REZON

white paper

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1.Idea

Time.

Depending on the concept of its origin, measurement, and, conversely, its turnaround: time is the only finite resource available to everyone.

Any social interaction consists of the mutual use of participants' time in said interaction

The foundational goal of the Rezon ecosystem is to create a mechanism to compensate for the time the participants of social interactions spend in them.

2.The Rezon

2.1. Rezon Social Network

The core concept of Rezon is giving material compensation for users' time and effort spent on Rezon creating content for the network.

One wouldn't be far off to presume that most of the users of social networks don't create content (or practically do not create any at all) while the extent of the interaction of this share of people is limited to likes, reposting, and a comment here and there.

The goal that the Rezon team is faced with is not only augmenting the quantity of the network's users and the amount of time they spend on the service but also optimizing user behavior – in the form of creating and sharing content, taking part in discussions, and commenting.

On social networks, a user's creating content is not fostered in any way while from the user's perspective, the time they spend on the network is a direct expenditure of time as a resource. All the while, for the network the user is a commodity that it sells to advertisers.

Rezon offers another form of mechanics of interaction for all subjects of the social network.

Rezon mechanics is based on the User being a Vendor of its own time and attention while the Advertiser ends up as the customer.

Rezon is merely the intermediary between these subjects providing the technical side. As the technical intermediary, Rezon gains a small commission off the payments the Advertisers send to the Users.

Most of the income acquired from the ad is distributed between the Users.

In this context, the term 'User" refers not only to those who agreed to view the ad and receive a payment for it (for their time and money), but also those that created the content and those who reacted to the content, thus helping to extend its reach, since content creators also having a large number of consumers generates an interest on the Advertiser's part to publish their ads on Rezon.

Not compensating content creators and content consumers for their time spent on creating the Rezon network (all of the network's Users being creators of the network) would go against the idea of Rezon.

The mechanisms for distributing these funds will be explained in Chapter 6: Project Economics.

2.1.1. Users

As previously stated, a User is a person registered on Rezon.

Users are defined as Content Creators ("Creators") and Guests.

Of course, some Users have never created a single post or comment or given a single like, but we will not be examining such a state.

A User, in a way, is simultaneously a Creator and a Guest, the only distinction being the proportions of those components.

2.1.1.1. Content Creators

A creator is any person that increases the amount of content on Rezon.

Content encompasses not only posts but also the comments to those posts. Sometimes comments and discussions are more interesting than the topic of the discussion itself.

2.1.1.2. Guests

A guest is someone that saw the content and reacted to it in any sort of way besides posting a comment.

The act of commenting entails the creation of content.

A User can either become a Guest by liking a post or they can become a Creator in the event that they comment on the post.

2.1.2. Feeds

A feed is a sequence of posts that the content display algorithms propose to the User to view.

Feeds feature text posts, video and photo posts, a mixed type post (combination of text, video, or photos), Descartes Squares, comparison, vote, or audio posts.

Users choose to fill out the Feed and see all the posts or just video posts or just photo posts or just audio posts. Any combination is possible.

By studying User behavior, the algorithms create a feed with posts on the topic of interest to the User as well as setting a frequency for proposals for ad viewership for which the User will receive payment.

Recall that the User is not rewarded by the network for viewing the ad. The User receives a payment from the Advertiser for their time and attention. This payment will be distributed between those who directly viewed the ad and those that assisted in that event – the Creators and Guests.

2.1.3. Posts

The mechanism for filling up the network with content is Users creating posts

Rezon supports the usual text posts, mixed types, video posts, as well as posts like a Descartes Square comparison or a vote post.

Posts can be public, private, or viewable by invitation.

2.1.3.1. Post Promotion

Posts can be promoted, in other words the posts can be shared to be seen by more people and the reach of its audience can be increased.

Post promotion is advertising with a simplified range of functions that can be used to set up the promotion.

Such settings are: the target audience, budget, and time period over which the ad will be displayed.

One can interact with a promoted post just like with an ordinary post.

A Rezon advertising account is not required to promote a post, but such an account is necessary if one is to achieve a full-fledged advertising campaign (see 2.2.).

The difference between post and ad promotion is: a promoted post appears on Users' feed who are part of the target audience and does not require permission for display. Target actions or special buttons like "install", "purchase", "order", or "go to site" also cannot be set up.

Upon seeing the proposed post, a target audience User receives payment for that, just as they do in the event of ad displays.

The cost for displaying the promoted post is credited to the User whose feed the post was displayed in.

Rezon takes a 5% commission for the promotion.

Posts are promoted on a paid basis and the service is paid for using Rezon tokens.

2.1.4. Descartes Square

A Descartes Square is a unique type of post. Such posts entail a separate service in helping with decision-making, discussing decisions, and opportunities in sharing experience and obtaining advice.

The pioneer of the so-called "Descartes Square" was famous mathematician and philosopher Renee Descartes.

There are four questions that must be answered in order for a decision to be made:

1. What will I gain if it happens? (What will happen if it takes place?)

2. What will I gain if it doesn't happen (What will happen if it does not take place?)

3. What will I lose if it happens? (What will not happen if it doesn't take place?)

4. What will I lose if it does not happen? (What will not happen if it does not take place?)

The User responds to all or some of the questions, adding arguments "in favor" or "against".

The User attributes weight to each argument, which are ultimately summed up as a result (the total weight (sum) of the arguments) based on which the User can make a decision as to whether or not going forward with the action is worthwhile.

The weights of an argument may be both positive and negative.

Users of a service can comment on the arguments of the square Creator, add arguments, and indicate the weights of all the arguments if this is enabled by the Creator.

A User can configure a Feed to consist solely of "Descartes Square" posts.

With respect to Descartes Square posts, all the mechanics of the services are available to be used.

2.1.4.1. Descartes Square comparisons

Descartes Square comparison posts help make complex decisions which feature alternatives. It's not a question of merely doing something or not, buying something or not, but rather whether to do this or that, whether to buy this or that.

In this type of post, two Descartes Squares are created which are compared to each other.

All other functional features are the same as the functions of a "Descares Square" post.

2.1.5. Vote

This is a post in which a User surveys an audience on a specific topic with possible responses prepared in advance.

2.1.6. Audio Posts

Audio posts are an audio message that the User creates and posts to a Feed.

The service provides a range of functions for processing Audio posts: cutting out parts of the audio track, inserting other audio into the track, and combining several audio tracks into one.

The service's algorithms transform the speech in an Audio post into text and display it in the Feed as text so that the other Users have an idea of what the Audio post is about before listening to it.

Audio comments can be left below Audio posts as well.

A User can create a Feed consisting solely of Audio posts.

If a User has access to Rezon Music, the Feed can be complemented by music tracks and podcasts.

All of the mechanics of the service are available for use in Audio posts.

2.1.7. Photo Platform

A User can set up a type of Feed by indicating certain types of posts. This applies conversely for photo posts. A user can deactivate other types of posts leaving only photo posts enabled.

If Rezon TV is available to a User, the Feed may be complemented with new movies and announcements from channels that the User is subscribed to.

All of the service's mechanics function for photo posts.

2.1.8. Video Platform

The User can set up a type of Reel by indicating specific types of posts. This applies conversely for video posts. A user can deactivate other types of posts, setting the Feed to show only video posts.

If Rezon TV is available to a User, the Feed may be complemented with new movies and announcements from channels that the User is subscribed to.

Vertical short videos can be added.

All of the service's mechanics function for video posts.

2.1.9. Rezon Music

This is a service for searching for and listening to music in podcasts with recommendations for every User.

What sets it apart from other similar services is that in addition to listening to the tracks, Users can create, change, and listen to playlists along with other Users in real-time, make short audio notes before the recordings, vote for tracks by sliding them up and down to reorder them, and impact the contents of the playlist.

It's a special type of Internet radio with instant feedback from the listeners where each user impacts the playlist.

Rezon Music's algorithms make offers to the User that not only are based on the User's interests but also take into account the interests of the User's friends and their reactions if the User has enabled them in their Rezon Music settings.

A User can comment on a content offer created taking into account the interests of the User's Friends or reactions and the User's friends will see these comments based on the interests of whom said offer is made. The User's Friend who received the comment will be able to reply to it.

These additional mechanics increase the number of social contacts.

The User can enable adding Audio posts to Rezon Music playlists.

Besides mobile devices, Rezon Music is available on television consoles (Android TV, Apple TV, etc.).

The service works based on a monthly subscription payment costing the equivalent of 2 USD.

Payments within the service's framework are made using Rezon tokens.

2.1.10. Rezon TV

This is a service for searching for and viewing TV series, films, and TV channels with recommendations for every User.

Aside from mobile devices, it is available on television consoles (Android TV, Apple TV, etc.).

What sets it apart from other similar services is that the User can leave edits and comments that, being content, can earn the User payment, as well as pay for content as a gift for another User or person who is not a User.

Rezon TV's algorithms make offers to the User that not only are based on the User's interests but also take into account the interests of the User's friends and their reactions if the User has set to permit them in their Rezon Music settings.

A User can comment on a created content offer, taking into account the interests of the User's Friends or reactions, and the User's friends will see these comments based on the interests of whom said offer is made. The User's Friend, upon receiving the comment, will be able to reply to it.

These additional mechanics increase the number of social contacts.

The service works based on a monthly subscription payment costing the equivalent of 4 USD.

Payments within the service's framework are made using Rezon tokens.

2.1.11. Rezon Messenger

Rezon Messenger allows for instant messaging between users, including the ability to engage in video and audio calls, complete Rezon token transfers, and sell or transfer Like Tips.

Both free and subscription-based channels, group chats, and video and audio conferences can be created.

What sets it apart from other similar messengers is that the Users can transfer Rezon tokens to each other which allows the messenger to be used as a payment system as well as trade in like: tips (see section 2.1.12.1.1.).

The core function of Rezon messenger of exchanging messages is available without a Rezon account (registration is done by phone number or e-mail address), with the exception of Rezon token transfers and like: tip transfers.

A User can complete a transfer by phone number or by email to a person that doesn't have a Rezon account. In that case, the person will receive a notification on their phone or email inbox that a transfer has been made to them, but in order to receive it, they will need to register on Rezon. After registering on Rezon, the funds will automatically enter the person's wallet.

A transfer under the condition of registration on Rezon will automatically be nullified and the funds will return back to the sender in the event that the intended recipient of the transfer fails to register an account on Rezon within 76 hours.

Payment within the bounds of the service is completed using Rezon tokens.

2.1.12. Interaction Mechanics

Subjects' interaction is of the utmost importance in the social project.

This interaction is implemented using technological solutions.

These technological solutions are selected with an eye to meet the following criteria:

Simplicity: the User can engage in interaction while completing as few operations as possible;

User-friendliness: based on past experience using other social networks and services, the User understands which operations need to be performed, what needs to be pressed, and where in order to conduct the interaction.

Coherence: a sequence of actions by a User leads to a predictable result.

2.1.12.1. Likes

Likes are the simplest mechanism a User has in interacting with Creators' content.

A User can give old-fashioned thumbs up and thumbs down to posts as well as leaving "likes" that reflect a wide palette of emotions (excited, sad, etc.).

The more likes there are under a post, the more often the post will be shown to other Users.

When a User likes a post, Rezon proposes to the User to view an ad and connects the viewing of an ad to a specific post.

This connection helps pay for the Creators' efforts in creating the posts.

Funds paid for likes account for 1% of the ad display cost and are shared between the Users that liked it.

2.1.12.1.1. Like Tips

Rezon offers the feature of like tips.

Like tips have a value attached to them and are visually different from other likes. In order to leave this kind of alike, a User must buy it from Rezon, buy it off another User, receive it from Rezon as a prize, or obtain it from another User.

A like-tip can be sold back to the service and the User will thus receive its nominal value in Rezon tokens.

Like tips have different nominal values.

Like tips have different designs and can be assigned to specific dates, events, people, etc.

Like tips are not NFTs.

Upon receiving like tips, a Creator (User) can sell it to the service and receive tokens equal to its nominal value, place the like under the post of another Creator, or sell it via the service or messenger.

One particularity of like tips is they contain a history of owners that can be tracked. Such a like can be placed under the post of a famous personality and then the personality can attribute this like to somebody else.

The fact that a like-tip was previously owned by a famous person and that they used it can affect the value of said like aside from the case of selling such a Rezon like tip.

The owner cannot hide the fact that he owned the like-tip but they can remain anonymous.

The sale of like tips can be done on Rezon messenger as well.

like-tip sales are completed in the form of safe transactions in which the User-Buyer provides guaranteed payment of the cost declared by the User-Vendor.

Like tips are purchased for Rezon tokens.

Rezon raffles out like tips as well as giving out like-tips to participants of the active referral program for their .

Like tips are considered as their own type of asset that the User has and are available on their profile.

The following are achievements within the bounds of the active referral program:

- a new User has activated a Premium account;

- a new User has purchased a product (an app, game) on one of the marketplaces.

2.1.12.2. Comments

Comments on posts is the most important feature on Rezon. Comments are the primary way that content is interacted with.

Commenting is the act of creating (roll the posh music) and is done by a Creator. Comments can be liked, including by way of like tips, and commented on themselves.

Comments may feature text, photo, video, and audio content depending on the settings of the post that its Creator chose for it.

Since comments are a post within another post, this comment may be shared. In this case, the User sends the comment as a part of a post that was commented on.

It's beneficial for Users to leave comments, since it helps the post be shown more often, which leads to payment from the Advertiser.

The greater the number of comments under a post, the more often the post will be shown to other Users.

Comments are a passive promotion of the posts.

1% of the cost of a single ad display is shared between all the User-Guests that reacted to the content with likes and comments at the time that the ad display was offered.

One particularity of comments on Rezon is that if the ad view offer is received by the User in connection with their interaction with the comment (the User gives a like, leaves comments, shares a comment), the comment Creator and post Creator receive 8% and 10% of the cost of the ad display, respectively.

Comments can be left in the form of audio messages if this is enabled under the post Creator's settings.

2.1.12.3. Reposting

Reposting is the act of publishing someone else's post on one's Feed.

Reposting directly increases the reach of a post and is also taken into account by the service's algorithms for subsequent displays.

Since reposting is directed at spreading a post, its activity is taken into account in the Advertisers payment crediting.

2% of the cost of the ad display is allocated to reposting and is shared between the Users that did the reposting or shared the post.

2.1.12.4. Sharing

Sharing means circulating another person's post in any way besides reposting it on one's Feed.

Sharing directly increases the exposure of a post as well as being taken into account by the service's algorithm for subsequent displays.

Since sharing is designed for additional circulation of a post, this activity on the User's part is taken into account in the awarding of payment by the Advertiser.

2% of the cost of the ad display is directed to paying for shares and is split up among the users that shared or reposted the post.

2.1.12.5. Adding Friends (Subscribing)

Adding friends is the mechanism for creating social connections on Rezon.

A User sends to other Users an offer to become friends within the Rezon framework.

Sending such an invitation automatically sets them up to receive updates from the User to whom the invitation was sent.

New posts and comments by this user as well as posts they have liked will appear on the feed of the other User who sent them a Friend request unless otherwise indicated in the User's access settings.

If the User who received the Friend Request accepts the invitation, that User will also become subscribed to the User that sent them the Friend Request. The Rezon algorithms will, in turn, begin telling the Friends about important dates: birthdays, events, etc. as well as indicating mutual Friends and offering Rezon Music and Rezon TV recommendations based on the content that one's Friends have liked.

2.1.12.6. Subscriptions

Subscriptions on Rezon are a separate mechanism that Creators can use to earn money.

A Creator can give access to his content or part of it based on a monthly or one-time subscription – payments for access or fulfilling special conditions, such as owning a specific NFT – club access or a Premium Rezon account.

In distributing content under subscription, Rezon takes a commission of 5% off of the subscriptions.

A subscription is paid using Rezon tokens.

2.1.12.7. Rezon Premium Account

A User can acquire a Premium account or obtain it by staking tokens. All or part of Creators' paid content can be available to a Premium account for free.

A Premium account allows for greater rewards to be received for viewing ads, it reduces the commission charged on funds withdrawals, and increases the staking percentage.

An Advertiser's ban on showing a delayed ad does not extend to Premium account Users if the ad campaign remains active.

The cost of showing an ad to a Premium account User is more expensive for the Advertiser, since the User is known paying User.

The Creator themself makes a decision as to which content is to be available under a Premium subscription.

Rezon stimulates Creators to give more access to Premium accounts (reduces the percentage charged to Creators for withdrawing funds and raises the payment in staking).

Funds received from Premium accounts are distributed among the Creators providing access to the paid content for the Premium accounts.

The income that the Creator makes off of premium accounts depends on the number of Users with Premium accounts that have viewed the paid content.

A Creator doesn't need to convince the Users to pay for a subscription to receive income off their content. All they have to do is give access to Premium account Users.

Rezon doesn't take a commission off the income Creators get off of Premium accounts.

Premium accounts are available under a monthly subscription priced at the equivalent of 1 USD.

Rezon gets 50% of the cost of the Premium account while the other 50% is distributed among the Creators that gave Premium account Users access to the paid content.

2.1.12.8. Tips

Tips are a material gratuity from a User to a content Creator.

Tips can be left for content, including for comments.

The amount of tips isn't limited by anything other than the User's settings.

For the purposes of minimizing tips sending errors, the default sending mechanism has a cancellation time of 15 seconds during which the user can annul the transaction. A User can edit that time period in their settings.

The size of a tip can be configured in such a way that the tip is sent in one click of the mouse (fixed tips).

Tips can be paid with a reception delay of 1 to 3 days (short-term staking). During the staking time, the User is credited interest. Upon the end of the delay the amount of the tip shall be sent to the recipient.

TIps are given in the form of Rezon tokens.

Tips can be given in the form of like tips in the form of exclusive paid likes (see item 2.1.12.1.1).

2.1.12.9. Referral Program

The referral program is part of Rezon's development marketing strategy.

The referral program entails payment of compensation to the User for bringing in new Rezon Users.

Payments within the framework of the referral program are made using Rezon tokens.

The referral program is categorized as the active, passive, and influence referral programs.

2.1.12.9.1. Active Referral Program

Each User that would like to take part in the referral program gets a personal invitation link that they can send to their friends so they can join Rezon and register for the service.

For each new user that registers, the User receives 3 Rezon tokens.

The User whose referral link the new user clicked on to register receives an additional 3% of the cost of purchases that the new user makes for a year following the new user's registration date on Rezon via advertisements or the cost of subscription to a Premium account.

2.1.12.9.2. Passive Referral Program

What distinguishes the passive referral program from the active referral program is the invitation to join Rezon exists in every link posted outside Rezon.

Anyone that isn't a user that clicks on this link, aside from the content itself will see an invitation to join Rezon at the bottom of the screen.

If the person joins Rezon (has completed registration for the service), the User that published the link outside of Rezon will receive a reward.

The reward within the bounds of the passive referral program is lower than in the active referral program.

For each new user that registers, the User receives 1 Rezon token.

The User whose referral link the new user clicked before signing up receives an additional 1% of the cost of purchases that the new user makes for a period of one year following their registration on Rezon or the cost of subscribing to a Premium account.

2.1.12.9.3. Influence Referral Program

Any user with over 2,000 subscribers that wants to take part in the referral program can take part in the influence referral program.

The influence referral program comes with a greater reward for each user – 10 Rezon tokens for each User registered and subscribed to the influencer under the condition that at least 1,500 new Users are brought in (the threshold for a Rezon microinfluencer).

An influencer whose referral link a User arrived from receives an additional 5% of the cost of purchases that the

new user makes via ads or the cost of subscribing to Premium over the course of a year following their registration on Rezzon.

Until 1,500 new Users is reached, the influencer receives the same compensation as in the active referral program.

Until 1,5000 new Users is reached, Rezon compensates the influencer for the Users referred, including the first 1,500 Users.

Rezon's marketers work directly with influencers proposing them cooperation.

3.5 million new Users are planned to be drawn in via this channel.

2.1.12.10. NFTs

Rezon allows for the creation, storage, publishing, transfer, and sale of NFTs.

In addition, NFTs can be used by Users for marketing purposes.

For more details on NFTs, see item 2.6. The NFT Marketplace.

2.1.12.10.1. NFT Certificate

A User can issue NFTs as a certificate under obligation to perform something in the future for the provider of said NFT, in other words attract investments at the early stage of development.

For example, suppose a beginner blogger issues an NFT with a cost of 100 Rezon tokens under obligation to publish an advertisement on his blog in a year.

The blogger can spend the collected coins on promotion and advertising within Rezon, thus attaining popularity.

As the blogger grows more popular, the cost of publishing an ad on his blog will become greater than 100 Rezon tokens.

NFT certificates are beneficial for startups, young professionals, creative teams, artists, and musicians as a way to attract original capital and investments.

2.2. Advertising platform

A specialized part of the service that's developed for posting an ad on Rezon and is called for resolving business tasks.

A Rezon advertising account is necessary to operate on the Advertising platform.

An advertising campaign can be flexibly configured by audience: geographical location, age, gender, interests, whether they have a Premium account, paid subscriptions etc. for target actions, conducting A-B testing, and obtaining broad-reaching statistics.

The advertiser can configure displays for Users with Premium accounts or Users who've made purchases for similar or adjacent products, for Users that spent money in Rezon and those who are interested in products or services.

What makes an ad different from a promotion is the ad doesn't appear in the target audience Users' feeds but requires permission for viewing and allows target actions or special buttons to be configured like "install", "buy", "order", "go to site", etc.

Advertisements don't appear in a user's Feed but are viewed by the User for payment.

A User receives an offer to view an ad and if they agree, they view them.

The Advertisers themselves set the amount of the payment to the User and can set that in the settings of the ad campaign so the User sees the amount of the payment for viewing the ad during the offer.

Upon receiving several ad viewing offers, a viewer can choose an ad that offers higher payment which will allow for healthy competition between Advertisers to get Users' attention.

Payment for viewing an ad is only credited to a User if at least 4 seconds of the ad has been viewed by the User.

Unless the advertisement entails time tracking (static image), the view can be no less than 4 seconds long.

If the ad content presumes time tracking (video, gif image), the offer to the User to view the ad contains instructions for a minimum time duration for viewing the ad; meanwhile, the User isn't obligated to finish watching the ad until the end.

The minimum viewing time can be no longer than 8 seconds.

The advertiser can propose increased payment for views above the minimum viewing time as well as additional payment for special actions – reposting on the User's feed, sharing links, answering questions, etc.

Offers to view an ad for increased payment differ from the regular offer and contain instructions for a maximum payment amount.

To avoid confusing the User, the payment size for viewing an ad can be no greater than 10% of the cost of the ad.

Since an ad is proposed only to Users from the target audience and the only people who watch them are those that want to, an advertising budget is only spent on target views, not displays (unlike post promotion).

One feature of the Rezon advertising platform is that the advertising campaigns can be connected to product marketplaces, apps, and NFTs and the necessary target action can be configured in the product card.

A User that sees an ad selling a product can press the "purchase" button and the product will be purchased without the need to go to the vendor's website, add the product to cart, then go to cart, etc.

For purchasing convenience, there is a "For Purchases" section on the User's profile where he can indicate his phone number, first and last name, delivery address(es), and attach a payment card.

This information is available to the vendor only after an order is placed.

A vendor cannot under any circumstances obtain information from a User's attached payment card.

If some User information that is necessary for the order is not indicated, the User will fill it in at the moment of the order (for instance, indicates the specific delivery address among two existing addresses).

The order price is indicated and the order payment is done in Rezon tokens, even if the Advertiser indicated the price in a fiat currency.

The service automatically recalculates the order price in Rezon tokens.

The payment is made in Rezon tokens from the User's wallet. If there aren't enough Rezon coins in the user's wallet, the service performs an automatic purchase of the missing Rezon tokens from the attached User payment card and in the event it's set up (or given during the purchase) by the User.

Another aspect that sets the Rezon Advertising platform apart from other such services is that the User can request an ad demonstration. For this purpose, the User has a "show ad" button available on his Profile page.

The User can also indicate their interests in terms of ad viewing so that the ad more closely corresponds to the User's needs.

If an ad campaign is currently available that a user falls under, the ad will be shown.

A non-personalized statistic of advertising requests is available to Advertisers from Users by region, language, age, sex, interests, whether they have paid subscriptions, whether they have a Premium account, etc.

An Advertiser can set the number of views according to a request of the total number of displays or completely exclude such displays.

An advertiser can set the priority for showing an ad offer, indicating that there is a priority for Users who have made a request for the ad or on the contrary that they have a priority for displays to Users who haven't requested it.

2.2.1. Brand Dashboard

This is a specialized section of the Ad platform in which official Brand representatives can track the circulation of their products or services.

A brand can confirm that a product or service in the vendor's ad is original.

Ads with a Brand confirmation have a label for that.

To confirm a product, a vendor makes a request to the Brand from the product card that is created on the marketplace.

Interactions between a vendor and a Brand are regulated by agreements between the vendor and the Brand without Rezon's involvement and may contain terms for discretion for both sides.

No confirmation payment is charged by Rezon.

2.2.2. Hypothesis Testing Service

A specialized part of the Advertising platform in which the Advertiser can contribute hypothesis tests, creatives, and ideas before a product or service production's launch or ad.

The advertiser launches a campaign for collecting feedback from Users that meet the filter criteria indicated by the Advertiser.

The Advertiser asks the Users to give an evaluation of their product and ideas - answering their questions, selecting the best among options, or give feedback in some other form.

Users who meet the selection criteria get an offer to take part in a survey.

Before accepting an offer to take part in a survey, a User sees the payment amount for taking part, the topic of the survey, and the approximate amount of time that needs to be spent on completing the survey.

The User can disable notifications on survey participation.

Payment for taking part in a survey is credited to the User in the form of Rezon coins.

Rezon receives a commission in the amount of 40% of the budget.

2.2.3. Audio Advertising

Currently social networks don't provide any advertising format not tied to images.

We are developing audio advertising.

An audio ad is an advertisement in audio form.

It is offered to Users under the general rules, but it contains only audio content while the ad offer feature has a different visual look.

If the User accepts the offer to listen to the ad, the window containing the offer will turn into a media player.

Inside the media player window, the Advertiser can configure target actions or special buttons such as "install", "buy", "listen", "order", "go to site", etc.

Available on the User's profile is a list of proposed audio ads with links to the ad sources.

A User can disable ad offers for audio advertisements.

Payment for listening to them is credited to the User in Rezon tokens.

Rezon receives a commission in the amount of 50% of the cost for listening.

2.3. Gaming Platform

This is a specialized section of the service which is developed to give Users access to games.

The Gaming Platform is where Developers publish games.

The Gaming platform is closely tied to the Advertising platform and provides a basis to set up specialized button actions such as "download", "try", "play", etc. in advertisements.

Integration with the Advertising platform reduces the amount of necessary operations that the User has to perform in order to become a player of the game, thus raising the conversion rate.

Developers can provide additional content to Users with Premium accounts.

All paid content is provided for Rezon tokens even if the game creators have indicated the price in fiat currencies.

The service automatically calculates the price of the game or paid content in Rezon tokens.

The payment occurs in Rezon tokens from the User's wallet. If there aren't enough Rezon tokens in the User's wallet, the service automatically buys the amount of missing Rezon tokens off the User's attached payment card if such permission is set or given at the moment that the User completes the purchase.

Rezon receives a commission of 10% off developers' income.

2.4. Apps Marketplace

This is a specialized section of the service which is being developed for Users to access apps.

The apps marketplace is closely tied to the Advertising platform and allows specialized buttons to be set up, such as "download", "try", "play", etc. in ads.

Integration with the Advertising platform reduces the number of necessary operations that the User completes to use the app, thus raising conversion.

Developers can provide additional content to Users with Premium accounts.

All paid content is provided for Rezon tokens even if the app creators indicated a fiat currency price.

The Service automatically recalculates the price for the game or paid content into Rezon tokens.

The payment occurs in Rezon tokens from the User's wallet. If the User doesn't have enough Rezon tokens in their wallet, the service automatically purchases the necessary amount of Rezon tokens off the payment card that the User has attached if such permission is set up or given at the moment the User completes the purchase.

Rezon receives a commission of 10% off developers' income.

2.5. Product Marketplace

This is a specialized section of the service that is being developed for Users to access products and services advertised on Rezon.

The apps marketplace is closely tied to the Advertising platform and provides a basis to set up specialized buttons such as "buy", "order", etc. in ads.

Integration with the Advertising platform reduces the number of operations necessary for the User to complete to acquire a product which increases the conversion rate.

The Vendors can provide additional perks (discounts, gifts, etc.) to Users with Premium accounts.

All products and services are provided for Rezon tokens even if the product or service Vendor has indicated a price for them in a fiat currency.

The service automatically recalculates the price of the product or service into Rezon tokens.

The payment occurs in Rezon tokens from the User's wallet. If the User doesn't have enough Rezon tokens in their wallet, the service automatically purchases the necessary amount of Rezon tokens off the payment card that the User has attached if such permission is set up or given at the moment the User completes the purchase.

Rezon takes a 5% commission off the Vendor's income.

2.6. NFT Marketplace

Creators and influencers can create and sell NFTs as merch (images, photos, tracks), attracting an audience of fans to the marketplace and Rezon, promoting their own digital art in the Rezon Ecosystem.

Rezon monetization: 5% commission off of each transaction.

Payments are made using Rezon tokens.

2.7. Influencer Marketplace

This is a special segment of the service which is being developed for Advertisers to be able to access influencers and microinfluencers (1,500-3,000 active subscribers).

Influencers and microinfluencers create content based on the technical task of the Advertiser.

The Advertiser chooses a suitable execution format and the influencers publish the content on their Feed.

Advertisers do not conduct negotiation with each influencer separately but instead influencers are interested in the transfer of audience from other social networks to Rezon.

Within the bounds of a post with an ad integration, special buttons are available to be set up such as "order", "purchase", etc, which can be conducted both for a product card, and a third-party resource. This setup is done by the Advertiser while the influencer gives permission to add it.

The advertiser can enable this button to exist as a prerequisite for integration which is declared in the conditions for the application in advance.

Payment is done via a safe transaction under which the Advertiser's funds are withheld until the integration is completed.

There is no analytics function with the ability to cooperate with influencers on social networks.

Payments between Advertisers and influencers are done in Rezon coins.

Rezon receives a commission of 15% of payment to influencers. The Advertiser pays a separate commission.

2.8. Payment System

On top of the task of launching the Rezon Ecosystem, the team has set itself the goal of integrating the Rezon token as a medium to be used by Rezon Users on a daily basis.

For that purpose, debit and credit cards are being developed, transactions of which are implemented by Rezon Bank.

Both virtual and physical Rezon payment cards are available and will be issued within the bounds of Visa and Mastercard international payment systems.

Rezon payment cards will also operate on Google Pay, Apple Pay, and Samsung Pay.

Rezon card payments are made like payments from any card with the exception that in order to complete a payment in fiat currencies, the Rezon bank converts Rezon tokens from the User's wallet into the payment currency that the transaction is done in.

No commission is taken for converting the Rezon tokens into the fiat currency.

2.8.1. Rezon Bank

The technical bank implementing payment transactions in fiat currencies and Rezon tokens is the owner of the payment cards.

Rezon Bank has no physical branches and is completely remote.

Rezon Bank is registered under the laws of Malta and acts in accordance with the existing laws of the country.

2.8.2. Debit Card

The Rezon Debit Card is being developed for the User to manage his funds on a debit bank account and crypto wallet.

Rezon Bank is the payment card issuer.

No commission is taken for converting the fiat money in Rezon tokens.

The User pays a commission in Rezon tokens for the debit card service.

The commission is paid on a monthly basis in the amount of the equivalent of 1 USD.

2.8.3. Credit Card

The Rezon Credit Card is being developed for using Rezon tokens at the disposal of Rezon Bank that are automatically charged from a separate Rezon Bank automatically when a payment is made by way of Rezon Bank loaning the necessary number of tokens with subsequent payment of interest for using the loan. These funds have to be returned to Rezon Bank within the time period indicated in the loan agreement.

Rezon Bank is the payment card issuer.

Interest payments are made in Rezon tokens.

No commission is charged for converting fiat money into Rezon tokens.

The User pays a commission in Rezon tokens for the credit card service in the event that no loan operations are conducted via the card.

A commission is paid monthly in the event that no loan operations are as high as the equivalent of 1 USD.

The loan programs presume preferential loan use periods of 14 to 120 days.

2.9. Ad Demonstration

An ad is a source of income funds received by Rezon and a source of income for the ordinary User.

A User views an ad providing time for payment and only under their consent.

A User receives an offer to view an ad in the form of a small pop-up notification upon pressing which an ad is demonstrated to the User.

If the User cannot or doesn't wish to view an ad, they can press "postpone", "swipe" an offer, or ignore an offer and this offer will disappear from the screen after 4 seconds.

An unused offer to view an ad is available to the User in the User profile and in their notifications.

An offer to view an ad is available until the end of the ad campaign (end of the offer display period, restriction, or expenditure of the budget) or over a time period configured by the Advertiser.

The Advertiser can disable postponed ad viewing except for when it comes to Premium account users.

The User can make an ad demonstration request. For this purpose, the User has a "show ad" button available on his Profile page.

If an ad campaign is available in which category the User is included, the ad will be shown.

A non-personalized statistic of searches for an ad is available to Advertisers by region, language, age, interests, having payment subscriptions, having a Premium account, etc.

An Advertiser can set a certain number of displays by request out of the total number of displays or disable such displays.

An Advertiser can set priority for displaying an ad offer, in other words showing that Users that made an ad request are priority or vice versa that Users who made no request are priority.

An offer to view an ad appears when a User:

- views their Feed (sees a promoted post or receives an offer to view an ad);

- views a post or comment (clicks on a post to gain more information);

- reacts to a post or comment (gives a like, reacts, leaves a comment, leaves a tip, reposts, or shares).

- is using (conversing on or reading) Messenger;

- is using or listening to tracks on Rezon Music;

- is on or is viewing content on Rezon TV.

2.10. Income Receiving Mechanics for Rezon Users

Users receive income:

- for viewing ads: the Advertiser is the payer;

- for viewing promoted posts: the User is the payer;

- in the form of payment for passive promotion of other Users' content: the Advertiser is the payer;

- in the form of payment for active promotion of other Users' content: the Advertiser is the payer;

- in the form of payment for active participation in the referral program: Rezon is the payer;

- in the form of payment for passive participation in the referral program: Rezon is the payer;

- in the form of payment for content a User has created that is of interest to other Users (Guests): the Advertiser is the payer;

- in the form of payment for access to paid content by Users (subscription): paid by the User;

- in the form of payment for viewing paid Premium account content by Users: paid by the User;

- in the form of tips: paid the Users;

- in the form of like tips: paid by the Users;

- in the form of staking percentages of the amount of the tip for a short time period (from 1 to 3 days): paid by Rezon;

- in the form of transfers from other Users: paid by the User;

- in the form of staking percentages: paid by Rezon.

Users receive income in Rezon tokens that can be used for payment within the Rezon framework or withdrawn as fiat funds.

2.10.1. User Income from Advertisements

The main source for the User not engaging in creating a large quantity of content is from accepting payment for viewing Payers' ads.

The funds paid for displaying a single ad are distributed as follows:

29% of the cost is received by the User who viewed the ad;

18% of the cost is received by the Creator or 6% of the cost is received by the Creators if the offer to view the ad came while viewing the Feed (the posts of several Creators visible on the User's screen (the current, previous, and next one), all of which are compensated). If a User has received an ad viewing request in connection with interaction with comments (the User gave a like, left a comment, shared a comment), the comment Creator will receive 8% and the Creator of the main post receives 10% of the cost of an ad display.

2% of the cost will be received by Users that facilitated active promotion of the content.

1% of the cost is received by users that facilitated passive promotion of the content.

50% is Rezon's commission.

If there are no Users facilitating passive or active promotion of the post, Rezon obtains a payment in the amount of 1% or 2%.

2.10.2. User Income in the Form of Payment for Viewing Promoted Posts

Since a promoted post requires no permission to be viewed, the crediting of payment to a User for viewing such a post is performed upon the display of the post on the User's Feed even if the User didn't react to the promoted post but just scrolled through their Feed.

The User receives 50% of the funds paid to display the promoted post.

Rezon's commission is 50% of the funds for displaying the post.

2.10.3. User Income in the Form of Payment for Passive Promotion of Content from Other Users

Passive content promotion refers to the promotion of content by reacting to it, liking it, commenting on it, and is not related to the reposting or sharing of it.

For passive promotion, Users receive 1% of the funds for each display of the ad.

1% of the funds for a one-time display will be split up between Guest-Users who reacted to content at the time of the ad display offer.

2.10.4. User Income in the Form of Payment for Active Promotion of Content by Other Users

Active content promotion means promoting content by way of reposting and sharing.

Users receive 2% of the funds from active promotion for a one-time display of an ad.

2% of the cost of a one-time display will be split up between Guest-Users that have reposted or shared the content at the moment of the ad display offer.

2.10.5. User Income in the Form of Payment for Active Participation in the Referral Program

For each new referred User that registers, the referring User receives 3 Rezon tokens.

The User whose referral link the new User registered through receives an additional payment of 3% of the funds that the new User spends via ads or the cost of their Premium account subscription for the period of one year following the date of their registration on Rezon.

2.10.6. User Income in the Form of Payment for Passive Participation in the Referral Program

For each new user that registers, the User receives 1 Rezon token.

The User whose referral link the new User registered through receives an additional payment of 1% of the funds that the new User spends via ads or the cost of their Premium account subscription for the period of one year following the date of their registration on Rezon.

2.10.7. User Income in the Form of Payment for User-Created Content of Interest to Users (Guests)

This is one of the main types of Creator income.

The Content creator receives 18%% of the funds for displaying an ad if the Guest User has received an offer in connection with interacting with the Creator's post.

These interactions are: likes, comments, reposts, and shares.

If the User receives a proposal to view an ad while scrolling through a Feed, the Creators of the current, previous, and next posts will receive 6% of the funds paid to display the ad.

2.10.8. User Income in the Form of Payment for Accessing Paid User-Created Content (Subscription)

This is one of the main types of User income.

The creator sets the cost for subscribing to the content they publish.

Rezon receives a 5% commission for the cost of subscription.

2.10.9. User Income in the Form of Paying for Viewing Paid Premium Account User-Created Content

This is one of the main types of Creator income.

A Creator designates what paid content will be available for Premium account Users.

Rezon stimulates Creators to give greater access to Premium accounts (reduces the percentage for withdrawing funds and raises the payment amount during staking).

Funds received from Premium accounts are distributed between the Creators providing access to the paid content for Premium accounts.

Creator income from Premium accounts depends on the number of Users with Premium accounts that have viewed the paid content.

Payment is issued daily.

The total daily payment of income from Premium accounts is shared between all Creators that have provided access to paid content in proportion to the number of User views with Premium accounts. Only the first view per day is taken into account.

Rezon doesn't take a commission of Creator income received from Premium accounts.

2.10.10. User Income in the Form of Tips

Creators can receive tips from Guests. The tip amount is set by the Guest.

2.10.11. User Income in the Form of Like Tips

Creators can receive like-tips from Guests. Like tips can be transferred to another User as a like or an asset (by selling it).

Like tips can be returned to Rezon based on their nominal value.

2.10.12. User Income in the Form of a Percentage for Staking Tips for a Short Time Period

In paying tips to a Creator for content, a User can delay payment and place the amount of the tip into short-term staking, between 1 and 3 days.

When the staking period is over, the tips are transferred to the Creator and the User receives a percentage.

2.10.13. User Income in the Form of Transfers from Other Users

Users can make Rezon token transfers to each other as payment for particular services or products.

2.10.14. User Income in the Form of Staking Percentage

A user can invest Rezon tokens into staking.

Rezon pays the User for their percentage of the amount set by the terms of the publication.

Rezon's functions allow the staking operations to be automated: The User can set up automatic redirection of tokens received for staking, both for over a short time period: from 1 to 14 days and for a long time period: from 30 to 365 days and automatic filling of withheld funds as percentages of funds received.

A User can set up automatic redirecting of arriving staking portions in the form of indicating percentages of the arriving amount.

2.11. Ad Display Testing Mode

As of the moment that Rezon is launched, an ad display testing mode will be in effect.

In testing mode, advertisement of Rezon itself will be demonstrated and offer mechanics will be developed for viewing ads, postponed ads, requests to view ads, payment creding for views, payment crediting for content, payment crediting for content promotion, etc., other words, development of all the technical and mathematical solutions where the payer is the Advertiser.

2.12. Censorship and Restrictions

Rezon is a space where anyone has the right to circulate information.

Rezon is built on principles of total equality of rights and opportunities for Rezon's participants.

Users independently make their own decisions in indicating restrictions with respect to uploaded dand created content.

There is no censorship or content moderation on Rezon.

Rezon does not have the right to evaluate User-uploaded and User-created content for veracity, adherence to moral and/or ethical norms, or other evaluation categories.

The Users have the right to send messages to Rezon stating that particular content has particular content features: scenes of violence, sexual content, unorthodox language, etc.

On the basis of such messages, Rezon reserves the right after conducting an investigation to warn Users that the content that the Users wish to gain access to has particular content features: scenes of violence, sexual content, unorthodox language, etc.

Meanwhile, access to content featuring particular content features or rights that do not belong to the User cannot be withheld with the exception of cases in which court rulings are made or direct messages of the rights holders of the content.

Rezon does not check the content of posts for whether or not they commit any violations in the field of intellectual property; meanwhile, the rights holder reserves the right to contact Rezon to terminate the circulation of content without the rights holder's consent. If as a result of the investigation,

a violation of uploaded content's rights holder's rights has been established, Rezon may restrict access to said content.

3.Tokens

Rezon tokens are created for the functioning of the Rezon Ecosystem as a form of payment for Users participating in creating Rezon.

The mechanism allows avoiding having to handle the fiat currencies of various countries and legal systems.

Creating a system to allow for Users to be able to seamlessly top up their Rezon wallets and Advertisers to do so as well by charging various fiat funds using User and Advertiser payment cards, as well as the product payment mechanism, both on Rezon and outside the platform, creates the conditions for continuous circulation of the Rezon token.

The emission of the Rezon token is 1,000,000,000 tokens.

The token can be divided down to the 6th decimal place.

4.Crypto Exchange

The crypto exchange is a specialized part of the Rezon service.

It's being specially developed in order to facilitate Users' use of crypto functions and topping up and withdrawing funds.

As time progresses, the functions of the exchange will expand to help accommodate users that aren't Rezon users and that have no interest in it, but at the current stage, the exchange's operation will be focused on servicing Rezon.

Rezon's commission for withdrawing funds is 5% of the withdrawal amount.

In the case that funds are withdrawn onto the User's Rezon Bank debit or credit card, no commission is charged.

5.Rezon Project Analytics Report

5.1. Market analysis

5.1.1. Market Overview

Rezon is at the confluence of 2 markets: the social network market in a broad sense and the market of social networks using cryptocurrencies, so it is worth taking a close look at these two markets.

According to the latest research, as of January 2022, more than half (58.4%) of the planet's population (4.62 billion people) uses social networks. 424 million new users have joined a network in the last 12 months.

The world social network market was estimated at 192,950 billion USD as of 2019 and according to forecasts will continue to grow by an average of 25.38% and by 2026 will reach 939.679 billion USD, which renders the social network market promising and attractive.

Furthermore, the current political status quo in the world has led to more and more social network users (including independent media as well) feeling the pressure of censorship and restrictions, which has certainly created room for the emergence of an encrypted and uncensored social network onto the market.

There are major prospects in the case of total decentralization of the social network and entertainment content niche.

One of the key factors of this industry's growth is growing demand for decentralized commercial platforms.

Fears of cyber crime as well as a lack of standardization are the main factors impeding income growth on the market.

The use of NFTs and blockchain in the real world can be an effective approach to verifying property rights and ownership history. However, this type of app poses a security threat.

Although blockchain raises the safety of NFTs, hacking is still a possibility. The main issue on the NFT market is the unpredictability in price setting for NFTs.

NFTs' prices can be set based on their originality, uniqueness, rarity, and a multitude of other buyer and seller factors. Since no created standards have existed for any specific type of NFT, prices for NFTs fluctuate wildly.

5.1.2. Overview of the Competition

Popular social networks oriented on a broad user audience (mass market) as well as social networks oriented on a crypto audience on the stage of full-fledged operation or development and using blockchain technology were examined within the bounds of the competitor analysis.

The information is provided in a comparison table.

	Social network	Visitor countries					Interests*
Popular Large-Scale Social Networks	TikTok	USA	Philippines	Vietnam	Russian Federation	Mexico	Computers, electronics, and technology Programming and developer software Consoles, accessories, and videogames For adults Social networks
		19.66%	7.58%	6.21%	4.51%	4.19%	
	Instagram	USA	Brazil	India	Argentina	Britain	Computers, electronics, and technology Programming and developer software Consoles, accessories, and videogames For adults
		18.48%	8.37%	3.83%	3.31%	3.17%	
	Telegram	Russian Federation	Brazil	Ukraine	Italy	India	Computers, electronics, and technology Programming and developer software Consoles, accessories, and videogames Social networks
		18.4	6.2	5.6	5.6	4.9	
	Facebook	USA	Vietnam	Brazil	Poland	Britain	Computers, electronics, and technology Programming and developer software Consoles, accessories, and videogames Social networks News
		22	4.4	3.8	3.8	3.7	
Crypto Social Networks	Steemit	Republic of South Korea	United States	Venezuela	Philippines	India	The steemit.com audience is interested in computers, electronics, and technologies such as > Programming and programming for developers and news
		17.86%	14.39%	5.75%	5.21%	4.02%	
	Minds	United States	Canada	India	Australia	Great Britain	The minds.com audience is interested in News and Media.

	43.42%	8.14%	5.44%	4.46%	2.92%	
Mastodon	United States	Germany	Canada	Argentina	Russia	The mastodon.social audience is interested in computers, electronics, and technology > Other in the category computer technology and electronics and news.
	34.34%	16.58%	7.56%	4.59%	3.83%	
BitClout (DeSo)	United States	India	Morocco	Estonia	Canada	The bitclout.com audience is interested in Computers, electronics, and technology > Social networks and online community and news
	39.37%	8.71%	3.81%	3.70%	3.21%	
Stratus	-	-	-	-	-	-
Sapien	-	-	-	-	-	-
Diaspora	United States	Russia	India	France	Netherlands	The audience of diasporafoundation.org is interested in Computers, electronics, and technology > Programming and programming for developers and social networks.
	13.03%	11.38%	7.20%	5.97%	5.14%	
All	-	-	-	-	-	-
Peepeth	Germany	United States	France	Brazil	Great Britain	-
	29.18%	23.13%	7.34%	6.46%	5.63%	
Scorum	-	-	-	-	-	-
Manyverse	-	-	-	-	-	-
Tonplace	-	-	-	-	-	-
Dlive	Germany	United States	Turkey	France	Great Britain	The dlive.tv audience is interested din News and Media
	30.61%	16.93%	15.42%	11.02%	5.63%	
Crypto.Page	-	-	-	-	-	-

*the interests data has been collected using an analytical service and is broadly generalized data.

5.1.2.1. Popular Social Networks

In this segment, we examine which user interaction and motivation mechanics of interest exist among already established projects that enjoy millions of users as well as some interesting things to note that we've discovered among crypto projects.

5.1.2.1.1. TikTok

TikTok is the fastest growing social network in the world which provides a very simple platform for publishing and circulating content. It allows users to create short video clips with music and filters.

Total users in 2022: 1.5 billion.

Format: iOS/Android App

Beneficial TikTok mechanics:
1. An endless stream of videos: thanks to its recommendations format, the average visit time is enhanced. The average visit time on TT is 53 minutes.

2. Content personalization and relevant video display based on user behavior (topics, interests, viewing time, viewability of clips, and creations).
Latest innovation: change to the algorithm for selecting recommended videos: Videos with the same content will not be shown often to users which will increase the rate at which users view new clips along with boosting their engagement thanks to variety.

3. Swiping is the minimum action (with a single finger) to rate videos, react to them, and move on to another video or creator profile.

4. There are major opportunities for authors and creators to come up with creative clips: Effect House platform for creating AR masks, a digital video avatar, uploading original audio which can be used by anyone, coauthor tagging in a video, etc.

5. Great platform for promoting music: new tracks are added to TuneCore, popular influencers are used, and if fed well they catch on fast, which increases the listen and download rate on AppleMusic, etc.

6. For brands: synchronized product catalog with the TikTok Internet store for Shopify vendors with a TT business account.

7. The advent of their own project token as well as the ability for creators to monetize content and use tokens inside the platform (see screenshot below).

Monetization:

1. The TikTok Ads launch (in 2019)

2. Tokenizations for content makers:
- the Creator Next platform allows creators to take advantage of tokenizing their profiles to receive Gifts or Tips from subscribers (commission-free donations from subscribers)

3. The launch of direct blogger advertising on the Creator Marketplace platform: the services allows searching for suitable bloggers for a business, creating collaborations and managing them, viewing statistics, and promoting branded content using targeted advertising (see the screenshot below).

The level of creative freedom and simplicity for TikTok users as a social media platform for creating content is confirmed by statistics:

·   90% of TikTok users open the app on a daily basis,

68% of users view other people's videos while 55% upload their own videos (GlobalWebIndex study, 2019).

5.1.2.1.2.   Instagram

Social network for exchanging photos and videos with an emphasis on users' visuals.
Format: iOS/Android App.

Useful Mechanics on Instagram:

1.   Reels: a format of short videos with a recommendations algorithm like on TikTok.
Reels are gaining the attention of users more and more. It in turn is remaking its entire interface as vertical content.

2.   Stories with the ability to conduct surveys (2 options for answering in a yes-no format), quizzes (up to 4 response options), asking questions with a window for a response + posting answers to questions or demonstrating survey statistics.
These mechanics provide a basis to engage subscribers in the content while giving them a feeling of being involved in someone else's life while using various formats of voting.

3.   News feed setup. One can choose which feed to view: the main feed with recommendations, "Favorites" – content from users you've added to your favorites, and "Subscriptions" – content from all users you're subscribed to as of the publication date.

4.   Live broadcasts have a duration of up to 1 hour as proof that this is true, confirming the true interest in the blogger.

5.   Shop windows from user profiles and business accounts (Facebook Shops and Instagram Shopping). As a result, users no longer need to go to third-party sites which increases the average visit time on the app. A user can also be caught up with by way of store retargeting (Instagram makes money on the ads as well).

In 2022, platforms are optimizing payment processes and launching their sales methods.

Monetization:

1. Displaying official advertising with the use of Facebook Ads.

2. Paid subscriptions (tested in USA) bloggers can increase their income while subscribers with a paid subscription will gain access to exclusive content and additional features (see example below).

3. Instagram plans to add a special token trading section. Creating that section is one of the steps in its strategy of building a metaverse.

5.1.2.1.3.   Telegram

A cross-platform messenger for exchanging text, voice messages, video messages, stickers, photos, and many formats of files.

Useful mechanics:

1.   Various forms of communication: Private communication, chats/groups/channels. The ability to combine chats into folders.

Sending text, audio, and video messages as well as holding live broadcasts and calls, including group calls.

2.   An official wallet has been launched on Telegram @wallet.
A crypto bot is used right inside the messenger.
A button has appeared for transitioning to a bot in pinned messages in chats/channels.

Monetization:

1. Official Telegram Ads in channels (text + button in the lower part of the screen).

2. Donations from subscribers and the ability to subscribe to private channels using the Donate bot(since 2021).

5.1.2.2.   Crypto Networks

5.1.2.2.1.   TonPlace

Ton.Place is a social network designed for experts in a particular activity that have unique content and want to monetize it.

Users are offered to make TON for publishing exclusive content, sending messages to their friends, and attracting new users to the network. Content creators are paid on a daily basis.

Referral program as an additional way to make money for new users + model for attracting new traffic:
 2.5% off purchases and income from each referred friend.

Developer creators affiliated with Pavel Durov.
Promotion is partially handled by Durov's popularity and the social network's involvement in Telegram messenger.

Format: App, Web (adapted for PC and mobile).

Registration via Telegram.

Monetization

User subscription to content for TON tokens (from 2 to 5 TON depending on the type of content.)

5.1.2.2.2. Subsocial.network

Subsocial.network is a partially decentralized platform for creating social networks and stores. The product is complex and isn't designed for the broader masses.

Registration is done via blockchain wallets.

Distinctions: censorship resistance is established, but if they wish, users of particular groups can set their own internal rules,

monetization for users:

-        money making for creators is implemented via advertising and subscription - paying sponsors are attracted and ordinary users are attained,

-        referral program: none.

service monetization:

- off a commission on transactions for completing actions within the ecosystem.

5.1.2.2.3. Deso

Deso is a decentralized record with its own blockchain based on which developers can create their own apps and grow an ecosystem via the issue of products: messengers, publics, NFT marketplaces, games, lotteries, chat roulettes, and similar apps for stimulating social activity also directed at the token's circulation and its enveloped "social token".

5.1.2.2.4. Orbis

Orbis is a decentralized version of Twitter built on Ceramic and Arweave. Anyone with an Ethereum address can create their own decentralized identifier (using Ceramic) and start sharing messages without the necessity to pay a commission for the transaction.

Registration: via Ethereum wallet.

Mechanics

- all content created on Orbis is stored in IPFS via the Ceramic network; in other words, it can be accessed from anywhere,

- each post on Orbis entails a Ceramic flow and only the person who created it can update it,

- commission for publishing posts: none,

monetization: not developed.

5.1.2.2.5. Join Mastodon

Join Mastodon is a decentralized social network, a Twitter analog. One can create one's own app based on open source code.

Registration: via email.

 Posts are limited to 500 symbols,

The source code of the social network is open and anyone can create their own app: there are unofficial apps for Android, iOS, the Web, Mac, Windows, Linux, and Sailfish OS.

Monetization comes in the form of donations.

5.1.2.2.6. Peepeth

Peepeth is a decentralized social network analogous to Twitter.

Registration is done via a Twitter account, but there is KYC.

Content is stored in blockchain providing access and control to you.

monetization

- comes from donations,
- commission off tips + a fee is charged for each post or response (in ETH / Peep)

- for each post with author content (for instance, YouTube video) users can receive small compensation in ETH.

5.2.   Target Audience Portrait

Considering that Rezon is above all a social network, the target audience of potential users can be divided up into standard groups for social networks:

1. Content creators: this includes both companies and private individuals.

2. Content consumers that can take part in evaluating created content, votes, interactions with each other, etc.

3. Advertisers: both companies and brands, as well as the social networks user creators.

Information gathered from open sources provide a basis to obtain a preliminary portrait of the audience regarding services which are defined as competitors in the provided functions range. Quantitative research into the TA of competitors allows for a more precise structure of user groups to be defined.

Based on an analysis of the competitors and the target audience, the follow user segments can be illuminated of the TA for a platform with an analogous functions range:

● Beginner investors: have little to moderate experience investing in crypto (up to 2 years); investment style: hasteless investment (long-term and medium-term investment). NFTs are examined as a promising source of additional income. The approximate TA size is 4%.

● Experienced investors: possess lengthy background in crypto investment (2 years or more), a broad investments profile – trading and long term and medium term tools. NFTs are regarded as a promising source of additional income and more strict requirements for lots. Approximate TA volume: 2.5%.

Geographic distribution of the target audience provides a basis to determine regions of the USA, Western Europe, and Latin America as the key regions. In turn, the platform's presence on the services Twitter, Instagram, Youtube, and Facebook can provide for the target audience's recruitment.

Information gathered from open sources provides a basis to obtain a preliminary portrait of the audience relative to the services that are defined as competitors in the provided functions range. The quantitative research of the TAG of the competitors allows to more precisely define the structure of the user groups.

Based on the behavior analysis of the social network audience, the quantity of visits, as well as popular countries that users are coming from, the following aspects can be highlighted:

● Considering the American market, it's worth paying attention to the USA and Canada. On the European market: Germany, France, and the UK. On the Asian market: India. These are the high-priority regions, since users from those countries account for the largest share of visits on the websites of th researched social networks

● The audience of crypto-social networks has interests in the field of News and Computer Technologies. This probably has to do directly with Blockchain technologies. Users follow the novelties in those areas

● Unique content must keep users on the social network site thereby increasing the average visit time and reducing the refusals indicator. Improving these indicators will have a positive effect on the engagement of users and the site's positioning in search results

Quantity of visits and user behavior

Social network	Visits in the past month	Average visit duration	Percent of refusals
Steemit	4.7M	0:01:41	79.45%
Minds	1.3M	0:04:51	38.48%
Mastodon	562.4K	0:04:18	49.49%
Stratus	-	-	-
Sapien	-	-	-
Diaspora	85.0K	0:01:00	54.64%
subsocial.network	181.2K	00:01:51	67.40%
All	-	-	-
deso.org	514.2K	00:02:45	40.05%
orbis.club	31.2K	00:01:09	31.22%
Peepeth	8.9K	0:00:58	54.49%
Manyverse	74.2K	00:03:27	22.63%
Tonplace	1.4M	0:12:32	31.56%
Dlive	3.8M	0:03:37	56.80%
Crypto.Page	-	-	-

This table examines the immediate visitation of the websites of the presented social networks.

The leaders in terms of number of visits are the social networks: Steemit and Dlive, 4.7 and 3.8 million monthly visits, respectively.

In terms of average time spent on the website and the refusals indicator, Ton.Place takes the top spot. They have quite exciting content that keeps users on the website and it's no coincidence that their positioning is tied to Exclusive content. The refusals indicator is the share of visits in which the user left the website having only viewed one page.

Social networks audience

Social network	Visitor countries				
Steemit	Korea	USA	Venezuela	Philippines	India
	17.86%	14.39%	5.75%	5.21%	4.02%
Minds	USA	Canada	India	Australia	Great Britain
	43.42%	8.14%	5.44%	4.46%	2.92%
Mastodon	USA	Germany	Canada	Argentina	Russia
	34.34%	16.58%	7.56%	4.59%	3.83%
Stratus	-	-	-	-	-
Sapien	-	-	-	-	-
Diaspora	USA	Russia	India	France	Netherlands
	13.03%	11.38%	7.20%	5.97%	5.14%
subsocial.network	USA	Russia	Ukraine	France	Philippines
	10.79%	9.53%	9.86%	13.44%	4.91%
All	-	-	-	-	-
deso.org	-	-	-	-	-
orbis.club					
Peepeth	Germany	USA	France	Brazil	Great Britain
	29.18%	23.13%	7.34%	6.46%	5.63%
Scorum	-	-	-	-	-
Manyverse	-	-	-	-	-
Tonplace	-	-	-	-	-
Dlive	Germany	USA	Turkey	France	Great Britain
	30.61%	16.93%	15.42%	11.02%	5.63%
Crypto.Page	-	-	-	-	-

By studying the social networks audiences table, we can see that the most popular country that visitors are coming from is USA.

Canada is also quite popular among the researched social networks. As far as Asia is concerned, the most popular country is India. That probably has to do with the fact that the Chinese market has its own products or legislative sticking points that impede the development of decentralized social networks.

On the European market, the most active users are from Germany, France, and Great Britain. As far as interests are concerned, the most popular areas are News and Computer technologies.

United States (USA) from 15% to 20%.
European countries from 8% to 10%.
Asian countries up to 5-7%.

5.3.   Mechanics

5.3.1.   Pocket Content

It's extremely important to develop a mobile app and a cross platform orientation, since modern users constantly hold their phone in their hands and communication is built mainly through mobile devices, which is confirmed by the statistics of the visitation rates of various sites regardless of the topic:

- total visits in 2021 from mobile devices: 66% of total traffic,
- time spent online using mobile devices: has increased up to 4 h 10 min,
- of which 44% is communication, video viewing is 26%, and games is 9%.

5.3.2.   Short Videos

Content dynamics and actively changing content provide a basis to draw users in and increase the visiting time of users on the service.
The user's attention is what's most valuable.
The more attention and time they have, the more opportunities for tokenization there are.

Platforms are directing themselves toward integration of short video interfaces:

Instagram uses Reels which is grabbing ever more user attention while its interface is being adapted for vertical content.

Netflix has declared that it will launch a TikTok analog to draw in a young audience.

Pinterest has already been developing a short video format for a year now which is beginning to displace static pins.

5.3.3.   Content Personalization

The content recommendations algorithm based on interests and behavior is also directed at engagement and longer visit times and thus greater opportunities for monetization.

Due to the last 2 factors, TikTok has demonstrated record growth. In

2022, the number of users on the platform is nearing 1.5 billion. Meanwhile, Instagram needed several years to develop.

TikTok's developers are testing changes to their algorithm – videos with the same type of content will not be shown often to users, since the person will otherwise get depressed while watching sad videos and put their health at risk by watching videos about weight loss or strict diets.

This will increase the rate new videos are viewed as well as engagement due to variety.

5.3.4. Content Interaction Mechanics for Engagement

1. The simpler the interaction, the better it is for the user:

- swiping to move on to the next content, post, or their profile page etc.,
- reacting in a single touch: liking, saving, reacting to stories using emojis and other types of factors.

The user's path must be thought through on the stage of interacting with content taking editing and goals into account.

2. User engagement in the life of the creator or brand:

- questionnaires, votes, and chances to ask questions

Optimally, the format and mechanics are implemented to be as simple as possible with minimalist design.

5.3.5. Gamification

Game integration into social networks has been observed over the past several years while during the pandemic Facebook and YouTube practically merged with their gaming services, so the game integration trend into social platforms is continuing.

Gamification advantages:

1. Game content affects the number of interactions.

2. Growth in audience engagement and loyalty.

3. User engagement in advertising campaigns with the help of interacting formats:
- brands can conduct internal questionnaires and boost demand for their products;
- influencers also look to games (including competitions, tests, and quests) for production of an ad within their content.

5.3.6. Metaverses

Integration of digital avatars into social networks (for Instagram, Meta is already implemented) and offering opportunities to create one's own merch marketplaces for creators and sell digital assets for a project token inside the digital universe.

5.4. Market Issues

1. There are no stable projects on the crypto social networks market and there is no leading player.

2. Monotony of monetization (awards for likes, time) and mechanics. Nobody uses competitive mechanics trends.

3. There are no well thought out algorithms for issuing content to engage the user: just a chronological reel of subscriptions and all kinds of content.

4. Among the crypto social networks, there is no mass market of projects for a broad TA:
Restricted segmentation on "cryptans" and market experts, complication of the interface for "cryptans".
Rezon social network is geared toward a broad circle audience of content Creators and Consumers that can use a simple and straightforward interface for content consumption and making money on it.
Crypto and blockchain are just a tool and the tool doesn't need to be only used for those that create and are involved in crypto. Instead it should be made simple and available to ordinary Users (it's like an Internet for a limited circle of developers).

5. Centralization and censorship on traditional social networks:
there is no opportunity to express one's opinion totally freely (especially when it comes to politics), content is deleted, and accounts are blocked and deleted.

5.5. Rezon Products (Services)

See item 2 "The Rezon Ecosystem"

5.6. SWOT Analysis

	Strengths	Weaknesses

Compared to traditional social networks	The ability to make a proper, well-founded decision using the Descartes Square technique, including using the results of other people's experience among decisions made or with the help of voting. The ability to share one's own experience based on the results of a post (one's own square to help other users make the right decision. The ability to make an income off of published content. The ability to make an income off time spent online. Earned money from watching an ad will be distributed between Users unlike other projects where the platform makes money on users, but the users don't get any of that income. Low commissions (or no commissions) for transactions inside the platform and withdrawing funds. Variety of User interaction dynamics. Variety of additional services for audio and video content (Rezon Music and Rezon TV). Variety of functions for Advertisers, vendors, and brands, including the Advertising platform and marketplaces. Referral program. Our own crypto exchange. Our own Rezon token. Our own payment system. In-depth development of economics, unit economics, and tokenomics	General complexity and high development and promotion cost of the project. No mobile version available, only a web version (prototype). Availability in one language (As the project develops, to draw in traffic from non-English speaking countries, the site and app will need to be localized). For now, the project isn't known to a broad audience. There is no gamification at this stage.
Comparison to crypto competitors	Free entry and registration unlike some competitors. Content personalization algorithms.	Project is on the testing stage. No anonymity: registration via email and other social networks No authorization via crypto wallets. The project is centralized like traditional social networks, which can reduce the number of viewers tied only to crypto projects.

Opportunities	Threats
The project is in the testing stage and hasn't been completely implemented, which allows it to be complemented with attractive and in-demand functions, thereby allowing it to substantially set itself apart from its competitors. The project's well-thought-out monetization for users (distribution of money off adds, subscriptions, donations, referral programs, etc. between users) Unique content personalization algorithms (not well thought out in crypto projects). The platform may develop organically with the help of the community (the audience votes for new tools to be used, proposes its own solutions, and even implements the proposals). Low commissions (or total lack of commissions) on transactions within the platform and on withdrawals (when content monetization is implemented). The project's token staking as an additional form of money making for holder-creators and increasing the token's value as the number of holders rises. Club privileges for users and additional user rating (question leaders or additional mechanics).	Integration of limiting laws and regulatory practices regarding the crypto industry, including those that lead to technical issues. Thus, geographic markets and audiences must be adapted to that no restrictions or prohibitions exist in as well as regions where crypto is supported on a legislative level (Latin America and USA). Dark PR Rapid development of traditional social networks, for instance adding one's own token.

*the project's weaknesses can be turned into strengths if the key components of the project's mechanics are properly implemented.

6.The Economic Model

Before Rezon launched, the project team and its consultants completed a major analytical and calculations project in preparing the business model, economics unit, and in-depth tokenomics modeling. As a result, a calculation of the need for the project's investments and reserves was done, the complete financial model of the project was prepared, and a risks analysis of the project was performed.

The project's financial model includes seven main segments with calculations.

6.1. Target Audience and Sales Volumes

Rezon's income calculation in the financial model is built on the preconditions of Rezon's competitive advantages. In addition to the ability to receive awards in the form of Rezon tokens for user actions within the social network (viewing an ad, subscriber activity, comments, helping users, donations from users), Rezon users will be able to take part in various lotteries, competitions, raffles, and other activities organized by active users of the influencers project and rewarded with Rezon tokens.

In calculations of the incomes of the project within the bounds of the unit economy, there are 3 key conditional "products" that the Rezon project has:

a)   regular payment for a premium account:

b)   Income from selling advertising opportunities (income is shared with users rewarded for their ad viewing time);

c)   commissions to pay for the activity of creators (users actively creating content) within the platform and active social network users (commissions for withdrawing money, commissions for exchanging tokens on the exchange, and commissions for a transaction on a marketplace in the sale of advertising opportunities, products, and services).

Part of the revenue calculation model is based on the forecasted sales volume of conditional products based on hypotheses of the target audience conversation (target audience – User Acquisition, UA). Meanwhile, among users, Creators (active content developers) will play the key role.

Audience conversion used in calculating the economics unit:

- CR1: conversation of audience visitors into Rezon project users, the ratio of the number of registered users to the number of Rezon resource visitors (users registering/visitors):

- CR2: conversion of project user audience into Rezon services customers, ratio of paying users to the number of registered Rezon users S(users purchasing/users).

Predictions of conversions are built on hypotheses on the behavior of the project's target audience, promotion in which will take place primarily with the help of influencers on social networks and messengers in the classic blogging sphere as well as in the cryptocurrencies and project blockchain sphere.

The average prices of the conditional projects (average earning power of the project per user) were calculated taking average market sizes into account: the cost of advertising opportunities for sale, the costs of premium accounts on various social networks and reference projects, and the attracted project

audience size. Meanwhile, the average indicators and expert reports in the social networks and crypto industry spheres were taken into account.

During the initial stages of Rezons development, minimal commission amounts are established for using the services for quick expansion of the Rezon audience (for instance, even distribution of income off advertising: 50% for users, 50% for the Platform). As the project develops, the average prices of conditional projects organically grow as Rezon's functional features appear and undergo modification based on user demand.

In order to model sales and the expenses segment on Rezon, a utilitarian token is used (hereinafter, the "investment" token). The token is limited in supply (maximum emission if 1,000,000,000 tokens) and designed for paying compensation to users for activity within the platform, giving the platform its income, and for the purposes of drawing in investments into the Rezon project.

The sale of Rezon's conditional products in tokens may be established as a rigid pricing system or stimulated with the help of a discounts system.

Based on the calculation of a unit economy, a prediction is created for the size of the target audience (see Fig. 1) and a prediction of the project's sales (see Fig. 2).
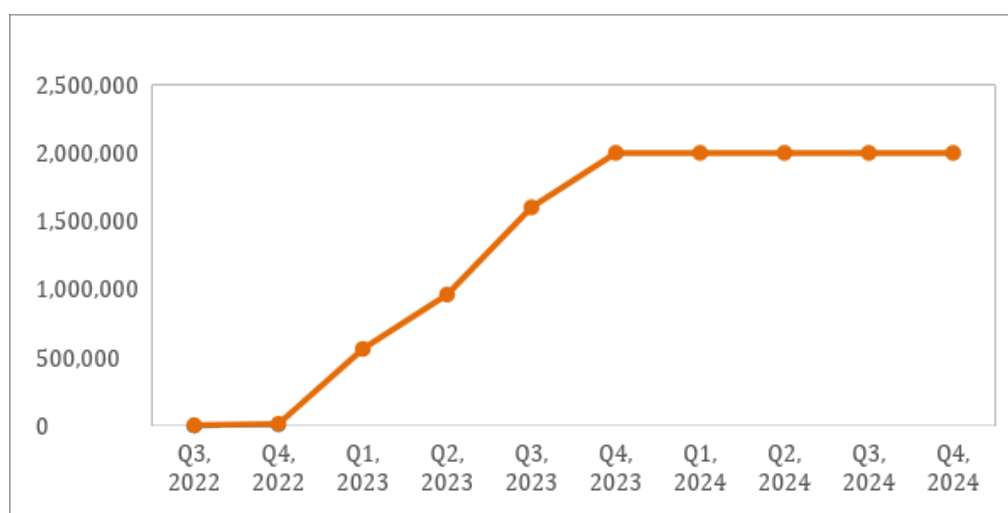
Fig. 1: Predicting the target audience size of the Rezon project.
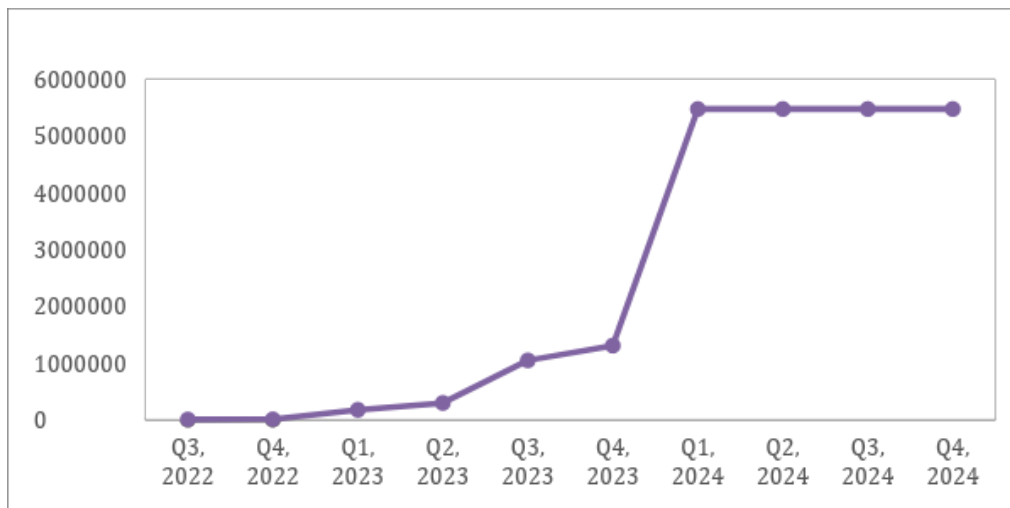
Fig. 2: Predicting the Rezon project's sales.

6.2. Expenses

Rezon's key operational expenses include:

- Direct marketing expenses for attracting users,

- Direct user reward payment expenses,

- Expenses for the project's IT accommodation,

- Salaries of the project's main, marketing, and administrative employees,

- Representative and corporate expenses,

- Expenses for organizing the project's events.

The proportions of the types of expenses in the project over 2022-2024 is represented in Fig. 3. Regarding direct marketing expenses, two cost indicators for drawing in the target audience within the bounds of the projects unit economy are used in calculations

- Cost of converting visitors to users (CPC: cost per click)

- Cost for converting users into customers of the project's services (COGS: cost of goods sold).

The costs of conversions CPC and COGS are defined based on the average market values for reverence projects of social networks and projects in the crypto industry.
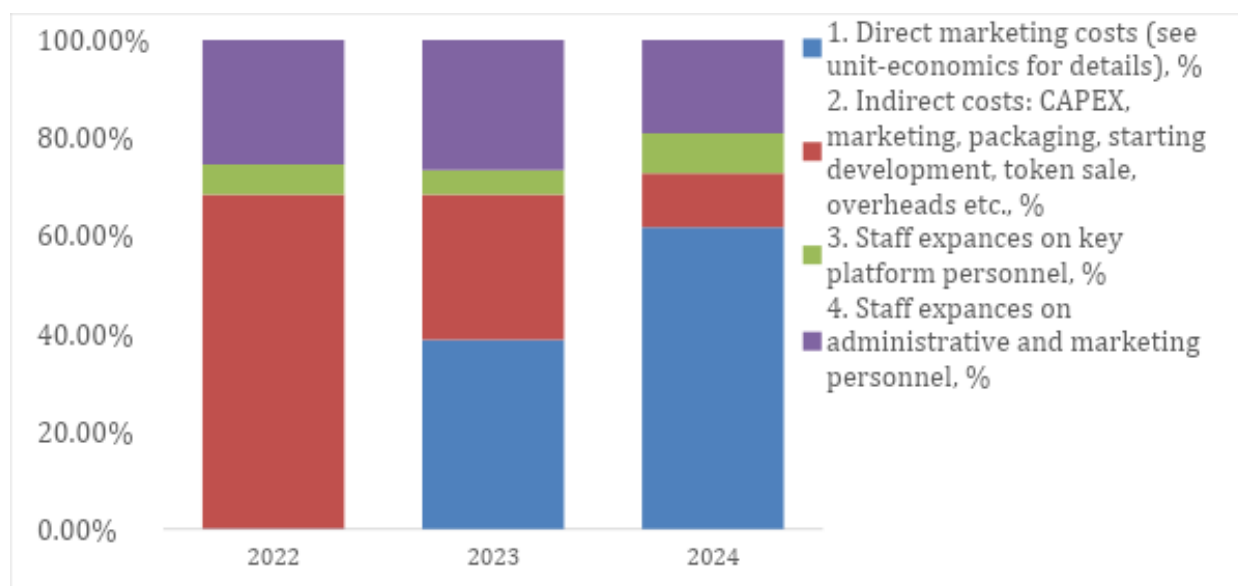
Fig. 3: Rezon expenses structure

During the investment stage of packing, developing, and launching Rezon into the 2022-2023 scheduled period, expenses for packing the Rezon concept are of particular significance:

- Expenses on packing the Rezon concept,

- expenses on organizing the business, development expenses, and releasing the primary IT product (social network),

- expenses for the primary attraction of users on strategic markets,

- expenses on conducting Rezon ad campaigns and rounds of token sales (attracting investments),

- Expenses on listing and maintaining token liquidity,

- Expenses on auditing the project's smart contracts.

A significant share of the project's investment expenses is accounted for by reinvestment of profit into expanding the operation (see Table 1).

Table 1: Investment Volume into the Rezon Project

Project budget (including profit reinvesting), 2022-2024, USD	$23,715,690
Internal Investments of the Project (profits reinvestments, token buyout&sales), USD	$11,715,690
Investments on Seed Sale, USD	$1,500,000
Investments on Private Sale 1, USD	$1,500,000
Investments on Private Sale 2, USD	$6,000,000
Investments on Public Sale, USD	$3,000,000

6.3. Allocation and Vesting Scheme for the Projects Investment Tokens

In this model segment, the schedule for distributing (allocating) Rezon tokens (see Table 2 and Fig 4) by rounds of investments by way of a token sale (Seed, Private 1, Private 2, Public), with allocation of the tokens between categories of investors and persons affiliated with Rezon (team, advisers, founders, partners, etc.) and the operational elements of Rezon tokenomics (liquidity, reserve fund, etc.).

The experience of reference projects, analog projects, and the project's business model are used in developing the allocation scheme during development.

In addition to the basic allocation scheme, a similar token allocation and vesting (liberation) system is provided (see Table 2).

Table 2 – The Rezon project's investment tokens: allocation (distribution) and vesting (unfreezing) scheme.

			Emission (tokens)	Token Price on Public Sale (USD)						
			1,000,000,000	0.10						
Token Allocation Scheme (TOKEN1)	Token price	Seed*	Private 1*	Private 2*	Public*					
	Discounts	70.0%	50.0%	25.0%	0.0%					
Round / Token Pack	Share	Price (USD)	Pack valuation On sale (USD)	on Public Sale (USD)	Unlock on Public Sale (%)	Unlock on Public Sale (USD)	Cliff* (month)	Vesting* (month)	Number of releases*	1 release in tokens
Seed	5.0%	$0.0300	$1,500,000	$5,000,000	5%	$250,000	12	3	16	2,968,750
Series A (Private 1)	3.0%	$0.0500	$1,500,000	$3,000,000	5%	$150,000	12	1	48	593,750
Series B (Private 2)	8.0%	$0.0750	$6,000,000	$8,000,000	3%	$240,000	12	1	48	1,616,667
Series C (Public sale)	3.0%	$0.1000	$3,000,000	$3,000,000	10%	$300,000	3	1	36	750,000
Future Investment Rounds	2.0%	-	-	-	-	-	18	-	-	-
Liquidity	6.0%	$0.1000	$6,000,000	$6,000,000	100%	-	-	-	-	-

Marketing & Partnerships	8.0%	$0.1000	$8,000,000	$8,000,000	-	-	12	3	16	5,000,000
Rewards & Incentives (Incl. Farming&Staking)	47.0%	$0.1000	$47,000,000	$47,000,000	-	-	12	1	84	5,595,238
Team	8.0%	$0.1000	$8,000,000	$8,000,000	1%	$80,000	12	3	16	4,950,000
Advisors	3.0%	$0.1000	$3,000,000	$3,000,000	2%	$60,000	12	3	16	1,837,500
Reserves Fund	7.0%	-	-	-	-	-	12	-	-	-
Total	100.0%		$84,000,000	$91,000,000		$1,080,000				

*Seed, Private 1, Private 2, Public - investment rounds in the project; Cliff – token blocking period, Vesting – token release (unblocking) frequency; Number of releases – number of token payouts;
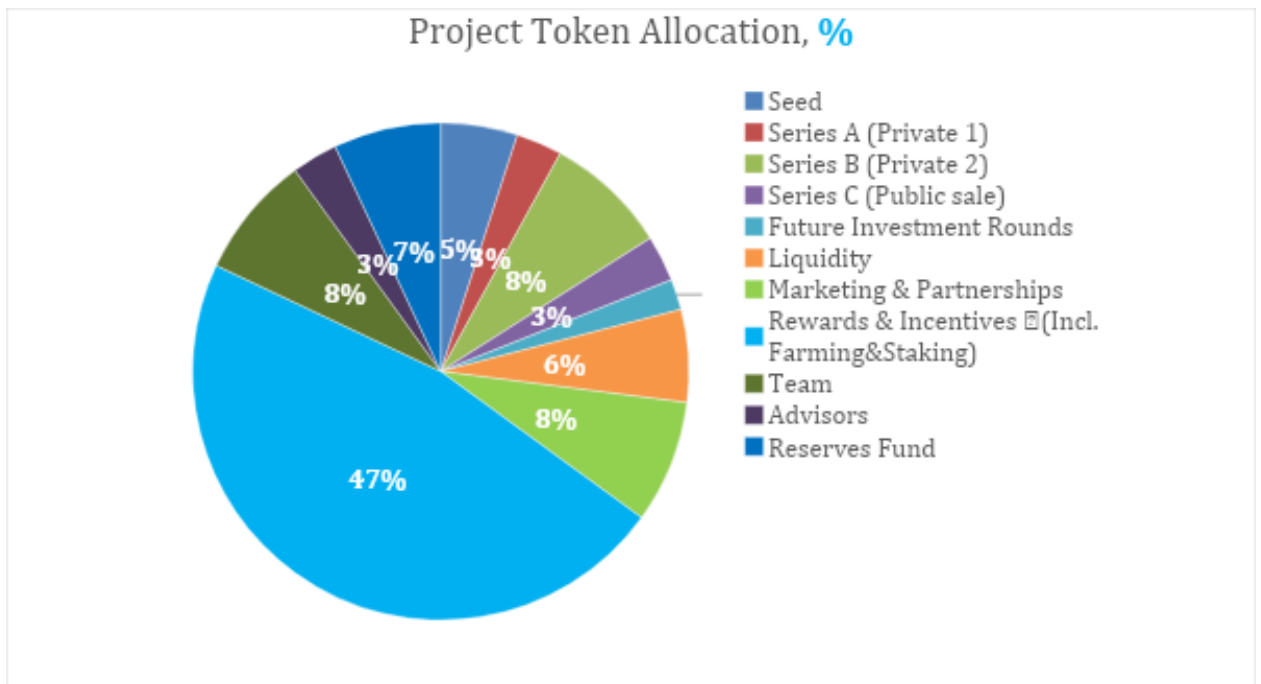
Fig. 4: Allocation of investment tokens in the Rezon project

6.4. Operations with tokens, token vesting scheme, and price pressure on purchasing and selling tokens

An in-depth modeling of Rezon tokenomics has been conducted tied to the Rezon business model. A calculation of the forecasted demand volume for the investment tokens of the project (price pressure on purchasing tokens) and the predicted volume of token supply (price pressure on selling the tokens) based on an array of hypotheses on leading Rezon user audience behavior and the Rezon investors audience behavior.

The main reasons for creating demand for the tokens and supply for the tokens as the project becomes implemented are:

● Rezon user action in implementing the token's utility functions (for instance, users' depositing in tokens and withdrawing rewards from a deposit);

● Unfreezing token packages according to the vesting scheme in Rezon token allocation;

● The actions of community investors in staking operations (deposit operations in tokens);

● Additional operations with tokens (the sale or purchase of tokens using funds on the Rezon reserve fund).

In this section of the model, all source data and calculation sizes are aggregated and a calculation of the combined figures is performed to put price pressure on making a purchase (creating demand) and selling the tokens (supply). A comparison of a prediction of the supply and demand of the tokens provides a means to predict the projected price of the invested Rezon token for the period of 2022-2024.

As can be seen on Fig 5, as Rezon develops, in most of the projected periods, an increase in the demand for Rezon investment tokens is observed, which leads to gradual growth in the projected price of the token. The substantial token supply as the main token vesting (unfreezing) period begins for Rezon investors and partners is gradually compensated for by the demand for tokens

on the part of the users of the Rezon services as well as the demand for tokens on the part of Advertisers as the project develops.
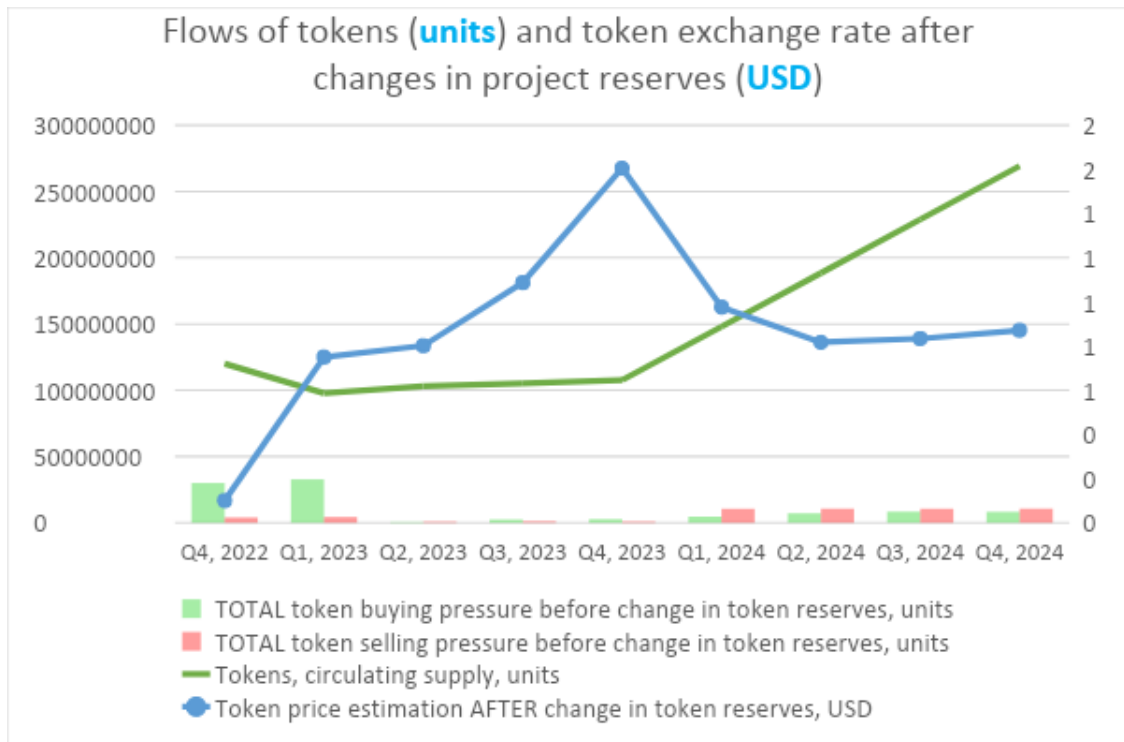
Fig. 5: Demand (price pressure to buy) and supply (price pressure to sell) of Rezon project investment tokens.

6.5. Project Efficiency Indicators

The calculated amounts of the Rezon financial model summarize the main result of Rezons activities in terms of classical financial and investment analysis figures, for instance:

● Sales revenue and operational revenue,

● Primary project expenses,

● Gross profit EBITDA (earnings before interests, taxes, depreciation, and amortization for the main funds and non-material assets), NOPLAT net income,

● Amount of investment at various stages of the Rezon project's implementation,

● Changes in the Rezon token and fiat funds reserves,

● Net discounted money flow of the Rezon project (CFCF),

● Net attributed value of the Rezon project (NPV),

● Rezon project profitability point (PP),

● Return on investment (ROI).

It can be noted that indicatively the size of the discounted net discounted money flow of the project (DFCF) will become positive and continue to grow starting in the 3rd quarter of 2023, as is shown in Fig. 6.

Fig. 6: Discounted money flow projection of the Rezon project (DFCF).

They key indicators of Rezon's investment attractiveness which are of interest to investors in analogous projects are the return on investment at various stages of the projec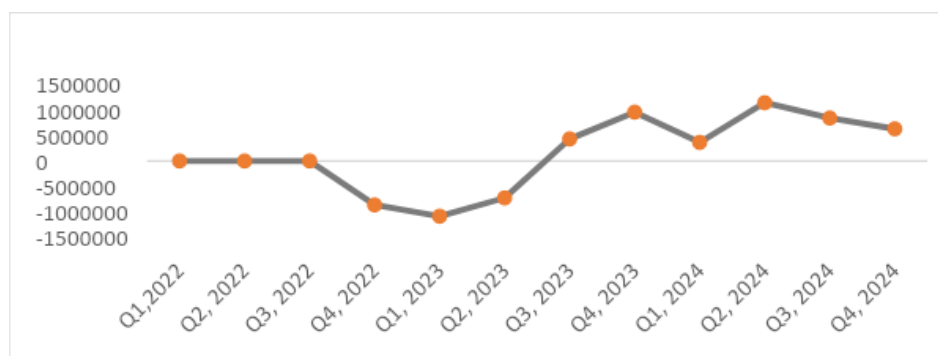t, the net present value of the project (NPV), the project profitability point (PP), and the internal return rate (IRR0, as well as the projected price of the project investment token at the end of the projected period in Quarter 4 of 2024 (see Table 4).

The calculations performed within the bounds of the Rezon financial model taking into account the declared hypotheses on Rezon's operations and the behavior of its audience, provide a basis to project gradual growth in the rate of the Rezon investment token the more implemented that the project becomes (see Table 4 and Fig 5) and the potentially high profitability (ROI) for investors in the Rezon project on different rounds of the token sale (Seed, Private 1, Private 2, Public). ROI for investors is calculated based on the projected value available for investors of the segment of tokens that will be unfrozen during the projected period of 2022-2024.

Table 3: Integral efficiency indicators of the Rezon project.

Project efficiency in 2022-2024	Indicator
Net present value of the project (NPV), USD (discount rate=25%)	$1,697,063
Internal rate of return (IRR), %	72,83%
Payback period (PP), quarters	7
Discounted payback period (DPP), quarters	7

Table 4: Prediction of the price of the Rezon investment token project.

Token price forecast (TOKEN1) for 2022-2024	Indicator
TOKEN Price in the end of 2024, USD	$0.8713
TOKEN Price in the beginning of project (end of 2022), USD	$0.1000
TOKEN Price growth, 2024/2022, %	871.30%

Table 5: Indicators of the efficiency of investors investing and reinvesting (ROI).

Efficiency of investments in 2022-2024 (constant prices)	Investments, USD	Cash* returns, USD	Full** returns, USD	Cash* ROI (TOKEN sold), %	Full** ROI, %
Return on internal investments (ROI) of the Platform, % and USD (Net Profit/Profits Reinvestments)	$11,715,690	$22,383,401	$22,383,401	191.05%	191.05%
Return on Investments (ROI) of Seed Investors, % and USD	$1,500,000	$4,905,416	$12,420,413	327.03%	828.03%
Return on Investments (ROI) of Private 1 Investors, % and USD	$1,500,000	$2,943,250	$7,452,248	196.22%	496.82%
Return on Investments (ROI) of Private 2 Investors, % and USD	$6,000,000	$7,508,199	$18,904,855	125.14%	315.08%
Return on Investments (ROI) of Public sale Investors, % and USD	$3,000,000	$7,194,904	$16,997,074	239.83%	566.57%

**Calculation of the monetary profitability of investments (Cash ROI) takes into account evaluation of tokens sold during unfreezing.

**Unfreezing of the total profitability of investments (Full ROI) takes into account an evaluation of the tokens sold to investors and an evaluation of the unfrozen portion of tokens remaining at the disposal of investors at the end of the accounting period.

Table 5 shows the calculated profitability of investment deposits into the project (ROI) for the projected period of 2022-2024. It's worth noting the high ROI indicators for investors in various rounds of attracting investments into the Rezon project. Among the strategic investments in the Rezon investment tokens, investments during the Seed round (ROI=828%) and Private 1 (ROI=497%) have the greatest calculated profitability. Considering that in 2024, only 30% of tokens will be unfrozen, the real profitability for investors in the tokens may be substantially higher.

6.6. Primary Risks in the Rezon Financial Model

6.6.1. Audience Attraction Risks

An array of hypotheses are used in the model with respect to attracting the Rezon audience, first and foremost via influencers' effort. There may be a discrepancy between the actual quantity of the target audience and its projected quantity. For this reason, a stage-by-stage real testing of the audience of potential Rezon users (Customer Development) must be performed to clarify the parameters of the Rezon unit economics (first and foremost, UA, CR1, CR2, CPC, COGS). For these hypotheses to be confirmed, primary tests of the audience must be done and such tests must be repeated as necessary.

6.6.2. Rezon Income Amount Risks

An array of hypotheses are used in the model with respect to possible incomes due to the actions of Rezon users. For this reason, in the future, a more in-depth development of Rezon mechanics (with identification of the main parameters of the actual activity level of the users on the project platform, the average user rewards ,the average user expenses, the average dynamics of the depositing and withdrawal of funds on the platform) is necessary, as well as clarification of the deep modeling using Rezon tokens combined with the actual Rezon financial flows and improved Rezon mechanics. First and foremost, as accurate and broad

feedback as possible must be obtained from the audience of potential and real Rezon users as it is implemented to clarify the real income opportunities and direct marketing expenses of the Rezon project.

6.6.3. DeFi Operations Risks Associated with Rezon Tokens

Certain preconditions are used in the model on implementing tokens by way of Rezon investors implementing tokens during the token vesting, as well as the preconditions on purchasing and selling tokens to Rezon users and on token staking. The actions of Rezon investors and partners may lead to an excess supply of tokens within a certain period of Rezon's development. In order to manage the risks associated with this, a corresponding scheme for token vesting, reserves, and token operations are being planned, as well as imitations of the token staking volume.

6.7. Business model

6.7.1. Key partners

6.7.1.1. Key partners and suppliers:

Influencers (partners, suppliers).

Funds (partners).

Exchanges (partners).

6.7.1.2. Partnership motivation for Rezon:

6.7.1.2.1. Savings and optimization:

- influencers can reduce their Rezon promotion expenses;

- influencers can help to properly communicate Rezon's USP to a broad audience of users.

6.7.1.2.2. Risk and Uncertainty Mitigation:

- designing relationships with influencers may accelerate and reduce the cost of Rezon's launch;

- receiving investments from funds will allow Rezon to launch;

6.7.1.2.3. Gaining Resources:

- receiving a primary audience from influencers;

- receiving investments from funds.

6.7.1.2.4. Achieving Actions:

- drawing in a target audience oriented on activity on social networks and making money on ads.

- Creating Rezon token liquidity will allow Rezon tokenization to launch.

6.7.2. Key Actions

6.7.2.1. Key Actions for a Value Proposition:

1. Engaging in Customer Development.

2. Rezon modules development and launching.

3. Attracting influencers and Advertisers.

4. Organizing events (bounties, beta testing, raffles, etc.).

5. Rezon token listing.

6.7.2.2. Key Actions for Distribution Channels

1. Development of a mobile app and a Web version of Rezon.

2. Attracting influencers and Advertisers.

3. Organization of technical and user support.

6.7.2.3. Key Actions for Developing Relationships with Users:

1. Engaging in Customer Development.

2. Developing and launching the Platform's modules.

3. Organizing events (bounties, beta testing, raffles, etc.).

4. Organization of technical and user support.

5. Attracting influencers and Advertisers.

6. Rezon token listing.

6.7.2.4. Key Actions for Income Generation

1. Rezon token listing.

2. Developing smart contracts for Rezon monetization.

3. Launching one's own exchange, Advertising platform, and marketplaces.

6.7.3. Key Resources

6.7.3.1. Key Resources for a Value Proposition and Developing Relationships with Users

1. Community managers

(Customer Development, event organization: beta testing, raffles, etc.).

2. Investments (IT development, Rezon token listing, promotion).

3. IT developers (mobile app Development and Rezon Web version).

4. Advisers and consultants (attracting investors and Advertisers).

6.7.3.2. Key Resources for Channel Distribution:

1. IT developers (mobile app and Rezon Web version development)

2. Investments (IT development, Rezon token listing, promotion).

3. Advisers and consultants (attracting investors and Advertisers).

4. IT administrators and moderators (organizing technical support on the Platform).

6.7.3.3. Key Resources for Developing Relationships with users:

1. Community managers (Customer Development, event organization: beta testing, raffles, etc.).

2. Investments (IT development, Rezon token listing, promotion).

3. IT developers (launching one's own exchange, marketplaces, Rezon Music, Rezon TV, Rezon Bank).

4. IT administrators and moderators (organizing technical and user support).

5. Advisers and consultants (attracting investors and Advertisers).

6.7.3.4. Key Income Acquisition Resources:

1. Investments (IT development, Rezon token listings, promotions, sales).

2. IT developers (smart contract development for Rezon monetization, launching their own exchanges and marketplaces, Rezon Music, Rezon TV, Rezon Bank).

6.7.4. Rezon Value Proposition, a Unique Commercial Offer

Rezon, unlike many crypto social networks is designed for a broad audience and comes with advantages:

- no need to possess in-depth knowledge about blockchain and cryptocurrencies to make money on reactions on social networks (likes, subscriptions, comments, votes, arguments) for the time one spent on the network and viewing an ad;

- unlike competing social networks, there is no default advertising and Users themselves make a decision on whether to view an ad for compensation;

- time spent on Rezon also yields income for promoted posts appearing on a User's Reel which the User automatically gets paid for;

- simple registration on the Platform via e-mail and a quick start to operation;

- receiving income and the ability to expend funds directly via one's personal Rezon account while a crypto wallet can be connected later;

- purchasing of content and products on the Marketplace of products and apps, the gaming platform, the NFT Marketplace, Rezon TV, and Rezon Music,

- additional earnings on Rezon token staking;

- the ability to take part in developing the Platform within the bounds of the DAO (voting for new tools and functions) and making money on that (bounties, early birds).

Unique Rezon tool: Descartes Square post that allows the users to:

- gain advice for their problems: a precise and weighted response to their questions in a post with the help of the Descartes Square technique,

- to share their own experience based on the results of the post (their Descartes Square) and help other users find helpful answers,

- take advantage of the results of other people's experience based on solutions found by other users with the help of the Descartes Square, Vote, or Comparison.

USP for Influencers:

- direct payment to influencers from Rezon for new Users' registrations.

- earnings on the social network in cryptocurrency in ordinary and simple ways:

- content monetization for Creators and influencers: creating and publishing content both for a broad and a limited circle of Users with a payment to the Creator for subscription;

- organizing work with the active community;

- receiving Tips for activity;

- selling content and products on the Marketplace of products and apps, Gaming platform, and the NFT Marketplace;

- earnings, standardization, and increased efficiency in interacting with advertisers on the influencers Marketplace.

USP for the Advertisers Audience:

- boosting the efficiency of an ad, the ability to measure the efficiency of ad posts more precisely thanks to the views being paid for.

- selling products or services directly out of an ad;

- transitioning to the Advertisers resource etc.;

- standardization of and increasing the efficiency of interacting with influencers on the influencers marketplace;

- the ability to conduct hypothesis and proposal tests;

- additional mechanics for working with Users viewing ads via additional compensation for their activity.

6.7.5. Communication and Distribution Channels

6.7.5.1. Communication and Promotion Channels (Client Informedness and Evaluation):

- Influencers (key channel);

- Youtube;

- Facebook;

- Twitter;

- Telegram;

- Referral program;

- Platform mobile app (key channel);

- Platform Web version.

6.7.5.2. Distribution Channels (purchasing, delivery value, post-sale services):

- Platform mobile app (key channel);

- Platform Web version

Adding distribution modules to the Platform as it develops: Advertising Platform + Exchange (Alpha), NFT Marketplace, Influencers Marketplace, Shopping Platform.

6.7.5.3. Integrated Nature of Channels in the Business Model:

- attracting an audience of client users (Influencers (key channel), Youtube, Facebook, Twitter, Telegram, Referral Program);

- working with users, influencers, and Advertisers (mobile version and Web version): interaction via technical support, and Platform modules (Advertising Platform + Exchange, NFT Marketplace, Influencers Marketplace, Shopping Platform);

- payments on the Platform (mobile version and Web version): interacting with the blockchain network, partner crypto exchanges (token liquidity), and personal user wallets.

6.7.6. Interacting with Users

- Automatic service and Self-Service (features via which users can independently create or view posts, react to posts, view ads, complete purchases, take part in raffles, etc.);

- Organizing technical and user support.

6.7.7. Client Segments

A broad audience (mass market) of consumers and Creators (content creators for social networks) that can make money in cryptocurrency without in-depth knowledge and understanding of blockchain and the crypto industry.

Audience of influencers and Advertisers (broad and narrow market).

Segments:

1. Social network content consumers ("surfing" social networks);

2. People searching for advice on solving their problems;

3. Creators and influencers;

4. Advisers.

6.7.8. Expenses Structure

Business model of the Rezon project based on expenses details:

First and foremost, it has an effective expenses structure (maximum automation, effective outsourcing).

Secondly, it is built on value (it has unique functions and premiere offers).

6.7.8.1. Permanent expenses:

1. IT infrastructure expenses (servers, hosting, etc.).

2. Personnel salaries (main: IT developers, IT administrators, community managers, support managers and moderators; auxiliary and administrative: CEO, CTO, COO, CFO, Head of UX/UI design, etc., sales: marketing, target,ologists SMM managers, sales managers, account managers).

3. Office maintenance expenses.

4. Legal, accounting, and other corporate expenses.

5. Expenses for participation in/organizing events.

6. Other permanent expenses.

6.7.8.2. Variable Expenses:

6.7.8.2.1. Direct Marketing Expenses (Economic Unit)

Within the bounds of the Unit economy, the Rezon project, 4 types of promotion channels are preliminarily being planned:

1. Influencers Direct marketing expenses in the project's tokens for promotion with the help of influencers (key channel);

2. Users Direct marketing expenses in project tokens to pay rewards to users and creators for their activities (likes, ad viewing, subscribers, reposting, etc.). The Platform's mobile apps (key channel) and Web version are used.

3. Social networks Direct marketing expenses to promote the project on YouTube, Facebook, Twitter, and Telegram.

4. Referral program. Direct marketing expenses in project tokens to pay for referral rewards for promotion.

Direct marketing expenses make up the final calculation expenses for promotion:

● Rate per 1 visitor click (CPC: cost per click): starting at 0.14 USD,

● Rate for expenses of 1 paying user or creator (COGS: cost of goods sold): 5 USD per month.

6.7.8.2.2. Rezon Token Staking Expenses

The preliminary amount of fixed annual profitability (APY) from Rezon project investment tokens staking is 30%.

6.7.8.2.3. Other Direct Expenses

Other Direct Expenses

6.7.8.3. Investment expenses for launching and scaling Rezon:

1. Expenses for the IT development of the work product at the MVP and Beta version stage (aside from the salaries of key specialists).

2. Expenses on expanding IT infrastructure (server, hosting, etc.).

3. Expenses on attracting strategic investments and conducting token sales.

4. Expenses on project auditing.

5. Expenses on listing the Rezon project investment token.

6. Expenses on maintaining Rezon token liquidity on DEX.

7. Expenses on circulating capital before Rezon has received its operating revenue.

8. Other investment expenses.

6.7.8.4. Money Saving Thanks to the Scale Effect:

The more Users and Creators there are on Rezon, the lower the permanent expenses there are per paying user and creator (users+creators purchasing).

6.7.9. Income Flows

a) Subscription (mass Users and Creators segment): payment via fiat funds by conversion into Rezon tokens (card etc.) / charging a personal account on the User's account;

B) Premium accounts (mass users and influencers segment): payment via fiat funds via conversion into Rezon tokens (card etc.) / charging a personal account on the User's account;

C) Publishing an ad / the audience's viewing an ad (advertisers segment): payment via fiat funds (agreement with LE via processing) / charging of the personal fiat account on the Advertiser's account via conversion into Rezon tokens;

D) Commissions off transactions on the crypto exchange / fiat or crypto marketplace: payment with fiat funds via conversion into Rezon tokens (card etc.) or crypto currency from the personal crypto wallet via conversion into Rezon tokens (Metamask etc.).

6.7.9.1. Platform users pay for these services:

1. Subscription to Creators' resources (mass users segment): charging of Rezon tokens to the personal account on the User's account in favor of the Creator (flexible pricing depending on the

Creators' policy) (This is the income of the Creator, not the Rezon platform, which may give pricing recommendations).

The rates and volume of potential incomes for Creators from subscription require clarification after Rezon launches.

2. Donations (tips) to creators (mass users segment): charging Rezon tokens to the personal account on a User's account in favor of the Creator. (Flexible pricing depending on the Creator's policy: arbitrary amount of donation amount options) (This is the Creator's income, not the Rezon platforms, which may give pricing recommendations).

Rates and volume of potential Creators' incomes from donations require clarification after Rezon launches.

3. Premium subscription to Rezon (mass users and influencers segment): charging Rezon tokens Rezon from the personal account on the User's account (fixed pricing depending on the service's functions).

Rates and volumes of Users with a premium account require closer examinationи after Rezon's launch. Preliminary original tariff size is 1 USD per month..

10% or more of the Rezon project's income is projected to come from this money flow, at the stage of the business' expansion.

4. The audience's viewing an ad (advertisers segment): charging Rezon tokens to the personal account on the Advertiser's account. (50% of income is the users' share, 50% of income is the Rezon platform's share).

Rates and volume of potential income from advertising require closer examination after Rezon launches. One of the possible options is a tariff for Ad Posts of: 10 USD/100 Rezon tokens for the Alpha version of the Rezon platform and 15 USD/150 Rezon tokens for the Beta version of the Rezon Platform. Certificates can be sold for the publishing of Ad Posts paid in Rezon tokens tokens for the equivalent of 10 USD and up. Certificates can be expended the more that users view ads.

40% or more of the Rezon project's income   is projected to come from this money flow, at the stage of the business' expansion.

5. Commissions on Rezon modules:

5.1. Advertising platform (budget commission: 50%)

5.2. Exchange (funds withdrawal from an account to a wallet: 5%; transaction commission: 5%.

5.3. Gaming platform (transaction commission: 10%): charged in Rezon tokens.

5.4. App marketplace (transaction commission: 10%): charged in Rezon tokens.

5.5. Products marketplace (transaction commission: 5%): charged in Rezon tokens.

5.6. NFT marketplace (transaction commission: 5%),

5.7. Influencers marketplace (transaction commission: 15%),

5.8. Rezon Music (subscription cost starting at 2 USD per month): charged in Rezon tokens.

5.9. Rezon TV (subscription cost starting at 4 USD per month): charged in Rezon tokens.

The tariffs and volume of potential incomes from commissions on the exchange, NFT Marketplace, the Influencers Marketplace, and the Trading Platform (the more than Rezon develops) depend on the level of Users', Creators', Advertisers', and customers' activity and will require closer examination.

50% of Rezon's income is projected to come from this money flow at this stage of the business' expansion.

Total key incomes (economic units) per each Platform users (total flows 3 + 4 + 5):

The preliminary average bill (Average Price per Paying User) for Users and Creators is 31 USD per month, 93 USD per quarter with subsequent organic growth as the project develops.

7.Marketing Model

At the core of the Rezon marketing promotion are the JTBD (Job to Be Done) theory and RACE model for planning communication with users.

JTBD presumes that the product isn't developed for a specific audience but to carry out the work necessary for the user: viewing interesting content, socializing, gaining income, or selling their products.

The RACE model presumes:

- increasing Rezon's visibility via search systems and third-party social networks, publishing in media, context advertising, and promotion via influencers;

- acquaintance of a possible user with Rezon, help in comparing with analogous networks;

- conversion is the stage when a potential user has become a Rezon User;

- maintaining communication with a User via the community.

8% of Rezon tokens is allocated for marketing goals (7% working with influencers and 1% referral program)

7.1. Working with Influencers (Microinfluencers)

The main development area of Rezon is attracting influencers and microinfluencers that may effectively invite in their own audiences from other social networks to Rezon.

7% of Rezon tokens are allocated for paying influencers for bringing in new Users. The cost for influencers' attracting them is 10 Rezon tokens per User registered and subscribed to the influencer.

An influencer whose referral link a User clicked on to join receives an additional payment of 5% of the cost of deals that the new user completes via ads or the cost of subscribing to a Premium account for the course of a year following the date of their registration on Rezon.

Until 1,500 new Users are reached, the influencer receives the same compensation as in the active referral program.

Upon achieving the threshold of 1,500 new Users, Rezon sends to the influencer a reward for all the Users that were brought in (including the first 1,500 Users) in accordance with the terms of the influence referral program.

Rezon's marketers work directly with influencers proposing them cooperation.

Via this channel, 8 million new Users are planned to be drawn in.

7.2. Referral Program

The referral program is an important component of Rezon's development.

The referral program is described in greater detail in item 2.1.12.9.

1% of Rezon tokens is allocated to paying for the referral program for the referral of new Users. The cost of attracting each new User (active or passive

program) via the referral program is 1 to 3 Rezon tokens, as well as additional payment in the amount of 1% to 3% from user purchases or the cost of subscribing to a Premium account (active or passive program).

4 to 9 million new Users are projected to be attracted via this channel.

8.Project Development Stages and Timeline

2023

Community creation: Q1 of 2023

MVP launch: January 2023

MVP refers to: the launch of the Rezon service in its Web version with the main functions of a social network, the creation of the Rezon crypto exchange, and the release and listing of the Rezon token.

Rezon development for Android and Apple mobile devices: Q1 of 2023..

Advertising platform launch: Q1 of 2023.

Influencer Marketplace launch: Q2 and Q3 of 2023.

Product Marketplace launch: Q1 and Q2 of 2023.

Messenger launch: Q2 of 2023.

Photo platform department: Q2 of 2023.

Video platform department: Q2 of 2023.

Expansion of the functions range of Rezon audio post: entire year of 2023.

Launch of the NFT Marketplace and NFT certificates system: Q2 and Q3 of 2023.

Creation of the Rezon Bank: Q4 of 2023.

2024

Rezon Music launch: Q2 and Q3 of 2024.

Rezon TV launch: Q3 and Q4 of 2023.

Apps Marketplace launch: Q1 of 2024.

Gaming platform launch: Q3 and Q4 of 2024.

Rezon debit card launch: Q4 of 2024.

Expansion of the Photo platform functions range: entire year of 2024.

Expansion of the Video platform functions range: entire year of 2024.

2025

Launch of the Rezon credit card: Q3 and Q4 of 2025.

9.Team and Consultants

9.1. Founder

Anton Gusakov: Rezon Founder and CEO.

Has practiced law for over 20 years and has launched various projects from legal consulting to cafes and manufacturing to the construction of country house villages.

Has engaged in the development of apps, games, and programs for several years.

9.2. Chief Financial Officer

Mikhail Bulgakov: the chief financial director of the project.

Has many years of experience both in the fiat and crypto financial spheres.

9.3. Design Field

Pavel Goncharov: Design Lead. Has vast experience as UI/UX and Product designer, is good in communication with other designers and developers, and promotes agile principles. Helps create technical documentation for projects.

Experienced at working with different types of interfaces: messenger, video platform, AI machine learning solutions, cartographic service, and high load government services for citizens.

Skills:

+ UX

+ Design of digital products (look and feel)

+ Web design

+ Video design

9.4. Programming Field

Aleksey Orlov: lead programmer, head of the IT Department

Has longstanding experience in the IT field: Windows administrator: over 10 years, Linux administrator: over 8 years, PHP programmer: over 8 years, laravel livewire vue: 4 years.

Has many years of experience integrating and optimizing IT solutions for businesses.

Has longstanding experience heading companies' IT departments with departments as large as 20 people.

9.5. Consultants

10. Disclaimer

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