# Imagine a **better** social network



Imagine a social network that's

# democratic

The president of empowr was elected by its users

empowr's next presidential election will be held in June 2018

A better democracy designed for



#### by the world's top

political science professors from

Duke University

Yale University

Princeton University

**Columbia University** 

Imagine a social network that

## provides opportunities

### to its users | not corporations

# In 2017:

empowr users earned millions in virtual currency

> empowr sold \$0.00 in advertising to corporations

Imagine a social network that

# belongs to the people

# **\$0.00** accepted from investors

empowr has never accepted investor capital despite generous offers from top institutions such as



khosla ventures



#### Imagine a social network that's

# focused on educating

not addicting

#### empowr uniquely:



employs hundreds of educators to teach users how to use social networking to improve their lives



doesn't focus on creating unhealthy usage habits in users



# free of charge

Imagine a social network that

## innovates

# empowr invented virtual currency

View U.S. patent ►

It then quietly invented much of what's needed to **generate demand** for virtual currency, including the concepts of:

- + Applications in social networks <u>View U.S. patent</u>►
- + Transactions within applications <u>View U.S. patent</u>►
- + Transactions over mobile devices <u>View U.S. patent</u>►

Today, empowr's inventions are used by virtually all major tech companies including



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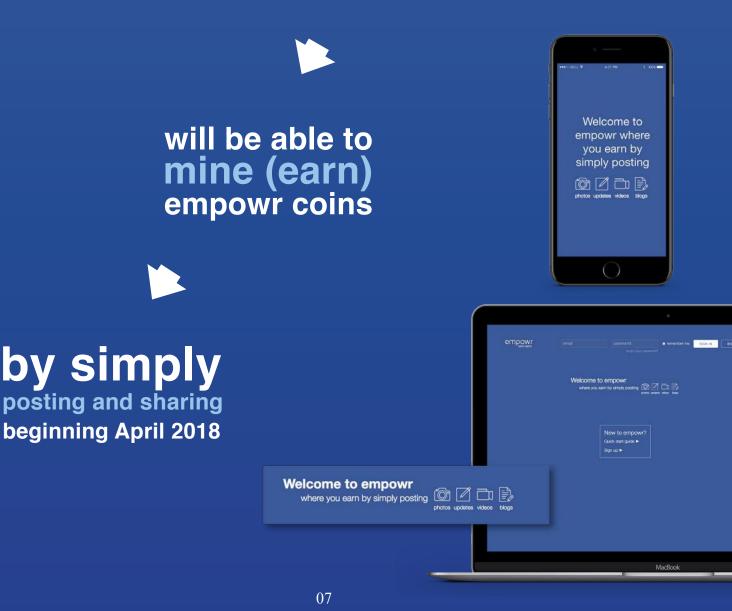


facebook

Microsoft

Imagine a social network that's powered by cryptocurrency

### Billions of people that already know how to post and share



# 500M total initial circulating supply of empower coins

# of which

# 100/0 will be delivered to the people in April 2018

# Who are the people?

# Active alpha users: total 800,000

# 150,000 month

# 6.1 million monthly visitors:

## 8.5 minutes per visit

per visit 16

09

# Can you imagine?

Can you imagine what can happen when

## billions of us come together in a social network

that's democratic

that belongs to its users

that's a thriving economy

that educates

#### and innovates?

Can you imagine what can happen

when such a network

is powered by

## a singular currency

that's

owned and

controlled by the people?

**Imagine the** 

# impact

such a network could have on

poverty, inequality, the environment

and almost all the issues that matter to us

Imagine working

# together to build a world where everything is fast and free





The concept

#### The business model



**Imagine the difference** 

# we will make together





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#### **Introducing empowr**

#### 1. Abstract

empowr's mission is to empower people by enabling opportunity, hope and influence.

Its overarching goal is to help half the planet earn an average of \$25/day by the year 2025 (Currently half the world lives on \$2/day or less).

In order to achieve this mission and goal, the approach has been to innovate and deploy a first-in-class frictionless social network called a democratic social economy (DSE) that provides everything needed for anyone anywhere in the world and from any walk of life to not just communicate but to also easily improve their economic situation.

empowr also aims to increase humanity's standard of living and help reverse the climate crisis via its "sharing of everything" initiative also known as Everything Fast & Free.

#### 2. Motivation

empowr's participants are motivated by a profound concern for the future of humanity coupled with a deep optimism in its ability to overcome the challenges before it.

We believe that humanity is headed into difficult times due to:

- Technological unemployment and economic insecurity
- The dismantling of democracy and its institutions
- The climate crisis

#### A. Technological Unemployment and Economic Insecurity

#### Technology Will Wipe Out Jobs Unlike Anything Humanity Has Witnessed or Imagined

In the coming decade, hundreds of millions of jobs will disappear within thousands of industry verticals, as incumbent employers are displaced by new "app" market entrants. Think Uber for \_\_\_\_\_ (add your favorite service offering).

Several factors are responsible for this phenomenon, most notably two exponentially-growing forces:

- 1. Computing power continuing to double for the same price every 2 years (Moore's Law)
- 2. Artificial Intelligence that now, finally, appears to be hitting its exponential stride due to recent breakthroughs

These two forces are combining (multiplying exponentials) to create unstoppable momentum in the displacement in jobs.

#### Virtually All Industry Verticals Will Be Monopolized by One or Two "Apps"

Each new app that's fast and fortunate enough to harness the "<u>network effect</u>" will effectively monopolize its industry – creating:

- a newly minted billionaire or two
- several millionaire investors
- a few hundred or thousand employees that will do well for a period of time
- "jobs" for millions of "app workers"

#### **Continual Reductions in Worker Pay Both Easy and Inevitable**

As happens to all ventures, eventually each app's revenue growth will begin to slow. When that happens, to continue maximizing profits and shareholder value (= share price) these Silicon Valley and Wall Street-funded corporations will turn to cost cutting (= reducing worker pay).

Indeed, slashing worker pay has already begun with Uber. Each company will find that incrementally slashing worker pay will be a rather simple exercise, as workers will have nowhere else to go, given that at most only one or two companies will have monopolized each industry vertical.

#### Steady Growth in Poverty, Inequality and Hopelessness to Follow

As jobs moves to apps; and apps monopolize their verticals and then turn to cost-cutting; humanity will face a continued progression of poverty and inequality – and a growing sense of economic hopelessness on a global basis.

empowr appears to be the only company in existence that has created billions of dollars' worth of software without taking a single penny from investors, despite record-breaking offers from many of the world's top tech investors and billionaires. As a result, and thanks in part to its many patented innovations such as virtual currency, social networking applications, transactions within apps and transactions over mobile devices, today only empowr appears to have the potential to produce hundreds of millions of "jobs" for app workers that won't be subjugated by the need to maximize share prices at the expense of workers.

#### **B.** The Dismantling of Democracy

#### Economic Insecurity Kicks the Door Wide Open to Democracy Killers

History has shown that as the masses grow increasingly insecure about their economic situation and future, they become vulnerable to power-hungry charlatans who find it remarkably easy to gain political power by simply dishing out false hope.

Indeed, we've already begun to witness the dismantling of democracy and its democratic institutions on a global basis. Think populist candidates and presidents, Brexit and similar movements around the globe. Notice how they're moving to demolish the institutions and even the free press media that they perceive to stand in their way. **Note:** empowr's motivations and predictions are detailed in <u>this book</u> written by the chairman of empowr, published before the populist events of recent years provided real-world current evidence of this inevitable trend.

Democracy, through her institutions, is a prize that humanity paid for with one hundred million precious lives and immeasurable treasure; gains that won't easily return if lost.

#### **Creating Hundreds of Millions of New Jobs**

empowr believes that it can help create hundreds of millions of new jobs, via its proprietary crowdsourcing platform (see next section titled "The Climate Crisis") as well as its app platform (see section titled "The empowr app platform and developer AID").

By enabling the creation of hundreds of millions of meaningful earning roles in the app economy – jobs that won't be subject to cost-cutting in favor of corporate profits — empowr can help reverse the direction of the economic insecurity and hopelessness that are a key cause of the vulnerability at the heart of democracy.

#### A New Democracy Built for Today and Tomorrow

In addition, empowr is itself a democracy designed for the 21st century and the coming decentralized and transparent digital age by some of the world's leading political science professors from:

**Duke University** 

Yale University

Princeton University

Columbia University

#### C. The Climate Crisis

#### It's Now or Never

Virtually all climate scientists agree that our planet will be passing the point of no return in the next decade – unless something drastic occurs.

A big part of the problem is that, in humanity's quest to manufacture millions of items daily that are hardly utilized, we're accelerating the exploitation of earth's natural resources, and then dumping manufacturing by-products back into the atmosphere and ecology.

#### Virtually Everything We Manufacture Goes Underutilized

The typical automobile, and spare bedroom, are not being utilized for about 95% of their useful lifespan. Now, thanks to Uber and Airbnb, that's changing. Similar underutilization statistics hold true for millions of other products that, until now, remain unshareable due to limitations in technology and logistics.

#### The "Sharing of Everything"

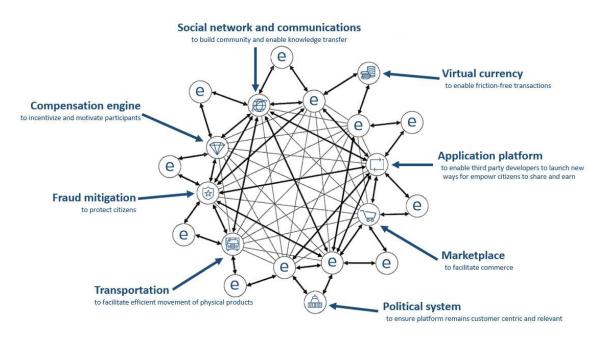
Imagine an app that showcases millions of products – virtually everything — available immediately for you to use or access.

Imagine that — with just a single click within that app — any item is delivered to you fast (within minutes). When you're done using it, simply press "Pick up" and it's picked up and taken away within minutes.

And finally, imagine this all happens for virtually free – or, more accurately, for doing what you're already accustomed to doing on social media for free – which is posting and sharing. To the typical consumer, the *sharing of everything* means they can have virtually anything they want, in their hands quickly, for virtually free. That is, Everything Fast and Free.

#### **Everything Fast and Free**

empowr is the first and only company to have successfully built and integrated everything it takes – technologies and logistics – to enable the *sharing of everything*:



#### High level view of technological components required to enable the sharing of everything

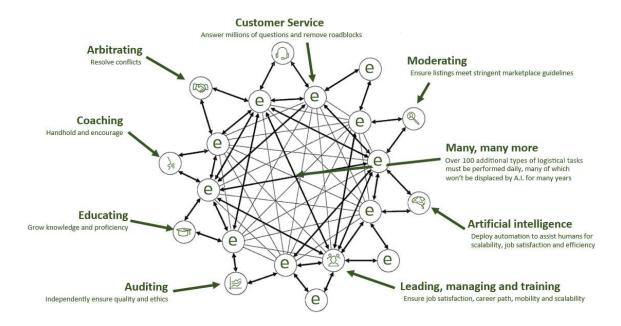
#### **Reduction in the Consumption of Natural Resources for Manufacturing**

The successful deployment of empowr's *sharing of everything* helps eliminate the demand and need for manufacturing millions of products daily that'll hardly be used.

It enables a gradual decline in the consumption of earth's natural resources and the dumping of manufacturing by-products into the atmosphere, waterways and ecology. It holds the promise of being one critical element in the reversal of the climate crisis.

#### **Technology Provides Only Half the Solution**

Along with enabling technologies, the *sharing of everything* also requires human workers, to complete logistical tasks such as:



High level view of human-powered logistical components required to enable the sharing of everything

empowr has spent a decade developing and optimizing its human-powered logistics platform that can scale to hundreds of millions of workers, rendering them hyper-efficient. The result of this technology + human-powered platform is the first-to-market capability of enabling the *sharing of everything*, or "Everything Fast & Free".

It also enables the production of hundreds of millions of meaningful jobs that will not be subjugated and marginalized by the conflict between the two very different objectives of maximizing shareholder value vs. creating worker prosperity. To see the *sharing of everything* in action, <u>watch an empowr co-founder</u> explain how it works.

#### **Decentralization**

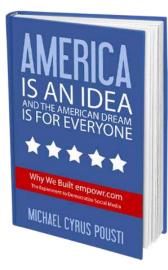
empowr has been closely watching the growing momentum of decentralized technologies such as Bitcoin and Ethereum. These open sourced blockchain-based networks offer environments within which new digital ecosystems can flourish.

In decentralized networks, both economic value and governance can be distributed among the network's stakeholders rather than concentrated in a single and centralized organization, which is completely consistent with empowr's mission, overarching goal and approach.

empowr believes that decentralization and open source offer the most promising path to realize empowr's vision of a sustainable platform that truly enables opportunity, hope and influence for the masses. In this whitepaper, we present our vision for a next generation decentralized democratic social economy (dDSE).

#### History of empowr

The key to empowr's success thus far has been an unparalleled belief in the importance of its mission by all participants, resulting in the motivation to keep working until it gets it right. To better understand the history of empowr including some of its challenges, phases, successes and failures <u>watch the documentary</u>



#### **More on Motivations**

For more on the motivations behind empowr, read the book "<u>America is</u> an Idea and the American Dream is for everyone" now available in paperback, e-book and audiobook versions.

#### We Hope You Join Us

Starting with nothing but an understanding of the problems headed humanity's way, we've come a long way but there's still much to do. We need you.

This whitepaper was written to help you see that it's a fight worth fighting. There's nothing less than our prosperity, our democratic way of life, and our home (earth) at stake. As we take our next giant leap forward with the launch of the *empowr* blockchain token, there's no better time than now, for you to join the movement.

#### 3. A Culture Built for Innovation

#### As the Number of Features in Any Software Platform Increase, the Platform's Complexity Increases Exponentially

empowr has built one of the most complex software platforms in existence.

**Question:** So how can a company built without outside capital successfully build billions of dollars' worth of software – and succeed where the tech giants have failed?

**Answer:** It first designs and creates a culture around innovation and infuses it with purpose. Watch how the culture was built.

#### Necessity is the Mother of Invention

To accomplish its mission, empowr invented a sizeable portion of what powers the web today.

"It is virtually impossible to monetize social media without violating empowr's intellectual property and patents". - Joseph Agiato, Intellectual Property Expert

Concepts such as the ability for third party developers to launch applications (apps) in social networks (such as Facebook or Twitter apps); transactions within apps (such as buying a feature or virtual weapon within an app or game); virtual currency (such as what we're seeing unfold today with Bitcoin and other cryptocurrencies); and transactions over mobile devices (such as what is monetizing most mobile apps) these were all invented by empowr as evidenced by its patents. <u>View empowr's patents here</u>

#### Failure as a Strategy (FAAS)

Each important empowr invention took an average of 2 or 3 "failures". This is common in innovative start-ups but not talked about much, as markets love a story of geniuses from which ideas pop out magically and perfect execution happens without trial and error.

By the nature of the incredibly complex (social + marketplace + currency + transportation + crowdsourced) platform it's offering, empowr must remain an innovative company on several fronts simultaneously – meaning it must always be trying (and failing) to arrive at successful inventions and breakthroughs in each area.

#### Some of empowr's More Public Failures

- Syncing of Address Books: First version was too easy to invite everyone. Today it is used by companies such as Facebook, Twitter and Google.
- Transactions over mobile: First version resulted in user confusion. Today it is used by all mobile companies and most apps.
- Financed consumer advertising: First version had monthly growing costs creating confusion among alpha test users.

#### **Expect empowr to Continue Innovating (and Failing)**

The key to empowr's success thus far has been its belief in the importance of its mission, resulting in the motivation in participants to work hard, keep trying – despite the fear of failure — and keep getting back up each time they fall or fail until they get it right.

Failing fast and failing often is not a policy that comes natural to most people, especially when such

failures are publicized, and the fear of humiliation or damaged reputation is pervasive. When joining — in any capacity — an organization that has such a belief system, one should think twice if they are not motivated by the mission and its overarching goal. It is only with such motivation as a backdrop that people may be prepared to pay the price for success.

Relevant reading: empowr and the biggest scam of all

#### Does Failure as a Strategy (FAAS) work?

You be the judge. Here's a sample of companies that, today, are referencing empowr's patents in their own official patent filings:



And here's a sample of companies that, today, are outright utilizing empowr's patented inventions:

facebook.	Google
twitter	amazon
Instagram	<b>Pinterest</b>
flickr	Blogger
Linked in	vimeo
yelp <mark></mark>	Skype
Meetup	foursquare

#### So, Why is empowr Not Taking These Companies to Court for Violating its Intellectual Property Rights?

The answer is that empowr's mandate is to empower people, not restrict them for the benefit of empowr's corporate profits.

If these companies can do a better job than empowr can, at empowering people with these technologies, then empowr wants them to use the technologies. And while companies across the board have copied aspects of empowr's technologies, none have been able to come close to bringing them all together, in one tightly integrated platform, so that a full economy can be established or such that the *sharing of everything* can be enabled.

#### **Accelerating Innovation**

Now, with the help of decentralization and the launch of the empowr cryptocurrency, empowr intends to accelerate innovation and increase its lead over competitors.

By exploiting its first-to-market position in the race to enable the *sharing of everything*, empowr intends to harness the *network effect* for the benefit of its citizens, and keep this important future out of the hands of those that would eventually monopolize it for the benefit of the few.

#### 4. empowr's Vision for Cryptocurrency

empowr has been a pioneer and innovator in building an economy and ecosystem that has had the concepts of democracy, transparency and empowerment at the core of its founding and guiding principles.

As a company, empowr has been building a sustainable monetization model that does not compromise user experience or privacy, and is both fair and open. Rather than the usual approach of attempting to keep users on the product for longer and longer periods of time, to maximize their attention and data flow to advertisers, empowr has instead organized itself around maximizing economic value back to its users (called *citizens* in empowr).

Fostering an ecosystem that is open and decentralized is a complex process, and the transition to it must be done in a deliberate and sensible way over time. The following sections of this paper outline empowr's plan for launching its new digital cryptocurrency.

#### A New Digital Currency Called empowr

The first step is to create a new cryptocurrency: *empowr*. But simply creating a digital currency is not enough. For a cryptocurrency to be viable, it must also be useful and valuable. To establish an economy around the new currency, empowr must help to establish the empowr currency's fundamental value.

#### Why empowr Invented Virtual Currency

empowr has been using in-app currency for over a decade, when it invented virtual currency (view patent) and launched "empowr dollars". The company wanted to enable its citizens to buy and sell from each other – essential actions in any economy that enables opportunity for participants – in accordance with its mission "To empower people by enabling opportunity, hope and influence". Key to this innovation was the idea that users could not only purchase empowr dollars but could also earn them within the app. Hundreds of thousands of empowr alpha test users participated, resulting in earnings for citizens from such activities as selling and providing products and services, posting and sharing content, providing coaching and a host of other services to other empowr citizens to help them grow and succeed. empowr citizens could then spend some of those earnings on everything from products and services offered by other empowr citizens, advertising and subscription services that the company offered.

#### A Cryptocurrency with Immediate Utility

empowr won't be taking the funds from the sale of the empowr cryptocurrency and trying to build something from scratch, hoping to attract users and get adoption.

The empowr cryptocurrency isn't an investment; it's a purchase of a product that is developed and has utility in the empowr platform which its users already love and demand. As the graph above illustrates, empowr already has users and adoption, and now the empowr token will unlock even more functionality and value for the community.

The empowr alpha test users that are active on empowr today are in a unique position to demonstrate how cryptocurrency economies might form and function in the context of a large mainstream user base.

#### empowr Cryptocurrency Will Replace empowr Dollars

empowr will build fundamental value for the new currency by integrating it into the empowr economy. Indeed, empowr's new cryptocurrency will replace empowr dollars and U.S. dollars to become the platform's primary transaction currency.

empowr citizens will be able to earn currency – just as they have been earning empowr dollars and U.S. dollars – by selling or sharing physical or digital goods and services, posting and sharing content, and by helping others provide goods and services via a host of roles such as promoting, distributing, transporting, moderating, auditing, arbitrating, coaching, leading and managing.

empowr citizens will be able to spend currency on physical and digital products, services, and other valuable assets offered by sellers, developers and influencers, as well as on advertising, subscription and other services provided by the company. The new currency will sit at the center of the economy inside empowr, driving demand and fundamental value for the cryptocurrency.

#### **Further Building the Ecosystem**

The empowr marketing and compensation engine will use economic incentives to bring other physical and digital goods, services and applications into the decentralized empowr ecosystem.

It will create natural incentives for physical and digital goods and service providers to adopt the currency and become partners in the ecosystem. The ecosystem will not impose any unnecessary restrictions or tolls on monetization strategies, beyond ensuring common ethics and legality of content and transactions. As more people join, the network effect of the ecosystem will continue to grow, building the value of the currency, and in turn encouraging more people to join this initiative. A majority of the currency supply will be allocated to the operation of the empowr marketing and compensation engine.

The reward that each person receives is proportional to a measure of the value they have brought to the overall ecosystem and currency. Such value is assessed by a well-defined process, built and optimized over a decade long process, that ensures the rewards are distributed fairly using an objective, performance-based methodology that is incredibly powerful at blocking fraud and gamers.

The empowr marketing and compensation engine will initially be administered by empowr. However, over time, it will be decentralized based on smart contract technology.

#### **Moving to Open Governance**

empowr will oversee the fair and productive growth of the cryptocurrency and ecosystem. It will administer the currency supply and the empowr marketing and compensation engine. It will also provide support and tools for physical and digital goods and services to operate more easily within the ecosystem.

Ultimately, empowr will facilitate the entire ecosystem's transition to a fully decentralized and autonomous network. empowr will be the ecosystem's champion and will showcase the currency to millions of users (citizens). This approach will help demonstrate the power and promise of a decentralization strategy, providing a path to transition from a competitive model to a cooperative one, where all participants benefit from the collective success.

As part of this process, empowr will incrementally transition to open source for most its currently proprietary codebase. It will also oversee development of important fundamental components shared across the entire ecosystem, such as identity and reputation management, cryptocurrency wallets, and compliance solutions.

#### Purpose and Characterization of the empowr Cryptocurrency

empowr is introducing an open source cryptographic token, named *empowr*, which is envisioned as a general-purpose cryptocurrency for use in everyday physical and digital products and services. *empowr* will become the unit of account for all economic transactions within the empowr ecosystem.

In character, *empowr* is a pure cryptocurrency of fixed supply. It is fractionally divisible. However, as described below, only a small portion of the currency supply will become liquid in the near future, as most of the supply is reserved for the empowr marketing and compensation engine. Like other cryptocurrencies, units of *empowr* are fungible and transferable, and they will be expected to trade on cryptocurrency exchanges.

#### **Implementation: Ethereum and ERC20**

The empowr cryptocurrency will be implemented on the public Ethereum blockchain as an ERC20 token.

The Ethereum blockchain is currently the industry standard for issuing custom digital assets and smart contracts. The ERC20 token interface allows for the deployment of a standard token that is compatible with the existing infrastructure of the Ethereum ecosystem, such as development tools, wallets, and exchanges. Ethereum's ability to deploy Turing-complete trustless smart contracts enables complex issuance rules for cryptocurrencies, digital financial contracts, and automated incentive structures. These advanced features and active ecosystem make Ethereum a natural fit for the *empowr* currency.

#### Summary

Through a series of economic and technological transitions, and based on a new cryptocurrency called *empowr*, the company will continue its work toward creating the first open and sustainable alternative ecosystem of physical and digital goods and services.

Economic incentives at the core of this ecosystem will ensure that all participants will ultimately benefit from this work.

empowr will encourage a network effect for the currency by becoming its first large adopter and sponsor. It will also act as the custodian of the currency ecosystem, driving the stability and growth of the *empowr* currency.

Over time, empowr will oversee the transition of the ecosystem to a fully decentralized model that can operate with no assistance from empowr or any other entity. The decentralized empowr ecosystem will emerge as a sustainable autonomous global economy.

The empowr ecosystem will seek to establish a global network of physical and digital goods and services that constitutes a new cooperative operating model, focused on the long term. In this model, providers and developers will enjoy the right and opportunity to innovate and compete for compensation, while users will benefit from a diverse experience, freedom of choice, and access to a broad range of commercial services.

#### 5. The Mechanics of a New Global Economy

#### About empowr and Currency

empowr is the world's first democratic social economy (DSE). It was founded in 2000 by Brandie Smith and Michael Pousti and was soon joined by lead engineer Chris Lee, database scientist Mohit Vazirani, data analyst Jonny Mollins and quality control specialist Tim Tran.

Its president is Brian Woosley, who was originally an alpha user of the platform and later became the first company president to be democratically elected, from amongst the users, by the citizens of the platform as empowr transitioned to become a fully democratic platform. Today, empowr has over 1,000 workers around the world and is headquartered in San Diego, California, USA.

empowr enjoys a high level of engagement from its users. empowr citizens list hundreds of thousands of products and services for sale each month. The size of the user base, its demographics, and its community ethos make empowr a unique venue where cryptocurrency may be introduced, adopted, and utilized by a large mainstream audience. empowr has been in open alpha test mode and is now preparing to transition to its beta phase.

#### empowr Dollars

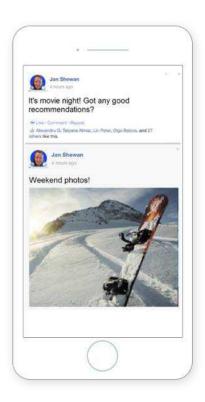
Traditionally, empowr dollars have been the transactional unit of account within the empowr ecosystem. Citizens currently earn empowr dollars from all activities, such as posting and sharing content, selling and sharing physical and digital products and services, and assisting others to succeed by coaching, promoting, distributing, transporting, auditing, moderating, leading, managing, arbitrating and a host of other roles.

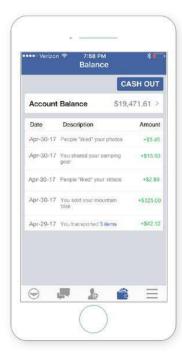
To pay for its operating costs, empowr charges a 15% transaction fee on products and services sold and also enjoys healthy revenue streams from various advertising and subscription services it offers to its citizens. It has even returned millions of dollars of revenue back to its citizens.

#### Earn by Posting and Sharing Content

To ensure that everyone can immediately start benefitting from the earnings potential, new empowr citizens start earning by simply doing that which they're already accustomed to doing in all other social media: Posting and sharing content such as photos, videos, status updates and blog posts.

This innovation — the ability to pay everyone for simply doing what they're already doing for free elsewhere — is not an insignificant accomplishment. It involves a myriad of innovations over many years, especially including the ability to effectively block fraudsters and gamers that would otherwise receive an unfair portion of the overall compensation via the use of multiple empowr accounts, bots and automation.





#### **Daily Earnings**

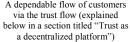
Each day, all citizens receive an email report showing how much they earned the day before from all their activities, and they can also see that information listed in their account balance.

#### Listing Services and Products to Sell or Share

Soon after empowr citizens discover how easy it is to earn by simply posting and sharing content, they learn how to become even more productive members of the empowr economy, by listing (for sale or sharing) any products they already own that are not being fully utilized; or services that they can offer with their free time.

empowr believes that its marketplace suite is the most comprehensive marketplace suite ever offered to any audience anywhere in the world, because of all the capabilities it uniquely offers in one simple to use fully-integrated interface:





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empowr citizens can purchase and place bids directly from within ads, social feeds and more

empowr citizens can start an auction by simply clicking on an object in a photo to place their bid

#### Lowering the Bar for Business

The result of this expansive platform is that anyone, anywhere and from any walk of life, can be up and running in 30 seconds after registration, with everything they need to generate revenues – without having any capital or business experience whatsoever.

By successfully lowering the bar for all, empowr is living up to its mission's mandate to "empower people by enabling opportunity" for them.

#### Free Personalized Education and Customer Service, 7 Days a Week

Upon joining the platform, citizens have questions ranging from "How do I do \_\_\_\_?" to "I'm confused – can you help me understand this specific charge or earning I'm seeing in my account balance?"

Offering quick and effective personalized expert help to every single customer anywhere in the world, in their local language, at no cost to them — and at an affordable cost to the company — is no trivial task. empowr has spent over ten years building the technologies, know-how and human organization that enables each and every empowr citizen to have access to their own expert human resource (called a success coach) that's assigned to them at the very moment they register and become an empowr citizen.

Personal success coaches are eager to help and available — always free of charge — 7 days a week.

#### Maturation

Currently, earnings in empowr are required to mature for 90 days before being available to cash out into U.S. dollars. However, before becoming fully matured, earnings can be spent in the empowr ecosystem.

This policy and capability incentivizes participants to shop within the ecosystem before converting currency into U.S. dollars.

This innovative maturity approach means that most earnings are spent within the empowr ecosystem, with the remainder cashing out (to U.S. dollars) at a rate of 1 empowr dollar to 1 U.S. dollar.

Two significant benefits of adding empowr's maturity invention (via a smart contract) to the empowr cryptocurrency:

#### A. Curbing currency volatility

Much of the volatility of other cryptocurrencies can be avoided. empowr's innovative maturity process acts like a circuit breaker (also known as a trading curb) in stock exchanges, as fear-based currency selloffs based on news events can be curtailed, allowing calmer heads to prevail. A less volatile currency breeds a higher level of belief in — and higher demand for — the cryptocurrency.

#### B. Unparalleled captive audience of buyers

Before becoming fully matured, currency can be utilized immediately to shop within the empowr marketplace and ecosystem. This means that virtually all empowr citizens have currency that they can spend immediately — friction-free and often with just one click.

In turn, this abundance of highly engaged customers with available funds, means that anyone that has anything to sell or share – whether goods or services -- physical or digital -- most often finds themselves able to easily sell those items, creating abundance for themselves and their families, and hope for their future.

In this manner, empowr is successfully enabling opportunity and hope for its citizens, as mandated by its mission: "*To empower people by enabling opportunity, hope and influence*"

#### **Creating Healthy Engagement Habits**

Virtually all social media platforms aim to increase the amount of time and attention their users spend on their platform, so that they can sell those "eyeballs" and time to advertisers.

Indeed, today's tech giants pride themselves for creating "product addicts". It is hard to imagine any other industry getting away with providing – even boasting about — products that create unhealthy addictions in their customers.

#### A Very Different Objective and Approach

Instead of creating highly addicted citizens, empowr aims to:

- i. maximize economic value to its citizens
- ii. using as little of their time as possible

empowr sees its future as a platform that enhances the lives of citizens, by enabling them to do more with less. One important benefit of this approach is that citizens will have more time to spend with their loved ones and hobbies, helping to reverse the societal decay that's being fostered by current technology companies in their competitive race to the bottom to create addicted customers.

#### Limits on Usage

Rather than encourage higher use, empowr is the only social media company that actually limits the amount of posting, listing and sharing each citizen can do each day.

Previously, without such limitations and in part due to the unique earning capabilities of the platform, empowr citizens were motivated to spend more and more time on empowr, to an unhealthy degree where many were hardly sleeping or doing much else with their lives.

As a result of witnessing how the platform was helping to destroy lives because of its addictive qualities, empowr became convinced that, as a mandate of its mission, it needed to curtail such addictive behavior by placing healthy daily limits on usage.

### **Trust as a Decentralized Platform**

empowr also aims to maximize economic value to citizens by significantly changing how a social networking product is utilized.

empowr encourages citizens to NOT use the social networking homepage feed (that virtually all social media companies offer and that aggregates content from various sources) and instead encourages them to start their session by visiting a specific user's profile – chosen for them by the platform's proprietary algorithms.

With this approach, the platform instructs the viewer how to "close the loop" with the owner of the profile that they're being shown. By *closing the loop*, the viewer is bringing economic value to the profile owner. They close the loop by simply "Liking" their posts or bidding/buying something that they're selling or sharing: The viewer can choose to close the loop by Liking or bidding/buying, or they can simply click the right arrow to advance forward to the next person's profile.

#### The Trust Algorithms



The people that are suggested and presented to viewers are those that are located geographically near them that are most likely to reciprocate if an economic favor is performed for them.

For example, if citizen A is shown the profile of citizen B: If A chooses to *close the loop* with B, the next time that B signs into empowr they'll be shown A's profile. It will now be B's turn to *close the loop* back with A, creating economic value for A. (And after that, it will again be A's turn).

With each such back-and-forth reciprocation (closing of the loop) it becomes mathematically more likely that further such reciprocations will continue, ultimately growing to a very high level (>99%) of *predictability in relationships* – also known as "trust".

#### **Decentralized Trust as a Service**

Because empowr is the first and only platform in the world to successfully integrate social networking and communications with an economy and end-to-end marketplace that includes transactions, currency, transportation, judicial and much more, it can and is aware of most of the interactions and transactions that happen between citizens.

Therefore, empowr is well positioned to track, measure and record the level of reciprocation, trust and trustworthiness that is building between citizens.

empowr plans on recording this trust data to the blockchain, in an open-source approach that will allow other entities to use and benefit from this data for any citizens that specifically opt-in (allow) them to.

### Another Breakthrough for Humanity

Anthropologist and evolutionary psychologist Robin Dunbar famously concluded that 150 is the maximum number of individuals with whom any one person can maintain stable relationships with – a direct function of the size of the human brain's neocortex and long-term memory. This number (150) is called <u>Dunbar's Number</u>.

empowr remembers all actions between citizens, so they don't need to.

Now, for the first time in the history, people can build an unlimited number of trusted economic relationships without the need to quantify or count, track, calculate, negotiate, remind or remember "who did what for who".

Like humanity's earlier inventions that forever removed limitations from our species and gave us new powers – such as flying through the air (with airplanes), traveling to space (rockets) or visiting the depths of the oceans (submarines), the successful elimination of Dunbar's Number from humanity's limitations is a critical one.

Why? Its impact can be more fully understood when you consider that half the world's populations still lives on \$2 or less per day. By enabling these same people to easily establish and benefit from a virtually unlimited number of economically beneficial relationships, they become permanently unshackled from the chains of perpetual poverty.

Instead of focusing and rewarding empowr's employees (such as designers, product managers and application developers) on addicting customers in order to drive their attention to advertisers – gradually destroying customer lives in the process — empowr is uniquely succeeding at helping establish mutually-beneficial economic relationships between its citizens that are improving their standard of living.

### The empowr App Platform and Developer AID

Earlier, empowr invented the ability for third-party application developers to build and launchapps within a social network, as evidenced by <u>its patent</u> on this important innovation.

Upon the completion of the empower alpha phase and launching the beta phase, empower will officially open the app platform to application developers around the world.

Developers will instantly benefit from the viral growth of their applications within the social feed of empowr citizens, virtually all of whom have funds maturing in the account balance, that that can spend with just one click to purchase apps or conduct transactions within apps.

### **AID: Helping Developers Succeed**

Under a program titled AID (Application Innovation Dollars) empowr's marketing and compensation engine will materially reward developers that deploy apps that, specifically, work to create earning opportunities for empowr citizens.

AID will help these apps achieve critical mass and profitability by not just promoting their apps and bringing them customers, but by subsidizing a portion of the compensation that these apps provide to their app workers, thereby fast-tracking their success.

As a result, there will soon be hundreds and then thousands of new ways for citizens to earn within the empowr ecosystem. It's not hard to envision multiple Uber or Airbnb *clones* competing within the empowr ecosystem, operating with the advantage of having a captive audience that all have funds that they cannot yet "cash out" due to maturation requirements (described earlier)... funds that they can spend on or within these apps immediately.

empowr believes that this approach will ensure millions of consumers will favor utilizing apps located within the empowr ecosystem over those on the outside. This phenomenon gives empowr apps a significant strategic advantage that they will use to achieve network effect lock-in faster, while also helping to break any lock-in effects already achieved by external apps in virtually all industry verticals.

It's not farfetched to predict that these apps will be able to quickly succeed, as they'll be able to pay their workers much more in their first and most important months because those payments to their workers are being subsidized by empowr AID.

As word spreads that the empowr ecosystem is the best place to launch apps; and as the apps that offer economic upside (IE: work) to their users are materially assisted (by empowr AID) in their ability to both attract customers and pay their workers; demand for the empowr currency will continue to grow.

#### empowr Wallet and Settlement Layer

The primary feature required to enable a digital community to use cryptocurrency is a wallet. empowr will integrate wallets for each empowr user account, allowing for the most common wallet interactions. By integrating the wallet to support empowr's growing user base, the empowr wallet has the potential to become the world's most adopted and utilized cryptocurrency wallet.

Facing the complexity of raw cryptocurrency technology is typically difficult for most consumers. Issues of transaction fees, private keys, and alphanumeric addresses create usability barriers for mainstream users. empowr will aim to significantly reduce these onboarding frictions. The onboarding process for users will not require prior expertise with cryptocurrencies before interacting with empowr.

empowr citizens wishing to transfer currency into and out of the empowr platform will be able to do so by interacting with the public Ethereum network, which will serve as the currency's decentralized settlement layer.

Users interacting with currency inside empowr will have a more managed experience. This will allow the early version of the system to solve for blockchain scalability bottlenecks, feeless transactions, faster transaction times, and encapsulation of complex features like private keys.

Over time, empowr will grow with the development of blockchain technology to accommodate these features in a fully decentralized setting.

### What's Next?

Below are some of the products and features that empowr is actively examining, designing and/or developing.

empowr believes that by building these features in unison – designed to be compatible and interoperable with each other — each of them has a markedly higher chance of adoption and success, giving empowr a quicker and more secure path to the accomplishment of its mission:

- Decentralized Social Network
- Decentralized Marketplace
- Decentralized Banking

- Decentralized Transportation
- Decentralized Customer Service
- Decentralized Collateral System
- Decentralized Educational system
- Decentralized Trust system
- Peer-to-peer Crowdfunding
- Distributed Judicial System
- Distributed Cloud
- Decentralized Personal Data Locker
- Decentralized Messaging and Communications
- Decentralized Applications
- Decentralized Voting
- Smart Contracts
- Platform for Anonymous Agents
- Decentralized Reputation System
- Uncensorable Content
- Distributed Social Energy Grid
- Trustless Transactions
- Decentralized Identity
- Support for Internet of things

### 6. User acquisition

empowr's overarching goal is to help half the world's population – that currently live on 2 or less per day – to earn an average of 25 by the year 2025.

The empowr coin will help achieve that ambitious goal. It's a liquid currency that can be effectively used for user acquisition (via marketing activities) as well as user retention (via compensation for posting and sharing).

Enabling these activities using the coin is especially critical and relevant in empowr today because of the (once impossible-sounding but, now, finally believable) objective of building the platform without accepting a penny in capital from equity investors.

Having *built* the platform without equity investors, the coin now enables the *marketing* of the platform to be achieved in the same manner.

### The plan

The company's user acquisition plan calls for a competitive marketing process, in which hundreds of independent marketing companies are retained to focus on user acquisition for empowr.

The plan calls for hiring between five (5) and ten (10) marketing companies in each of nearly 100 countries around the world.

Each marketing company is provided with a marketing budget. In consideration for their services, each company earns between 10 and 15 percent of the budget allocated to them.

The size of each company's budget is based on the results they're able to achieve relative to their competitors.

For example, if Marketing Company A can acquire users for empowr at a cost of 40 cents per user; and Company B can achieve the same results at a cost of 50 cents per user, Company A's budget (and therefore their own revenues) might be double the size of the marketing budget provided to Company B.

Since the entire process will be fully transparent to all participants, marketing companies will learn from each other as they compete to increase their revenues by decreasing the cost of user acquisition for empowr.

The result in each territory will be a user acquisition cost that decreases over time, as each marketing company's techniques, ads, messaging and media vehicles evolve, with the bulk of the marketing budget for each territory being consumed by the territory's best performer.

#### An operational nightmare?

Normally, managing hundreds of separate marketing companies in nearly one hundred countries with very different cultures, languages and customer wants and needs – operating in very different advertising markets – would be an incredibly challenging operational undertaking for any company of any size or capability.

Each marketing company would be hamstrung (slowed down) by the customer (ad buyer's) needs to approve each advertisement and message that the marketing company would want to test or use.

The resulting bureaucratic process would grind the execution, momentum and motivation of participating marketing companies to a halt, along with their results.

So how can empowr pull this off?

### Uniquely enabled by years of preparation and innovation

empowr is uniquely able to set free hundreds of marketing companies, without the need to micromanage their efforts, tactics and marketing vehicles.

To understand why this is so, consider the simple message on empowr's homepage:



### "Earn by posting and sharing"

The **power** of this message is that it:

- 1. Easily translates to every imaginable language...
- 2. ... promising the most basic and universal of needs (earnings)
- 3. ... for doing what billions know how to do (post and share in social media)
- 4. ... and are typically spending hours doing daily (without compensation)

It's the **simplicity** of the above message that enables empowr to release hundreds of marketing companies without the need to micromanage their ads, messaging or processes. empowr must only audit participants periodically to ensure they stay within acceptable guidelines.

### Why is empowr uniquely able to utilize the above message?

The ability to promise meaningful "earnings from posting and sharing" – in all the ways that users are accustomed to posting and sharing (photos, status updates, videos and blogs) – is no trivial accomplishment.

It involved a decade's worth of innovations by hundreds of engineers, data analysts and product professionals.

Of critical importance was the ability to effectively block fraudsters and gamers that would otherwise receive an unfair portion of the overall compensation.

Without effective fraud blocking capabilities, fraudsters would use multiple accounts and automated bots to cheat the community, rendering the entire approach and business model as unworkable.

Thanks to its significant 17-year lead and first-mover advantage, empower has enjoyed the opportunity to build, test, refine and monitor its fraud-busting algorithms.

The process involved hundreds of engineers and thousands of alpha test users, working for many years until full confidence could be achieved as to the viability of the fraud-busting mechanisms.

### Well-tested, effective and profitable marketing plan

To sufficiently test the marketing plan, funds are needed to purchase advertising.

Fortunately, empower has enjoyed the ability to adequately test the simple marketing message discussed above in nearly 100 countries, over a multi-year period thanks to nearly a million dollars in advertising generously made available to it by Google.

In those tests, marketing expenditures were fully recovered (via revenues from the acquired users) in an average of ninety (90) days, rendering the marketing approach as successful and profitable.

### Learn more

To hear an empowr co-founder discuss the competitive marketing approach or learn more about empowr's innovations around generating and retaining demand for its coin, <u>watch this video</u>.

### 7. Democracy and empowr

empowr has been building an economy with a mandate to eventually serve billions of participants. Since government is necessary to the existence of any economy and civilized society, a question arises as to what form of government is optimal for empowr.

empowr believes that democracy is that optimal approach. But democracy is going through a crisis in many parts of the world, including here in the United States. By first taking a moment to review empowr's perspective on the current state of the American democratic system, readers will be able to more easily understand the reasons behind empowr's desired approach to governing as well as some of the specific steps it intends to take towards democratization.

### Endangered Democracy and the Rise of the Post-industrial Oligarch

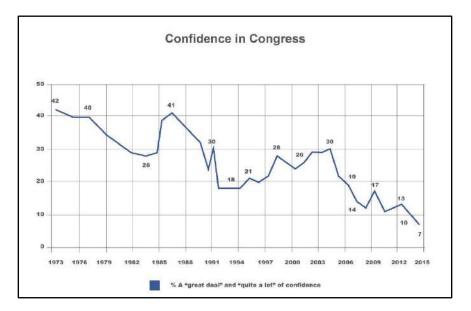
In the United States, only a couple thousand companies have more than \$1 billion in annual revenue. Thanks to the erosion of campaign finance laws (which used to limit how much money these companies can give politicians) these 2,000 or so companies have a much larger say in the direction of political discourse within the United States than the vast majority of the American people. This is because politicians (especially those seeking national office) know that, to get elected and pursue their political agenda, they have absolutely no choice but to keep happy some of these couple thousand companies plus several billionaires and a group of special interests with big budgets. If they do so, they can afford the television ads required to get the vote. If they don't, they won't be elected or reelected. Unfortunately, it really is that simple.

Because of this warped democratic process, the peaceful revolutions that our elections used to usher in have become things of the past. Here in the U.S. (a shining example of democracy that is looked up to by much of the world—or at least used to be...) we are now electing (and re-electing again and again and again) politicians who have no business being in public office. This happens to a large degree because, at one point in time, elected officials decided to make it easier to stay in power by attacking term limits (i.e., how many times they can run for reelection) and by rolling back campaign finance reforms.

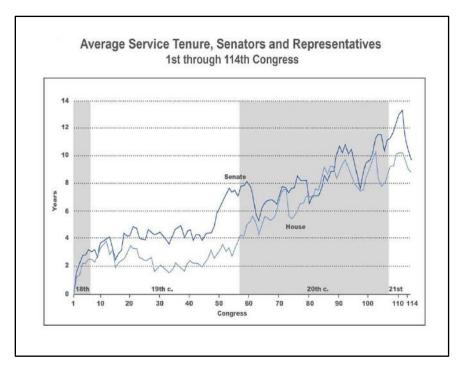
Consequently, the great effects of a vibrant, thriving democracy that we once enjoyed here in the United States are disappearing. Here are just a few examples:

- Since the U.S.'s most recent economic recovery began, roughly 95% of the new wealth created has gone to the top 1% of income earners.
- The United States now has more people in jail, per capita, than any other country in the world—even more than the most repressive regimes on the planet.
- Since 1990, the cost of living within our country has jumped over 55% while the purchasing power of the minimum wage has risen only by roughly 19%.
- U.S. roads, bridges and other public infrastructure are crumbling, with investment down to less than .5% GDP behind Australia's 1.25% and nine other developed nations.
- The U.S educational system, once among the top in the world, is now in 14th place and falling, according to Pearson's Global Education Index.
- Americans spend double the amount per capita on healthcare as other first-world nations, while at the same time our country ranks near the bottom of the industrialized world when it comes to preventing avoidable deaths through timely, effective medical care.

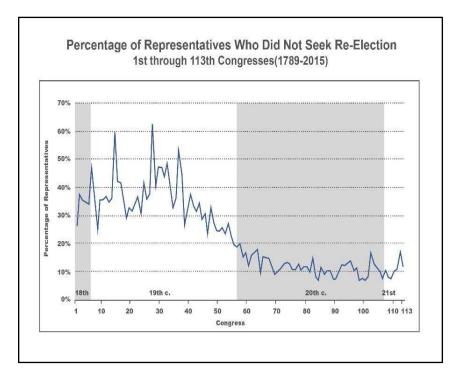
Satisfaction with national government is at a near all-time low, hovering between 10% and 20%, depending on whom you ask and what branch is being discussed:



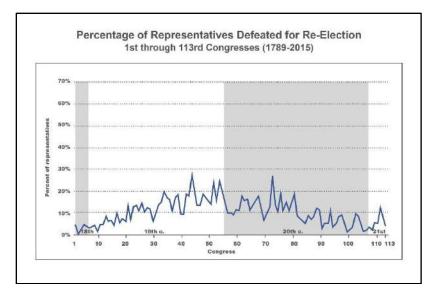
During the late 19th and through the 20th century, the average years of service for Senators has increased steadily, from an average of just under five years in the early 1880s to an average of just over thirteen years in recent Congresses:



Similarly, the average years of service of Representatives has increased from just over four years in the first two Congresses of the 20th century to an average of approximately ten years in the three most recent Congresses.



Given the public's almost complete lack of confidence in congress, you might be shocked to know that the reelection rate of congressmen and women has never dropped below 80% for the past half century for our House of Representatives and has averaged over 80% for our Senate in the past thirty years:



If almost all the people don't like their representatives, but those representatives almost always get reelected, it follows that the people have lost control of their government, which means calling it a democracy is inaccurate.

We don't think it's the fault of the individual politicians for doing what they need to do to be reelected. No matter how noble a politician's ideals, they are powerless to enact change if they can't get elected and retain their office.

However, this phenomenon of the constant reelection of politicians who comprise a government that the vast majority of voters disapprove of is a symptom of a broken democratic system that needs to change if it expects to survive. John F. Kennedy once said, "Those who make peaceful revolution impossible will make violent revolution inevitable."

#### Democracy as a Strategic Advantage for a Tech Company

Along with building what it believes will become one of the world's largest and most powerful economies, enabling hundreds of millions of economic opportunities and jobs, empower has been working in phases to become a fully democratic platform.

Its vision is for many important company operators — from the company's president to many other global and local officials and judges – to be elected by the users (citizens) of the platform. Indeed, the current president of empowr (Brian Woosley, originally an alpha user of the platform) was voted in by empowr citizens.

So why does empowr believe in democracy as a winning approach to operating a technology corporation?

The founders of the platform believe that empowr's chances of surviving and thriving in the long-term are significantly higher if its leaders are accountable to the platform's citizens as opposed to its shareholders.

By being accountable to citizens, empowr's leaders stand a greater chance of delivering a product and platform that's customer-centric – meaning it successfully evolves with the needs of the customer base. Any product that loses its ability to meet the evolving needs of its customer base will be displaced by competitors, which is why today's technology companies (accountable primarily to shareholders as evidenced by how their leader is chosen) virtually always move towards irrelevancy after their founders (who are generally the company's original customer champions and advocates) leave or die.

Those products that survive after their founders depart often do so not by innovating but by temporarily benefitting from monopolistic positioning, lobbying of political leaders to establish policies to keep out competitors, and other predatory practices that can only temporarily prolong their existence. empowr believes that democracy, carefully established over a long period of time, offers a better path to a company and platform for staying relevant for the long-term.

### **Building a Democracy for the 21st Century**

So, given the state of democracy around the world, how do we build a better democracy?

To ensure the most effective democratic processes and institutions are created and maintained, empowr is joined by some of the world's leading thinkers in political science; Professors of Political Science from highly respected institutions such as MIT and University of California at Berkeley, empowr aims to complete a process to solidify its official constitution in 2019.

The objective of this process will be to answer the questions: "How do we construct a democracy from the ground up, built for the 21st century with all its unique challenges, opportunities and the advent of digital communications including blockchain-inspired transparency and accountability? What should be the various pillars of power, and how will their power be enabled and constrained?"

At empowr, we remain big believers in the American democratic approach. We believe that America mostly got it right; and that if it could accomplish as few as only three (3) corrections, the American democracy would

begin to self-correct, leading to progress in virtually every other important policy area:

**A.** Ensure ALL politicians have term limits so they only stay in power while they still have the passion for the job; and while the effects of soft corruption (that make them so beholden to powerful forces) haven't had a chance to fully solidify

**B. Keep big money out of political advertising** so that the people's voices are not drowned out by the desires of powerful special interests, corporations and a small number of wealthy individuals **C. Ensure there's an 'apple to apple' approach for the public to compare candidates for any position**. This is difficult to accomplish. However, after years of technological innovation towards this objective, it has been enabled in empowr: All candidates that claim to want to serve the public, must first serve a minimum amount of time as a *success coach* serving the community. Their performance level over the most recent twelve (12) months across a variety of important metrics (including citizen prosperity) is available for everyone to view and compare against that of other candidates. The basic idea is that if they are unsuccessful at serving the needs of a small audience, why would they be more successful at serving a much larger audience? If such a process existed in countries, it's easy to see how many failed politicians (which most come to your mind?) would have had their political campaigns eliminated before even getting started.

At the risk of oversimplifying this topic for the benefit of readers of this whitepaper, our conclusion is that if, somehow, the above three (3) corrections were made to the American system, virtually all other important areas, policies and problems in American society would begin to be addressed.

As a result of this general confidence in the American approach to democracy, empower has concluded that basing its own initial democratic political system on that of the American political system is a safer *starting point* than attempting to 'reinvent the wheel' right from the get-go.

Interested readers can learn more about empowr's beliefs and approach to erecting a digital democracy from the book "<u>America is an Idea and the American Dream is for everyone</u>" now available in paperback, e-book and audiobook versions.

### **No Financial Investors**

empowr has never raised a single penny from financial investors, for one simple reason:

So that empowr's democracy and democratic processes, policies, institutions and economy have the best chance to form and solidify without being influenced by divergent interests, ensuring that it has a higher long-term chance of operating for the benefit of its users (called its *citizens*) as opposed to the prosperity of a small number of founders and investors.

Any platform can claim to be built for the prosperity of its user base, but invariably will need to reconcile the inherent conflict between the two opposing objectives of maximizing shareholder value and profits, vs. maximizing user prosperity.

The bottom line is that there will eventually be a moment of reckoning, where the following question will need to be answered with critical consequences to follow:

"Do we exist primarily to-

- A. maximize profits for the benefit of shareholder value and share price, or
- B. maximize rewards to our citizens to benefit their prosperity?"

If any company previously accepted funds from investors that risked their capital in the hopes of eventual profits and gains — their answer will always be A.

The consequences that follow answer A will include a mandate for the management team to ensure profits keep growing. After the company's revenue growth rate begins to slow, that directive will necessarily mean improving profits by decreasing the platform's largest expense: the compensation that flows to the platform's users.

Decreasing compensation to the platform's users can come in the form of higher fees (such as increasing transaction fees on sales made), decreasing or eliminating subsidies (such as compensation for new users for their posting and sharing) or increasing the cost of services provided by the company (such as the cost of advertising or various subscription services).

And even after completing such moves, it won't be enough. Wall Street has an insatiable appetite for increased profits on a quarterly basis. When the growth rate of such profits slows, the result is virtually always a plunge in the company's share price with difficult consequences to follow.

By never accepting investor capital, despite the harsh circumstances, difficulties and risks that accompanied this approach, empowr has successfully positioned itself as the company and platform that can uniquely focus its goals, employees, products, algorithms and approaches on maximizing prosperity for its citizens not shareholders. As a result, empowr likely stands alone with the potential to offer a democratic social economy that's truly accountable to its users (citizens).

#### **Decentralization and Open Source**

empowr has been closely monitoring the growing momentum of decentralized technologies such as Bitcoin and Ethereum. These open sourced blockchain-based networks offer environments within which new digital ecosystems can flourish. In decentralized networks, both economic value and governance can be distributed among the network's stakeholders rather than concentrated in a single and centralized organization, which is undoubtedly consistent with empowr's mission, overarching goal and approach.

empowr believes that open-source and decentralization offer the most promising path to realize empowr's vision of a sustainable platform that truly enables empowr's mission of empowering people by enabling opportunity, hope and influence for the masses. Therefore, empowr will incrementally transition to an open source and decentralized approach for most its currently proprietary codebase.

### 8. Governance, research and development goals

### Overview

The empowr ecosystem is a community of ecosystem partners – developers, consumers, buyers, sellers, service and product sharers and users – that adopt the *empowr* cryptocurrency. empowr, the company, is intended as an independent and democratic governance body for the members of this ecosystem. The principal functions of empowr will include the open governance of its resources together with other ecosystem partners; the support and advancement of the technology related to the *empowr* cryptocurrency implementation; and all matters related to ecosystem membership, including the empowr marketing and compensation engine.

empowr's mandate is to grow an open ecosystem of products and services that consumers can easily explore and find value in, while giving developers an open and sustainable platform to develop, deliver, and enhance those services and attract users. As time goes by it is likely that empowr will be replaced by other, more innovative governance methods such as a decentralized autonomous organization (DAO). To fulfill its mission, empowr will dedicate resources to three specific goals related to research, development, and governance as described below.

### **Governance Goals**

empowr will continue to dedicate resources to establish a fair and transparent governance process that will consider the voices and needs of all participants within the ecosystem. This open governance model will oversee decisions related to the membership process, the empowr marketing and compensation engine, participation rules, legal matters, and content and compliance guidelines.

### **Research Goals**

Resources will foster an environment of innovation by working with partners to test new ways to participate in the ecosystem and drive value creation and network effects.

### **Development Goals**

empowr will direct and fund the development of tools that give ecosystem partners the ability to build, grow, and create value for one another. As part of this process, empowr will make its own codebase available as an open source project that can be leveraged to power new communities and add capabilities to existing ones. empowr will further this work by engaging development teams to continue improving the technology suite supporting the empowr ecosystem, and it will maintain an open source codebase for the benefit of ecosystem participants.

### **Mandate and Long-Term Goals**

To aid empowr in carrying out its mission, most of the supply of the *empowr* coin will serve as a monetary reserve at the limited discretion of empowr. empowr is responsible for guaranteeing the security of the empowr coin reserves as well as transparency in its use of funds.

As part of its mandate as the custodian of the reserve, empowr will administer the empowr marketing and compensation engine. The goal of the marketing and compensation engine is to create incentives for offering physical and digital goods and services and applications within the empowr ecosystem. It will accomplish this by periodically unlocking a specific amount of empowr coins and distributing it among ecosystem partners.

In the long term, empowr will fund research and development efforts to support an autonomous reward

mechanism that is secure against economic vulnerabilities and gaming, with all transactions accounted in a trustless way. In the interim, empowr will administer a centralized ledger and execute on its defined policies and protocols in an automated but trustful way, while working toward a fully decentralized method.

### 9. Technical Considerations

This section covers general technical considerations in grounding the empowr ecosystem in the public Ethereum network.

### **Platform Limitations and Off-Chain Solution**

The Ethereum network currently operates on a proof-of-work blockchain and is therefore limited in throughput, though future versions of Ethereum will work toward enhanced throughput and scalability. The current average confirmation time, or block time, is approximately 17 seconds. For technical reasons, the block time will marginally increase.

The number of daily transactions on the Ethereum network has been growing. Daily transactions increased from nearly 40,000 to over 100,000 from the starting to the ending day of the first quarter 2017. Currently, the number of daily transactions is higher than 100,000; this volume is expected to continue increasing as new applications and users continue to enter the Ethereum ecosystem.

The current throughput of Ethereum is approximately 8.5 transactions per second, or approximately 740,000 daily transactions. Over time, the Ethereum network can also adjust to higher volume conditions for additional throughput.

There are two other issues that suggest that a purely on-chain architecture may not be optimal at the outset. The first issue is that Ethereum transaction confirmation times result in significantly delayed responsiveness than users typically expect from consumer applications. The second issue is that the Ethereum blockchain requires fees to be paid for every transaction. Fees are paid in Ether cryptocurrency, creating an adoption barrier for the average user.

Given these barriers, empowr will initially implement a semi-centralized hybrid on-chain and off-chain transaction service for scalable interactions with the empowr cryptocurrency. At the core, the transactions in empowr will be settled on the Ethereum blockchain. However, the empowr will host a centralized off-chain ledger with an API available to all digital service partners.

This will improve user experience due to latency, avoid network fees when transacting between users, and avoid stress on the public network due to large transaction volumes.

### **On-Chain and Off-Chain Tradeoffs**

To enable highly scalable, low latency, and cost-effective decentralized systems and to eliminate the need for semi-centralized approaches, significant advances will need to be made in blockchain technology. Progress is already being made with projects such as the Ethereum Foundation's ongoing Casper research, the Raiden network, Tendermint/Cosmos, and Graphene in the areas of throughput scalability, sharding, efficient payment channels, and decentralized governance protocols. empowr would welcome the opportunity to work with the blockchain technology community on accelerating the required advances and testing them in production by integrating them into empowr's transaction services.

#### The empowr Marketing and Compensation Engine

empowr will oversee the reserve of uncirculated currency with the mandate of promoting adoption and growth of the empowr ecosystem. Currency will be secured in a smart contract, allocated to the empowr marketing and compensation engine, and introduced into circulation as periodic rewards.

This hybrid solution creates a semi-centralized system in which end users will enjoy a standard user experience insulated from some of the complexity of blockchain systems. However, this approach also has the drawbacks typical of a centralized system, such as having to rely on trust between participants. In the long term, the empowr will move to migrate the transactional infrastructure to a fully decentralized system while retaining a low friction user experience.

empowr will use some of the reward allocation for operations and marketing. The currency available for marketing purposes will be used strategically to help ecosystem partners acquire users and bring partners to the ecosystem. By seeding millions of active users with a nominal supply of empowr, users will learn how to interact with the cryptocurrency. In the long-term, the empowr marketing and compensation engine will be implemented in the form of an autonomous and trustless system.

### **Identity Service**

User identity becomes an important issue in a decentralized ecosystem. For instance, users should be able to transact without friction across multiple services. Such participation requires users to establish and communicate consistent identity across services, to maintain a single, robust wallet, and to own an ongoing reputation in the digital environment. A consistent and easy-to-use identity service will be maintained by empowr and will provide participants with the code and API necessary to integrate it. Third-party identity services, such as BlockStack's OneName, uPort, or Keybase may also be integrated as part of the identity solution.

### 10. empowr Coin Issuance

### empowr Coin Allocations

Beginning on April 15<sup>th</sup>, 2018, empowr will commence a token distribution event that will disperse 500 million units of empowr coins.

At of the conclusion of the distribution, 500M empowr coins will constitute the entirety of the initial available liquid supply.

In line with its democratic ideals, empowr will distribute the entirety of its initial coin supply to the community for free. Recipients will include empowr's community of users, success coaches, advisors, partners and employees. Thousands of cryptocurrency enthusiasts will also be provided empowr coins completely free of charge.

### Why free?

First, because it can: empowr is in a unique position because its existing revenue streams have been sufficient to cover fixed costs, payroll and product development.

More importantly: Hundreds of thousands of empowr citizens (users, success coaches, advisors, partners and employees) have patiently worked, believed and contributed to the production of the platform – many for well over a decade – some for the entire 17-year duration of the project.

During those years, participants have all worked for little or no compensation, each overcoming a variety of personal hardships to stay focused and productive. For details on some of those trials and tribulations <u>watch</u> the documentary; or <u>read</u> or <u>listen</u> to the book.

Each person that chose to participate, did so with the understanding that by successfully resisting the temptation to accept investor offers (<u>details</u>) the platform could ultimately belong to, and be controlled by, its citizens.

Participants were aspiring to produce a better economy and democracy than what was available to them; one where the wealth and income would flow to the majority as opposed to mostly the very top echelon of the economy and society. That goal necessitated a virtually unprecedented level of selflessness and sacrifice from all parties involved, given the sheer lack of resources.

In addition to individuals, many of the company's partners, such as the law firms that helped empowr with patent filings, did so with little or no compensation.

Therefore, with the launch of the coin, empowr's founders and management, led by their democraticallyelected president Brian Woosley, feel an obligation and duty to reward the community with 100% of the initial supply coins without any cost to them.

### What about the next billion participants?

Since inception, empowr's overarching goal has been to help half the world's population – the 4 billion people that live on \$2 or less per day – to earn an average of \$25 by the year 2025.

To accomplish that goal -- and serve billions of new citizens -- the platform will naturally need more coins than the original 500M supply.

Therefore, each month, the empowr smart contract will release to the empowr marketing and compensation engine a shrinking number of coins to be used to generate demand for the coin via:

1) Marketing

2) User mining

#### 1) The purpose of marketing is new user acquisition

New users mean new demand for the empowr coin. Read the user acquisition strategy.

#### 2) The purpose of user mining is to compensate new users starting on their very first day

New users are compensated for posting and sharing, an activity that 2 billion people are actively doing every day in social media without compensation.

The ability to compensate billions of people for doing exactly what they're currently doing without compensation, is enabled by technological breakthrough and represents a significant strategic advantage that has taken over 1,000 product and engineering professionals well over a decade to build and optimize.

By having a simple way to earn from familiar activities in a recognizable environment, from their very first moments in empowr, new users are motivated to engage with the empowr platform from the moment they sign up.

From there, a myriad of human-powered and automated processes start to work, gently teaching, assisting, handholding and motivating users to become productive in one or more facets of the empower economy.

Users learn to produce and provide, or assist in the production, marketing, distribution, delivery and/or consumption of virtually every conceivable product or service; all activities necessary for generating and growing an economy.

As the empowr economy builds, so does the utilization of the empowr coin - the unit of account for all economic transactions within the empowr economy.

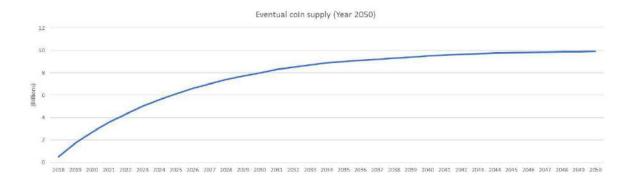
Of course greater coin utilization means greater demand for the coin.

### **Details on coin supply**

In the month following the token generation event, 95 million units will be released to the empowr marketing and compensation engine.

Then, in each subsequent month, a shrinking number of coins will be released to the engine. Each month's coin release will be exactly 1 percent smaller than the prior month's release.

Monthly releases are divided by the number of days in the month and discharged daily.



In the decades to come, the supply of coin will approach, but never reach, 10 billion coins. While that may not seem like enough coins to comfortably support billions of users, it is important to note that each empowr coin is highly divisible, with 18 decimals after the decimal point.

### Growing demand faster than supply

The smart contract that controls the supply of coins, and the empowr marketing and compensation engine, both function under the purview and full control of empowr's democratically- elected president, congress and senate, which operate within an evolving legal framework as specified by the empowr constitution.

The mandate is to generate demand for the coin and incentivize participation in the empowr ecosystem. Naturally, it makes most sense to add to the coin supply (as shown in the above graph) if the resulting coin dilution is accompanied by an even larger increase in the demand for (= the price of) the coin.

Thankfully, this is a challenge that empowr has been focused on since inception:

After inventing virtual currency (view U.S. patent) empowr then spent nearly two decades quietly designing, building and testing the know-how, techniques, technologies, product features and processes required to optimally grow the demand for virtual currency.

The resulting capability, to grow demand faster than supply, represents a considerable first-mover advantage over would-be competitors.

Interested parties can learn more about empowr's innovations around creating and retaining demand for its currency, directly from one of empowr's co-founders by <u>watching this video</u>; by reviewing the <u>user acquisition plan</u>; or by personally experiencing compensation (by posting and sharing) after <u>signing up</u> as an alpha user.

For other questions about the coin, you can write to TheCoin@empowr.com

### Democratic process for increasing/decreasing the overall supply of coins

Any vibrant democracy and economy, especially one that's aiming to grow and eventually serve billions of citizens, must have a mechanism that allows it, under certain extreme circumstances, to increase or decrease of the overall supply of its currency if so desired by its governing bodies and citizenry.

The following five (5) people must approve (using a multisig authentication to the empowr smart contract) of any increase or decrease to the empowr coin reserves, in order for any such modification to occur:

- **President** elected by popular vote by empowr's citizens
- Vice President (Head of the Senate) chosen by the President
- Head of Congress chosen by votes from the other Congresspersons, who are elected by empowr citizens
- Chairperson of the Board of Governors the head of the empowr Board of Governors, currently acting as empowr's board of advisors and comprised mostly of top political science and economics professors from leading U.S. universities
- Chief Justice the leader of the Supreme Court. The Supreme Justices are currently five members of the empowr founding team that have, on average, been working full-time in empowr for over a decade. When there's a vacancy in the Supreme Court, justices are nominated by the Supreme Justice; nominations can be vetoed by other members of the Supreme Court, or by the President or by majority vote of the Congress or Senate

Any legislation that attempts to change the supply of coins must be approved by all five of the above persons. The empowr citizenry must be notified, in writing, of any legislated modifications to the supply of coins with a minimum of 60 days advance notice.

# 11. Management Team (post-distribution)



# MICHAEL POUSTI

Active Chairman

Michael Cyrus Pousti is a serial entrepreneur, inventor and author. His career includes over three decades as the chief executive officer (CEO) for tech companies.



At the age of 21, Pousti dropped out of the computer science program at the University of California, San Diego to start the Internet's first commercially successful search product and company.



At 23, he co-founded his second tech start-up, acquired by Unisys Corporation.

At 26, with nearly \$100M from Sony Corporation, General Motors and dozens of Silicon Valley venture and strategic investors, Pousti co-founded what became the world's top website for 18-24-yearolds. After filing with the United States SEC for an initial public offering (IPO), Pousti started his most ambitious project yet: empowr.com.

Pousti is best known for architecting corporate cultures that have helped inspire and bring out the best from thousands of employees and millions of users, resulting in hundreds of critical inventions and patents in social media, e-commerce, mobile, app ecosystems, transactions and virtual currency.



<u>s</u>

## ALEXANDER de LORRAINE

Chief Financial Officer

Coming to empowr from Google

"I've seen a lot of moonshot projects. Right now, empowr appears to be the one that can most affect the world for the better"

Alexander is best known in Silicon Valley for his responsibility overseeing Google's famed "Moonshot projects".

Alexander has been at the top levels of management for some of the world's most prestigious companies, from Xerox to IBM, and from Pfizer to most recently Google/Alphabet.

His other finance responsibilities at Google included overseeing the majority of Google's revenues in EMEA.

He also administered Google's largest area of expense: Payroll for Google's tens of thousands of employees.

# ARNAB PAUL Chief Product Officer Coming to empowr from



"I felt compelled to join the movement because empowr is exactly what the world needs right now."

Often called "The pillar of Silicon Valley," by his peers, Arnab Paul is most popularly known as the product leader responsible for some of Silicon Valley's most important product lines inside Apple, Microsoft and PayPal -- during each company's respective most innovative and impactful period.



**RO BHATIA** Chief Marketing Officer Coming to empowr from Google

"I'm convinced that humanity needs empowr to succeed. That's why I feel a duty to give my all to this effort."



Ro Bhatia has made a name for himself by overseeing some of the most important technology marketing efforts in recent decades – from eBay to Yahoo to (most recently) Google.



If a tech giant is facing an oversized marketing challenge, a mantra in popular tech circles has become "Better call Ro".

## FARID MEHOVIC

Chief Technology Officer Coming to empowr from facebook.



"empowr's success will mean a whole different direction for the world. Every smart and capable person alive should do everything they can to ensure empowr succeeds."

> Farid is best known as the pioneer that opened up many of the "Big Data" doors that, today, are critical enablers of nearly all top social media companies.



Most recently, Farid was responsible for Facebook's Big Data approach and ensuring it could scale with usage.



His innovations and approaches are widely cited, with his data algorithms commonly credited for enabling Facebook to explode its advertising platform revenues, which near single-handedly are responsible for driving Facebook's value from \$100B to \$500B.

### **Management & Founders**



BRIAN WOOSLEY Democratically-elected

empowr

### **Chief Marketing Officer**



**RO BHATIA** Prior Leadership at:

### Google ebay YAHOO!



Founder empowr **Chief Financial Officer** 



ALEXANDER de LORRAINE Prior Leadership at:

### Google Alphabet Pfizer

### **Chief Technology Officer**



FARID MEHOVIC Prior Leadership at:

### facebook.



TIM TRAN Founder

### **Chief Product Officer**



ARNAB PAUL Prior Leadership at:



### VP of Database Ops



MOHIT VAZIRANI Founder

empowr

### **VP of Engineering**



empowr

### **VP of Communications**



NICOLE QUIROZ

### Active Chairman



MICHAEL POUSTI Founder

### Advisors



DR JOHN MORGAN Professor of Economics UC Berkeley



DR MARK BEVIR Professor of Political Science UC Berkeley



DR SHACHAR KARIV Economics Department Chair UC Berkeley



DR ROBERT LUSKIN Professor of Government University of Texas, Austin



DR MICHAEL A. GILLESPIE Professor of Political Science Duke University



CHRIS SKINNER Chair of The Financial Services Club Best-Selling Author of "Digital Bank" Top 40 Fintech Influencers -Wall Street Journal



SUSANNE CHISHTI CEO of FINTECH Circle Best-Selling Author of "The FINTECH Book" Top 100 Most Influential Blockchain People



**BOGDAN FIEDUR** Co-founder of Bitjob. Core team member for Swarm Fund, Paypie.com, Mybit.io and Auditchain.com



**DAVE VAN DE WALLE** Managing Partner - Metacoin



**CRAIG BORYSOWICH** Sernior Consultant - CAPCO



VINCENT BRIATORE Cryptocurrency Analyst



**ROBERT NEIVERT** Venture Partner – 500 Startups



GARRETT KOEHN Mentor – 500 Startups



VAI GUPTA Chief Information Officer - Applift

### 12. Conclusion

empowr's users, success coaches, advisors and employees have been working together to build a better social network; one that's capable of enabling opportunity and hope for the masses; one that's committed to sharing, sustainability and justice.

Its mandate has been to ensure the platform can be and will remain democratic in that the platform and its features, policies, economy and approaches can be evolved for the benefit of its users (called citizens) – effectively giving them influence over the economy that they are participating in. By never accepting investor capital — resisting the steady stream of offers of venture and other types of financing from the world's top blue-chip investors — the company and its participants have all experienced varying degrees of financial and other hardships for many years so that the organization could remain true to these ideals and mission.

Despite these hardships and challenges, the company and its participants were successful at maintaining steady progress in the innovation and deployment of technologies and capabilities that are essential to the accomplishment of the empowr mission.

The empowr platform has been built using proprietary codebase, but it now hopes to fully embrace both open source and decentralization.

With its new cryptocurrency at its center, the empowr ecosystem will be open and sustainable while putting citizens first.

empowr will continue to pioneer a new trust-based economic model (enabling the "sharing of everything") for consumers instead of simply selling their attention and data to advertisers. In doing so, the company believes that the world will take great strides toward breaking up the centralizing powers possessed by the largest players in the technology industry today.

With the aim of fostering a vibrant economy based around the *empowr* cryptocurrency, the company will pledge all its resources to make *empowr* the primary transaction currency in its economy and promote services from the *empowr* ecosystem to millions of citizens. It will continue to evolve the empowr marketing and compensation engine to incentivize providers, developers and creators to offer new products, services and opportunities to empowr citizens.

The *empowr* cryptocurrency will be built on the Ethereum blockchain, initially using a hybrid on-chain and off-chain technology solution, with the goal of eventually transitioning to a fully decentralized and autonomous system. This cryptocurrency will be used to compensate ecosystem partners based on each provider's contribution to empowr's overall growth.

### empowr Needs You

Starting with little but an understanding of the issues facing our world and its citizens, much momentum has already been established.

Now, by infusing the new empowr cryptocurrency into every facet of the platform, and with your participation as a new citizen and/or token holder, we can accelerate the building of a global sustainable economy that's decentralized and free from the control of any single entity or owners; one that's democratic and controlled by the will of millions and, eventually, billions of people that will depend on this social network for their communications, livelihood, prosperity and hope.