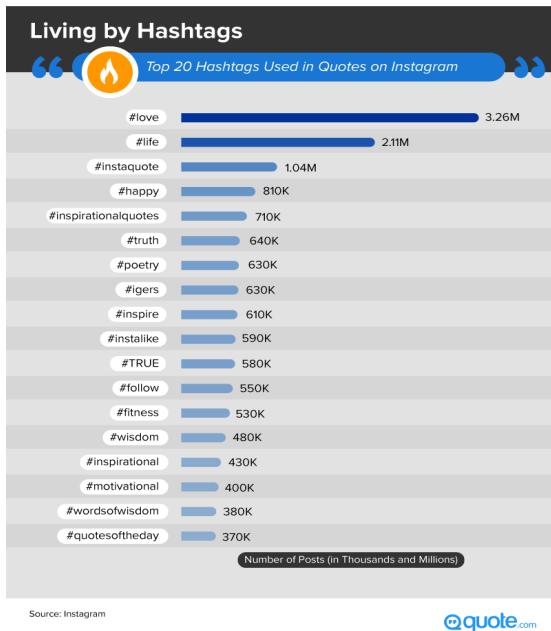
*Source: Pew Research Center*

Data from Statista shows the rankings of countries with the **largest Instagram audiences** measured by the number of active users in January 2018. The USA took first place with 110 million active users exchanging photos and using the application. Brazil took second place with 57 million. Next was Indonesia with 53 million active users over the month.



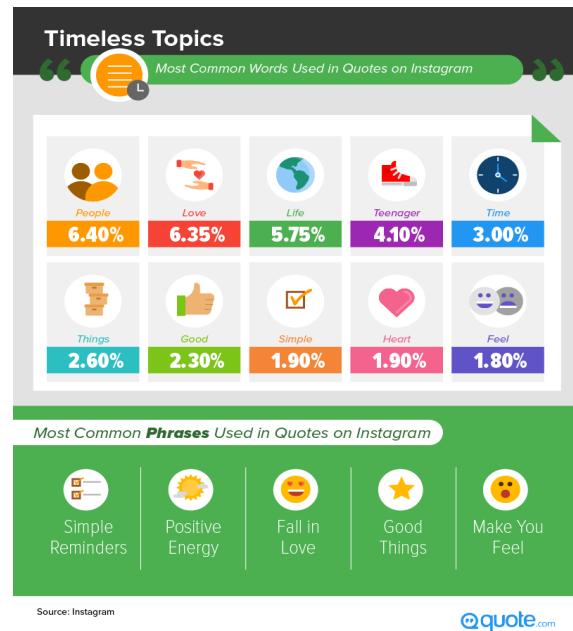
**Figure 7. Countries with the largest number of Instagram users in January 2018.** Source: Statista

The cornerstone of using content on Instagram is the hashtag. Users add a word after the # symbol to describe photos and videos and associate them with popular themes. According to the quote.com portal, the most popular topics and Top 20 hashtags on Instagram include love, life, and people:



**Figure 8. Top 20 hashtags on Instagram.**

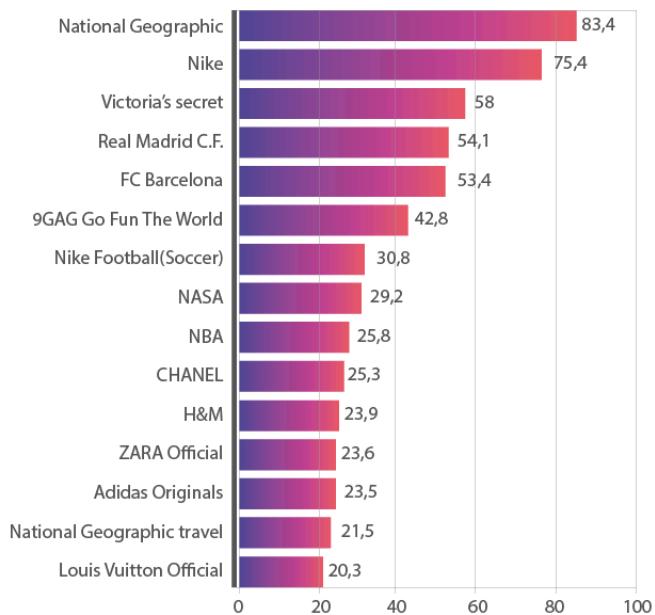
Source: quote.com



**Figure 9. Most popular tags on Instagram.**

Source: quote.com

Data from Instagram shows that the number of businesses registered on the platform totals 15 million. Every month there are 2 million active advertisers (Source: Instagram). 80% of Instagram users follow at least one or more brand (Source: Adweek). Revenue from Internet ads on Instagram viewed via mobile devices amounted to \$3.64 billion and revenue and projected revenue for 2018 is \$6.84 billion (Source: Statista).



**Figure 10. Leading brands ranked by number of Instagram followers in December 2017.** Source: Statista

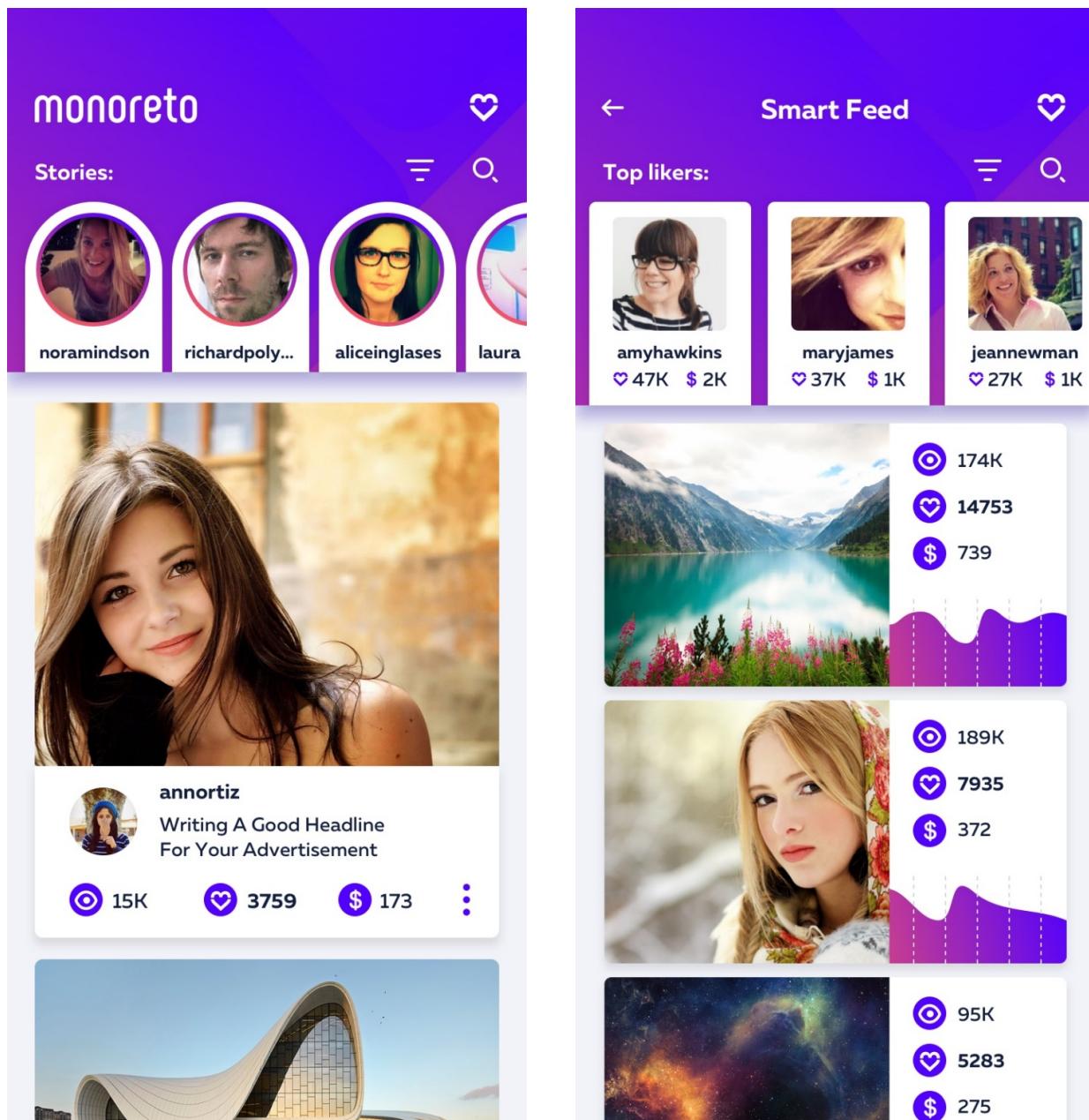
Soon after Instagram launched in 2012, leading marketing specialists working with global brands began to study the platform's potential to achieve greater interaction with its fan base.

National Geographic became the top brand in December 2017 with over 83 million followers. Second and third place went to Nike (75.4 million) and Victoria's Secret (58 million).

It's worth mentioning that National Geographic – National Geographic Travel also made it in the rating with 21 million followers. Overall, categories like fashion, sport, and retail brands dominate the rating.

This analysis can be used to see how the Monoreto project is operating on a fast-growing market with an expanding target audience.

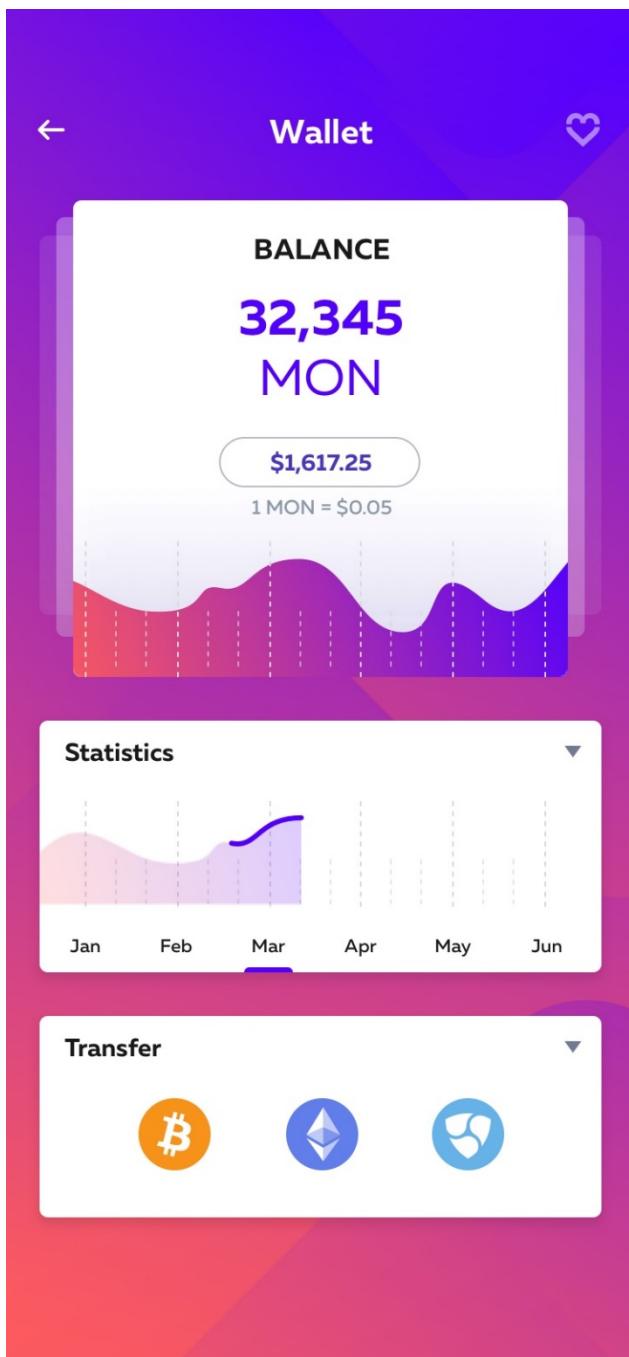
# Examples of Practical Use of the Monoreto Platform



The Monoreto social network has huge potential. In order to outline the structure and advantages of Monoreto, we will provide several examples of how this system can be used in different spheres.

## Monetization of Daily Use by Regular Users

Monoreto will make communication even easier and more convenient. Every Monoreto user will get modern social networking tools:



- Improved timeline of posts with photos and videos

- Comments on posts to keep in contact with followers

- Stories function, which allows for creation of photos and 10-second videos with overlaid text, emojis, and handwritten notes

Live broadcasts that give the opportunity to talk about important things with followers at any time

But the ideal user interface is not the most important thing about Monoreto. In addition to standard communication mechanisms, every Monoreto user will get the opportunity to earn money for managing his personal account. Posting quality photo and video content will allow users to earn cash rewards along with likes from followers and other people. Users will also be able to rate other content with the help of likes if this will promote their accounts in the newsfeed. This will lead to posts getting more likes from the same users.

Unlike most other social networks, Monoreto will see winners among not only those who gain popularity but also among those who are sincerely ready to support authors of quality content.

## Effective Method of Keeping a Blog

Creating original content takes a lot of time and effort for bloggers. The main source of monetization of resources used by them remains advertisements for goods and services. But ads often come across as annoying or are met with the decision from subscribers to "Unsubscribe!" Sometimes bloggers, especially those with a small audience, end up having to advertise questionable goods and services in order to make money.

Generating quality content is hard work and takes a lot from limited resources. At each step of content creation, users must make a quality investment of time and also experience emotional and material expenditure:

- Creation of content that needs to catch the attention of followers and inspire them
- Complex development of the idea with real scripted content: ideas for photos and video and text to go with them
- Organizing filming of the content: searching for interesting locations, attracting people, editing and post-production resources (especially for professional bloggers)
- Posting content on social networks and keeping up feedback with followers

Monoreto helps bloggers free themselves from dependence on advertising since popularity is something that will also result from a large number of monetized likes. Monoreto also helps foster relations between bloggers and subscribers with less annoying advertising in posts and a more loyal audience.

This all goes for live broadcast videoblogs as well as regular blogs. The majority of bloggers have live broadcasts and get a large number of likes for them. Even though some services like Twitch give the opportunity to include Internet resources for monetization of the stream, Monoreto offers its own solution to give rewards from subscribers to bloggers in the form of a backed cryptocurrency.

## Business Advertising

The modern reality of promoting a business goes beyond classical advertising tools like billboard ads and TV commercials. Even contextual banner ads and YouTube commercials are losing their effectiveness. Users install programs that block ads and skip through commercials after 4 seconds even if they give interesting information in a quality format.

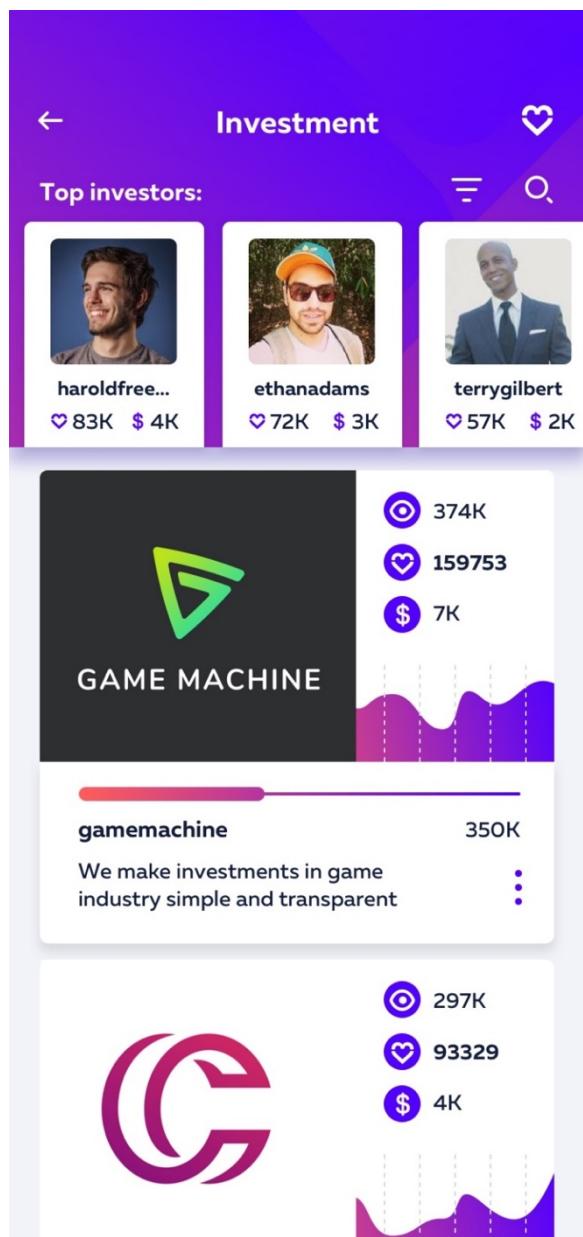
If a business wants people to talk about it today, quality and interesting content that will be popular needs to be created. Users will distribute content they come across on the network themselves and businesses won't have to pay for ads directed at consumers. But at the beginning even very interesting content requires both support and circulation.

Monoreto allows for distribution of advertising content in a natural environment on the social network and influences its popularity. Making it to the top on Monoreto are not only accounts that bring in the most likes but also the accounts of users that support interesting projects (top donators). In liking quality content of other users, the business account itself climbs upwards on Monoreto's smart feed and gives information to potential consumers through content. A business owner thereby gets a real return on advertising investment and his money ends up going to his favorite photographer, blogger, actor, or even another business he decides to support instead of to some advertising intermediary.

In addition to organic opportunities for promoting businesses through quality content and encouraging potential customers, Monoreto will provide an advertising office to business accounts for spot advertising. Ads will be included on banners and specially-designated places on the web version of the site. Monoreto will incorporate native spot advertising on its mobile application.

## Crowdfunding and Procurement of Financing

Since the mid-2000s there have been crowdfunding platforms that offer financing opportunities to start-up businesses and projects by collecting funds with the promise of compensation in the future.



The Monoreto social network will offer fast and user-friendly attraction of funds for companies through the monetization of likes. Every Monoreto user can take the role of professional investor, selecting companies and projects and investing MON tokens for development of the business.

Monoreto will help transform investment from a complex and bureaucratic process to the simplicity of just liking a company and automatically transferring MON tokens. Companies will be able to carry out business and advertise on the social network (as is the case with other social networks) and also attract real investment for development and communication with investors, making mutual agreements based upon results of profits from invested funds.

Monoreto Investment is a process that will attract investment into technology start-ups and use MON, Monoreto's internal token. Monoreto Investment will allow users to invest in projects by liking them. Returns on investment will be delivered with help from contracts that lay out return of likes from the start-up's account to user accounts after a set period of time.

Monoreto Investment will also allow users to invest in specific projects as well as in up and coming authors (photographers, bloggers) and get a percentage of their earnings in the future. Monoreto offers incentives for top donators.

# Online Video Quizzes with Cash Prizes

Monoreto lets users take a new look at online video contests with cash prizes (similar to the popular HQ Trivia app). Monoreto will provide these quizzes without advertisements and create a winners' pot from user contributions.

The quiz offers a number of questions and multiple choice answers. 5-10 seconds are allocated for each question. Incorrect answers lead to disqualification of participants after each question. Users who answer all questions correctly can win a MON token prize.

## Algorithm

1. Held periodically (1-2 times a day).

2. Winners' pot is put together in 1 of 3 ways:

a) Contributions of MON tokens come from users who plan to take part (worth the equivalent of 5-20 U.S. cents). Contributions are made in advance. This method allows quizzes to be held without advertising and is made possible by blockchain technology.

b) A contribution is made by a sponsor who has an ad shown during the quiz as a promo insert, question subject, or another method (participation is free).

c) A contribution is made by the social network at its own expense (participation is free).

3. Question subjects vary depending on the possible sponsor, intended audience, and other factors.

4. A host is invited to hold the quiz.

5. Possible algorithms for determining winners and paying out prizes:

a) All participants who correctly answer a set number of questions (about 12) get an equal amount of the prize.

b) One participant wins the main prize for correctly answering all questions (more than 12). If there is more than 1 participant that fits this category, the prize will be divided among the winners in equal parts.

6. If there is no winner, the pot will be used for future quizzes.

7. If the winners' pot is comprised of contributions from participants, part of the amount (5-10%, depending on fees) will be counted as commission for the social network (including paying for the work of organizers).

8. Participants get bonus lives when they invite friends to register on the social network and join the quiz. These bonus lives can be used 1 time per quiz in the event of an incorrect answer (with the exception of the last question or question that two participants have reached).

## Additional Expansion of Functionality

Users are offered additional advanced features to improve the social network's functionality:

**Photobank.** The Monoreto network offers a photobank that allows users to post their work for commercialization. The creations of the most generous users (top donators) who have transferred tokens to other users through likes will be shown at the top of the photobank if they wish to add these photos there.

**Quizzes from Advertisers.** Successful social networks are a fast-growing market for businesses to advertise their products and services. This is why the network provides special quizzes in order to maximize involvement from the target audience. What's more, top donators get preferred status when participating. And both winning and simply participating in the quiz leads to an increase in the user's rating.

**User Competitions.** The Monoreto team has come up with a number of competitions to expand the social network's audience and increase loyalty by creating additional value in the form of revenue generation:

### 1) Lottery for top donators who have given tokens through likes

The social network offers a special bonus program for top-donators of likes. This bonus encourages users to share information about the platform, which helps the user base grow.

1) The lottery includes the top 50 donators. The Monoreto network will be allocated 5% of weekly net profit. Blockchain technology will make this system 100% transparent and each user will have the opportunity to check raised funds in real time. Once a week on Sunday (at 12:00 AM GMT), a lottery will be held in accordance to the algorithm set forth in the smart contract with the following conditions:

2) The key component of the lottery is the last hash of the block that is generated in the NEM network up until midnight on Sunday. A special algorithm is used to generate random numbers built into the smart contract. Using this hash, six winners will be determined among the 50 users who handed over the largest volume of tokens to other users. During the first stage of the system's implementation, the top 50 donators will be selected manually before the final version of the automatic detection mechanism goes into operation. Additionally, if necessary, a similar mechanism can be introduced to provide for expansion of the number of participants from the top 50 donators to all users who contributed more than a set amount of funds per week (for example, \$2.50 or about 50 likes).

3) The algorithm for random numbers is affected solely by funds listed as paid items. Users who list a larger volume of tokens will have a better chance of winning. This doesn't guarantee a win but increases probability of it.

4) Six smart wallets are then selected by the smart contract and the premium fund is distributed among them according to the following formula: 30% to the winner, 40% to two second places (20% each), 30% to three third places (10% each).

5) MON tokens are transferred to the wallets of winners within 48 hours of them being announced.

6) **Brand Forecast Competition.** Participation in the brand competition can be had on a paid basis. The whole prize is distributed among users who have placed bets on the brand. **Brands are able to promote their products and stimulate views for their advertisements.**

### Algorithm

1. Every week on Monday at 00:00 the process of accepting forecasts begins. Forecasts can be made before 23:59 on Sunday.

2. Forecasts are made for different brand categories.

3. In order to participate in this competition, the brand needs to upload a competition photo in the Brand Forecast Competition section of the site during the specified period of time. A brand can only upload one photo in each category. Submission of competition material is not limited by category.

4. Network users can place an unlimited number of bets. The minimum bet is 5 cents in tokens. There is no limit on the maximum bid that can be placed.

5. The prize pot is made up of all tokens contributed in the form of token bets in a category.

6. Prize fund distribution algorithm:

10% - social network's commission

90% - distributed proportionally among users who have placed bets on the photo

3) **Photo Forecast Competition.** Monoreto's first several hundred thousand users will get complimentary tokens as a gift. Monoreto also provides a number of effective mechanisms to stimulate token acquisition. Users who own tokens are thereby able to make predictions on the best photos of the week/month/year and get revenue if their predictions are correct.

Users can use their tokens to make predictions for one or more photos, for example, in weekly voting. Once a week the system will determine the top photos and create the top 500 based on country, city, and category. Users who make the most accurate forecasts will get additional revenue.

Content creators that are voted for by social network users will also get revenue if they make it to the top.

Let's suppose that in a given city 100,000 people voted for the top weekly photos of that city. If we calculate that 1 token is equal to 1 dollar and that each user made a prediction with 10 tokens, we can determine that the total prize pot will be  $100,000 \times \$10 = \$1,000,000$ .

In order to maximize the target audience's involvement in this project, the entire prize pot will be distributed among voters and top content creators. As a result, the prize fund is divided into two equal parts.

- Part 1: 50% = \$500,000 will be distributed among users who placed bets
- Part 2: 50% = \$500,000 will be distributed among content creators

Distribution of top spot earnings will be as follows:

- 1<sup>st</sup> place: 5% or \$25,000
- 2<sup>nd</sup> place: 2% or \$10,000
- 3<sup>rd</sup> place: 1% or \$5,000

Every following spot will get a prize minus 0.01 percent of the previous forecast. There will be a large number of people who get prizes.

Not all Monoreto users will make a correct forecast so these users will be able to buy tokens on the platform itself. A natural desire to win combined with positive experiences of friends who have made correct predictions and earned revenue will further stimulate network users to buy system tokens.

## Raising Funds for Charity

Monoreto understands the importance of social responsibility of business to society and has decided to make some contributions of its own.

Monoreto will take 10% of its profits monthly to develop charity projects (support of children's sports, forest conservation, assisting animal shelters). The company will put together financial documentation according to monthly results and will provide photo and video reports on the charitable work it is doing. Blockchain technology makes it possible for everything about these projects to be totally transparent.

The financing mechanism for these charity projects from Monoreto is as simple as liking posts and automatically transferring MON tokens. There is no need to use payment systems (bank cards, online transfer systems, etc.) that often deter users from contributing.

## Getting Famous and Meeting Celebrities

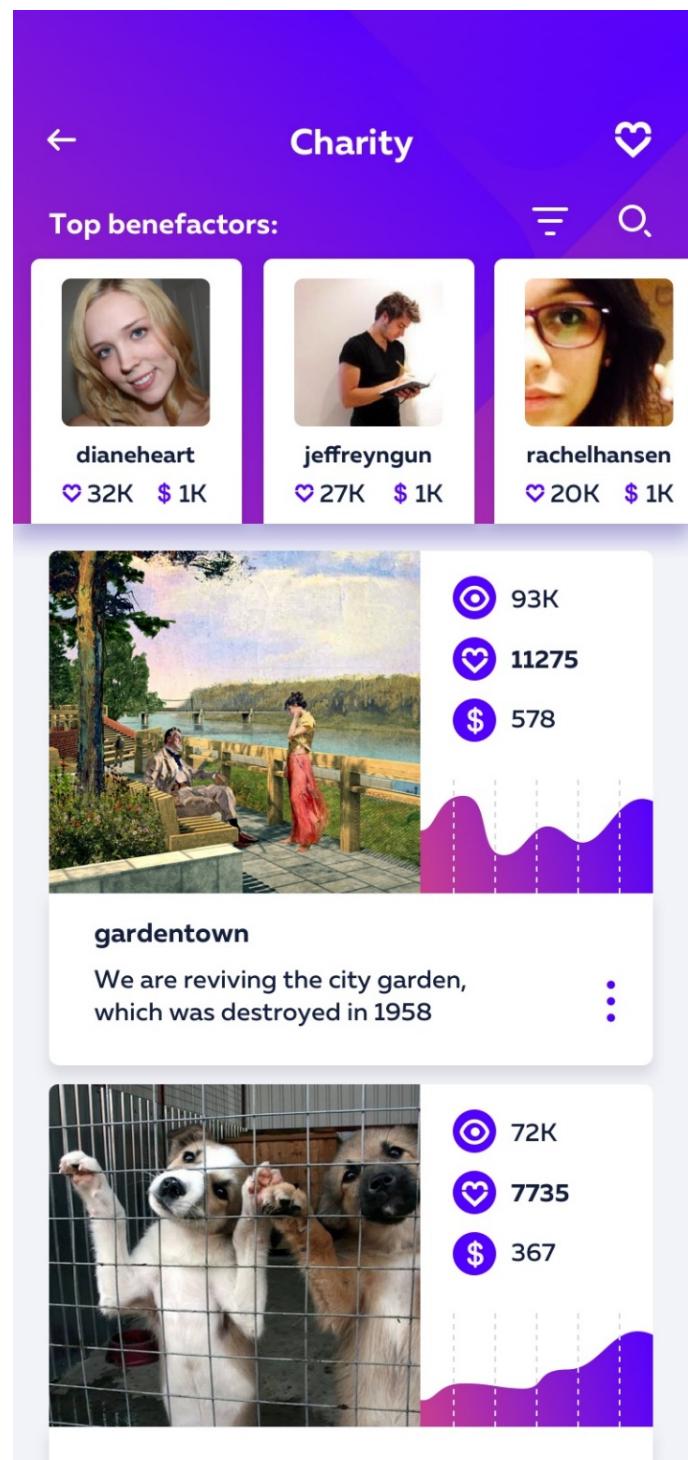
Monoreto opens unlimited opportunities for financing as well as for users to become famous and be in contact with celebrities.

For example, a world-famous sportsman will be able to publish a post and include in the description that the top 3 active donators on the post will get the opportunity to meet him (for dinner, at a training club, etc.). With millions of followers and a lot of fans out there that love him, there will be a lot of people striving to win the prize and the whole thing is likely to be covered in the media. The winners will be known by everyone and

will get their moment of glory. The celebrity, in turn, will be able to donate these proceeds to charity.

Monoreto will help create an ecosystem for charity projects that will help bring together a large number of users and instant fund transfers in just one click. This is a key factor of success. There will be a verification system using blockchain technology in play for accounts that collect money for charity so that users won't have to worry about the security of transferring funds.

Charity is something that will be encouraged on Monoreto. The accounts of active donors will be moved higher in the platform's smart feed and make it into the top accounts on the social network. Every user who donates tokens to charity causes will get a special award in the form of stickers that indicate the donor's rank.



## Technological Solutions

### Technology Overview

Our team has created a blockchain-based distribution platform called Monoreto. Incentives for being a part of Monoreto come in the form of MON tokens secured by cryptocurrencies for user activity.

The Monoreto platform and MON tokens will be created with NEM technology. NEM is an

open source blockchain platform supporting smart contracts to process transactions. Cryptographically-protected smart contracts are applications that have complete tracking stored in the NEM blockchain and provide automatic fulfillment of obligations. It's possible to switch from NEM to a personal platform.

## Characteristics of Technological Solutions



**New Economy Movement (NEM).** A cryptocurrency written in Java and JavaScript. A feature of this currency is creating a blockchain with innovative use of the Proof-of-Importance algorithm. NEM also has an integrated system for transferring encrypted messages, multi-signature accounts are possible, and an Eigentrust ++ reputation system is included. NEM blockchain software is used in the open Mainet blockchain network and the commercial Mijin blockchain network that is being tested by financial institutions and private companies in Japan.

The development team is also considering a version of the Monoreto project on the Ethereum blockchain with integration of MNR tokens sold during the token sale.

## Design Overview

The Monoreto platform will include a classic application in the form of a social network that uses blockchain technology for transactions. This will allow posts to be published for free and provide for secure transactions. The application will interact with blockchain via the chosen blockchain's API.

A convenient REST API similar to Facebook Graph will be available for developers. Every application will get its own unique ID number that will be required when interacting with the site. Applications that are scams or of poor quality will be banned.

As mentioned previously, Monoreto can be used for charity projects. It's no secret that scammers often try to use people's emotions to cash in and steal money from kind-hearted or naive contributors. The Monoreto team takes this issue very seriously and a "white list" of charity accounts that can be accessed only after they are verified will be created. If this white list is attempted to be bypassed, our neural network will detect and block accounts that do this.

Transactions will be processed using the NEM blockchain. A namespace at monoreto.mon will be created and a mosaic (cryptoassets in the NEM blockchain) will be included. This choice is the result of several factors:

- Security of user attachments. NEM has been tested by large financial organizations (SBI Sumishin Net Bank)

- NEM is better than similar systems for this task
- The transaction speed in NEM is higher than in Ethereum

When the application was being designed, the goal was to achieve maximum usage speed and maximum security for payments.

## Legal Structure

Monoreto is registered in Singapore as Monoreto Pte. Ltd. The company's main office is located in Moscow, Russia. The top managers, founders, and main developers are situated in Russia and they comply with all federal, regional, and local laws there.

Monoreto's advisory board includes professionals with many years of experience in blockchain technology and legal studies. The Monoreto team is able to provide the best legal support for its ICO thanks to its broad expertise and active participation.

## Launch of Monoreto

The new Monoreto social network serves as an attractive platform for having a personal account. Monoreto will bring about the same kind of revolution in the social media sphere that the .com era did in the 2000s. Monoreto's key user applications are basic software (for web browser and mobile app) and a set of APIs, libraries, and SDK packages that will allow third-party developers to create their own platform add-ons (similar in nature to the Facebook Graph API). In providing an open platform without intermediaries, Monoreto offers the same services and revenues that any other third-party developer in the ecosystem can.

## Development Plan for the Platform

A bonus for the first 500,000 users of Monoreto in the amount of 23% of the total pool of MON tokens is planned as part of the initial launch of the social network in order to stimulate development of the platform. Our team will continue improving mechanisms used for direct advertising and the smart feed where direct marketing is developed. This part of the platform is oriented towards working with large suppliers of advertising services. After the initial market is created, continued marketing efforts will be directed at a steady increase in the number of participants in the ecosystem.

## Value and Experience for Initial Platform Users

Formation of the real value of the platform will take some time as this requires attracting a sufficient number of users. The first 500,000 users will be provided with a small start-up capital that will be required to get familiar with the platform's functions. 18% of MON

tokens are planned to be distributed among them. Another 5% of tokens are planned to be distributed through various marketing campaigns designed to increase Monoreto's Internet popularity.

After the platform's launch, the Monoreto team will focus on promoting the project among bloggers, celebrities, and large companies that provide goods and services. We expect that celebrities and opinion makers that open accounts on the platform will bring in new users.

## Fundraising Campaign and Token Distribution

### Fundraising Campaign Plan

The Monoreto development team is currently working on the platform and preparing a fundraising campaign.

The MNR app token will be released under the ERC-20 standard with limited release in order to hold the fundraising campaign. Distribution of tokens will be done by a smart contract. Raised funds will be used to launch the platform and to develop it further, to finance advertising and marketing, and to regulate the platform's operation.

The distribution campaign for MNR ERC-20 tokens (pre-ICO) is scheduled to start on 10 May 2018 and continue to 10 June 2018. MNR tokens available during the pre-ICO period will be distributed no later than 1 month after the crowdfunding campaign begins or until the pre-ICO hard cap is reached. The campaign's launch date will be posted on the monoreto.com website, on social networks, and on other channels.

Pre-ICO Soft Cap: \$200,000

Pre-ICO Hard Cap: \$800,000

During the pre-ICO, distribution of 6% of tokens with a 50% discount from the ICO price excluding ICO discounts (2.5 cents) is planned.

If the pre-ICO soft cap isn't reached, all funds raised will be returned.

If the soft cap is reached, an ICO will be held and is scheduled to take place from 15 August 2018 to 30 September 2018.

ICO Soft Cap: \$1,000,000

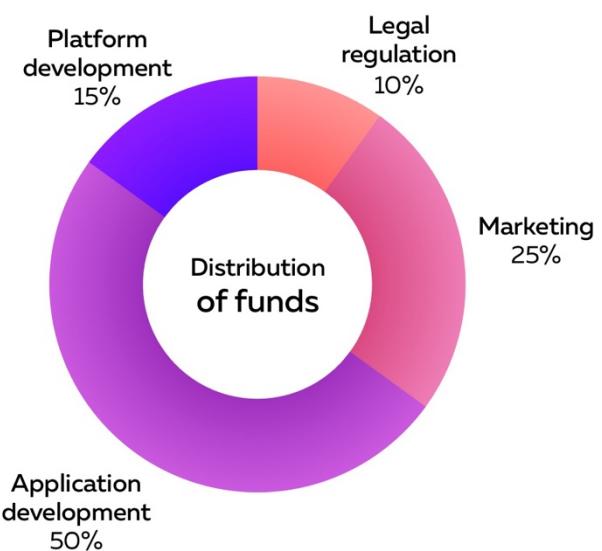
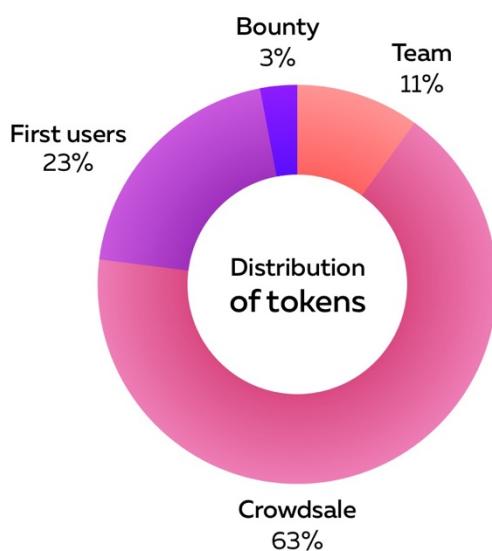
ICO Hard Cap: \$15,000,000

57% of tokens are planned to be distributed during the ICO with discounts depending on when the tokens are purchased.

If the ICO soft cap is not reached, all funds collected during the ICO will be returned.

Token Ticket	MNR
Pre-ICO start and finish dates	10 May 2018 – 10 June 2018
ICO start and finish dates	15 August 2018 – 30 September 2018
Token Supply	No more than the hard cap

### Distribution of Tokens and Collected Funds:



### Token Distribution:

- 23% to initial platform users
- 11% remains the company's share
- 3% used for bounty prizes
- 63% to crowdsale participants

The smart contract mechanism allows indicated proportions to be maintained including in the case that less money is collected during the crowdsale than is planned. Accordingly, there won't be an increase in the team's share if this happens.

### Distribution of collected funds after the Token Sale:

- 50% for development of the Monoreto platform
- 25% for marketing and advertising applications
- 15% for future development of the Monoreto platform
- 10% in expenditure on legal regulations

# Bonus System for Distribution of MNR Tokens

## Bonuses by Time of Purchase

May 10 – Jun 10



August 15



August 16 – 17



August 18 – 28



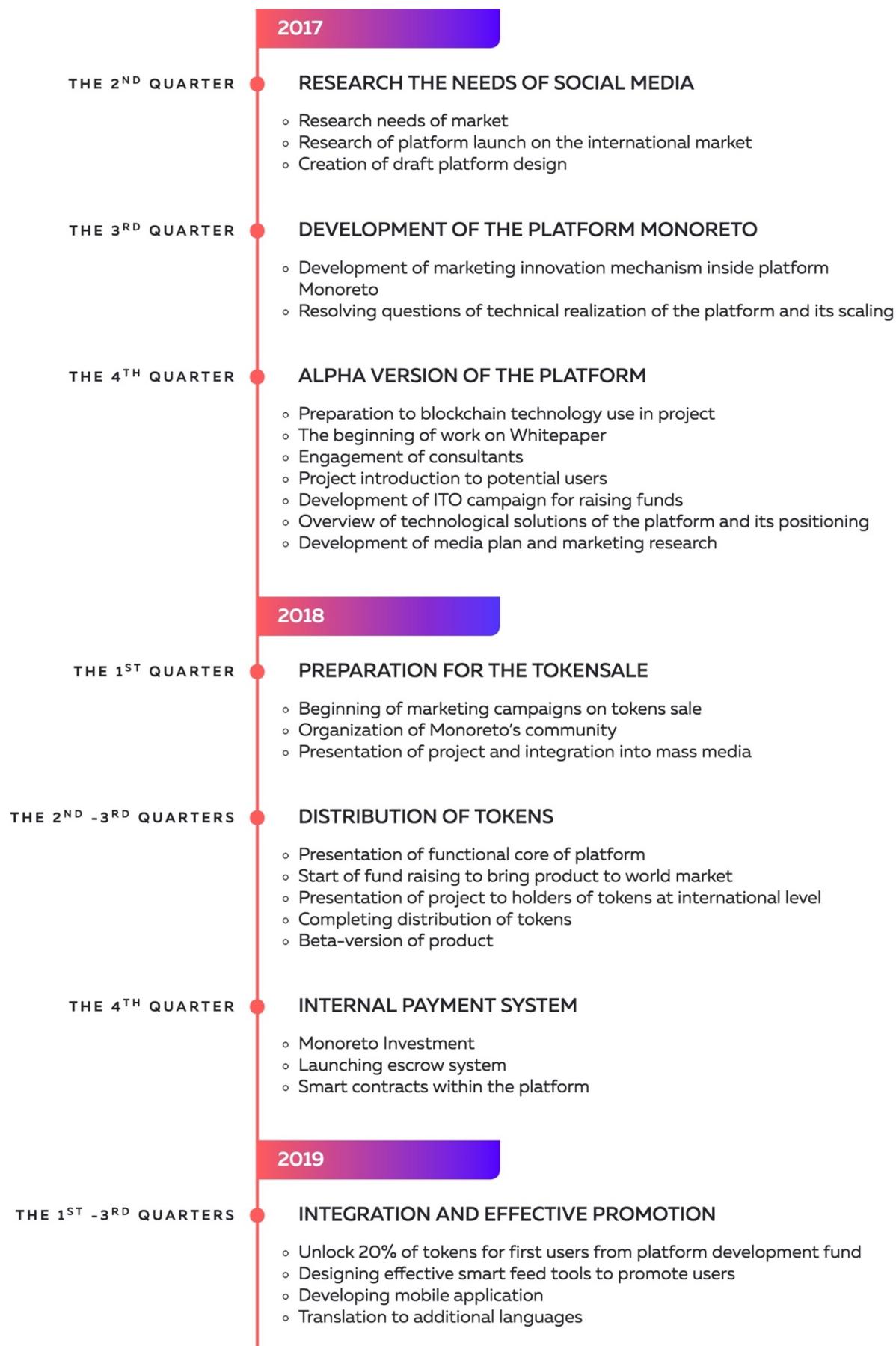
Aug. 29 – Sept. 10



September 11 – 30



# Roadmap



# Monoreto Team and Consultants

## Monoreto Team



**Kirill Granev**

**CEO, Co-Founder**

Founder of the Custodian Foundation. Entrepreneur. Expert on blockchain technology and asset management.



**Artyom Vishenin**

**Co-Founder**

Entrepreneur, ideological inspirer. Smart contract specialist. Web analyst at RUNetSoft



**Mikhail Sochivets**

**Technical Director**

Master of Technical Science (Programming). Specialist in information security of mobile and wireless devices (7 years of experience). Blockchain enthusiast since 2014.



**Mikhail Bondarenko**

**Marketing and PR Director**

Professional marketing expert with experience working for Russian and international companies. Expert in marketing and PR, strategic planning, and sales.



**Valetin Nagovitsyn**

**Art Director**

Professional designer of services and mobile applications (8 years of experience). Organizer and designer of public spaces in Russian cities.



**Konstantin Modestov**

**Lead Designer, Software Developer**

Candidate of Science, graduate of Moscow State University's Physics Department. 10 years of experience as a developer and software designer.



**Dmitry Torshin**

**Lead Developer**

Master of Science in Cryptography. Experience with ICO projects. Data protection expert. Blockchain enthusiast since 2014.



**Andrey Vinnikov**

**Lead Developer**

Lead frontend developer. Experience in building high-loaded systems. Expert on data protection and cloud technologies.



**Aleksandra Solodyankina**

**Core Developer**

Multi-skilled developer specializing in mobile apps (iOS and Android).  
Experience in developing educational platforms.



**Anton Chervenko**

**Big Data Specialist**

Masters degree from Moscow State University's Department of Computational Mathematics and Cybernetics. Expert in neural networks (LSTM) and artificial intelligence.

## Monoreto Consultants



**Aleksey Tikunov**

**First Investor. Co-Founder.**

Entrepreneur, candidate of science (Moscow State University). Blockchain enthusiast since 2015.



**Yaroslav Kabakov**

**Investment Advisor**

Deputy CEO of FINAM, one of the biggest investment companies in Russia. Finance expert with over 15 years of experience.



**Anton Shilov**

**Legal Consultant**

Master of Laws, Manchester Metropolitan University (UK). Expert in corporate governance, English and Russian law, and business modeling.



**Denis Stupin**

**Blockchain Technology Consultant**

Co-founder of the Custodian Foundation, member of working group in blockchain and smart contracts. Businessman, investor (real estate, cryptocurrency).

## **Legal Disclaimer**

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