



VERASITY

**THE FUTURE OF ESPORTS, DIGITAL
ENTERTAINMENT & AD TECH**

WHITEPAPER





VERASITY

VERASITY'S MISSION:

"VERASITY'S MISSION IS TO SIGNIFICANTLY INCREASE ENGAGEMENT AND ADVERTISING REVENUES FOR VIDEO PUBLISHERS ON ANY VIDEO PLATFORM."



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1) VERASITY AT A GLANCE

Protocol and Product Layer Platform for Esports and Video Entertainment

Veracity is a rapidly growing blockchain-enabled company across the ad tech, Esports, and video entertainment industry. With patents secured in both the U.S. (USA Patent #10956931) and China for its revolutionary Proof of View (PoV) technology, Veracity is developing proprietary technology that helps eliminate ad fraud across video advertising channels. Veracity is already a revenue-generating project through growing ad revenue, with several product verticals actively deployed and used by enterprise clients.

The Veracity Mission

Veracity's core mission is to significantly increase engagement and advertising revenues for video publishers on any video platform. In turn, Veracity—through its VeraViews ad tech stack and PoV technology—significantly increase advertising revenues for video publishers on any video platform. The VeraViews ad stack utilizes Veracity's patented protocol layer on the VeraChain blockchain, ensuring transparency and immutability for both advertisers and publishers within the Veracity ecosystem.

How? Through Veracity's PoV Protocol, Product Layers, and Platforms, including:

- VRA Rewards - *Product Layer*
- Proprietary Video Player (VeraPlayer) - *Product Layer*
- Proprietary ad stack (VeraViews) - *Product Layer*
- Proprietary Proof of View technology - *Protocol Layer*
- PoV is the only Protocol Layer Patented ad tech solution developed on blockchain technology
- PoV enabled smart contracts for Non-Fungible Tokens (NFTs) as well as the VeraChain protocol layer to safeguard NFT authenticity
- VeraWallet - *Product Layer Payment System*



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1.1) USE CASES

VeraViews Ad Tech Stack

The VeraViews ad tech stack is an enterprise-grade anti-fraud solution developed by Veracity. Using a combination of both off-chain and on-chain elements, VeraViews combines 13 separate modules to prevent ad fraud at its source - ensuring video ads are served exclusively to real users. By preventing bots from viewing ads, and logging ad serve data on Veracity's purpose-built blockchain (VeraChain), VeraViews ensures that publishers using its solution can provide advertisers with a tamper-proof record of true ad serve data - resulting in faster payment times for publishers and higher ROI for advertisers. VeraViews is a revolutionary new way to serve ads via video content and VoD.

VeraEsports.com - Esports Platform and Video Publisher owned by Veracity

VeraEsports is one of Veracity's most important use cases, combining all of Veracity's market-leading ad tech products into one Esports platform, which Veracity owns and controls. VeraEsports primary focus is to secure rights to exclusive Esports tournament broadcasts. Veracity leverages the pre-existing fanbase of these tournaments and drives them to VeraEsports, increasing traffic to our site and providing a steady stream of users to stress-test Veracity's Proof of View technology.

VeraEsports enables Veracity to make Esports content available to content broadcasters worldwide, amplified thorough our broadcast partners such as Brightcove. VeraEsports' exclusive and sought-after Esports content is then packaged with VeraViews and PoV, and streaming VeraEsports content gives broadcasters exposure to Veracity's superior ad tech stack by proxy.

Subsequently, revenue share from ad serve during Esports tournaments powered by VeraEsports flows back to Veracity. First and foremost, VeraEsports is a way to ensure that the VeraViews ad tech stack is proven to be effective and superior to existing solutions, and leveraged by a huge number of potential clients.



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Veracity.tv - Aggregator of Publishers

Veracity.tv / Veracity.io, as an entire ecosystem, makes available software development kits, or SDKs, which may be deployed by any publisher for the following video players: YouTube, Twitch, Vimeo, JWPlayer, Brightcove, VideoJS, Kaltura, FlowPlayer, iVideoSmart and others (Representing over 90% of all video players in the West). This is now available for over 2 million video publishers struggling to survive on low advertising revenues.

During 2022, Veracity will focus on integrated elements of the VeraViews ad tech stack natively into the Brightcove player, whereby over 3,000 publishers can turn-on VeraViews and protect their ad serve from fraud at the touch of a button.





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2) MARKET OPPORTUNITY

There are clear opportunities for Veracity's technology in both the advertising space, and the video on demand market. In 2021, digital ad spend reached \$455 billion dollars worldwide, and this is projected to grow by some \$70 billion in 2022 to ~\$525 billion. By 2024, it's estimated that advertising spend worldwide will be over \$645 billion — which is Veracity's addressable market. However, to date, as much as 40% of this ad spend is lost to ad fraud. Veracity aims to solve this problem.

Primarily, VeraViews will protect against fraud in the multi-billion dollar Video on Demand market. In 2021, a worldwide survey into weekly video content viewing habits found that a combined 63% of respondents used VoD services — either via paid streaming or through online publishers — each week; compared to just 30% on traditional cable or satellite television channels. Some 27% of respondents' weekly video streaming was dedicated to Esports.

According to experts, VoD services will generate \$120 billion in revenue during 2022, and for the first time, video ad placement will account for more than half of all ad spending in the USA — the world's largest advertising market. Finally, it's estimated that 2.298 billion users will have access to or a subscription to some form of VoD service by 2026, a staggering 29% of Earth's entire population at the time of writing— demonstrating the size and future potential of the market Veracity is expanding into.

Through securing key patents in the U.S. and China for video monetization through Proof of View, Veracity can tap into not only the ad market, but also the broader consumer market through NFT-based assets, recently estimated by Emergen Research to reach \$3.5 trillion worldwide by 2030 as NFTs are deployed for enterprises and to prove digital ownership across a range of assets.

Although still in its nascency, the NFT industry has a problem. Some 80% of NFTs minted through the leading minting protocol, OpenSea, are suspected to be duplicates or blatantly fraudulent, and leading art website Deviant Art flagged over 90,000 instances of NFT fraud in the 6 months from September 2021 to February 2022 alone. To combat this, Veracity's proprietary Proof of View technology can be integrated into smart contracts to protect NFTs at the point of minting, and as they're subsequently traded peer to peer or through official marketplaces. PoV also provides authentication of a number of parameters, including chain of ownership. PoV is not limited to views, but can be also used to verify any digital image viewer. As valuable traditional art enters the NFT space, Veracity predicts that PoV will become an increasingly important lifeline to galleries and artists to prevent fraud.





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2.1) THE PROBLEM VERASITY IS SOLVING:

Out of some \$455 billion dollars of ad spend, as much as 40% are consumed by bots, not humans. That's many billions of dollars of wasted advertising spend by brands and advertisers, who often simply cut the number of ads they run or decrease advertising budgets to counter their losses.

There are over 2 million video publishers struggling with the problem that brands no longer want to pay as much for their ad space, because they have no reason to believe that humans are actually watching their ads. Even the likes of Google and Facebook have to return substantial amounts of money to brands each quarter, because ad fraud companies that detect fraud, after the event, are used by brands to justify clawing back their ad spend. Of course, this in turn adversely affects the content providers of YouTube and other platforms because they receive less income from ad spend.

In contrast, brands are typically willing to pay 5 to 10 times more if they are convinced that ad fraud levels are low. With Veracity, advertisers don't need to be convinced, as viewership can be immutably and transparently proved on the blockchain. Veracity's patented PoV technology, which alongside 12 other components powers the the VeraViews ad tech stack, detects and eliminates ad fraud and records, on the blockchain, genuine human views of ads and video content.

2.2) THE SOLUTION

Veracity has developed Proof of View technology and the VeraViews ad tech stack to combat several problems.

On detection of a fraudulent view (i.e. an ad served to a bot) the current standard is for analysis to happen after the content has been delivered, and often towards the end of an advertising campaign. On the other hand, with Veracity, our technology detects ad fraud as it happens. Utilizing over 200 touch points and AI, VeraViews determines with very high confidence whether a bot or human is watching an ad or content based on the viewers' behaviour, in real time.

There is no more waiting for post-delivery fraud analysis or requesting refunds from publishers — ad fraud is detected and eliminated immediately. This first step utilizes anonymous fingerprinting.





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The Proof of View system also prevents the multiple methods bad actors may try to manipulate view counts and audience metrics. The content view evaluation phase provides multiple metrics which are gathered while viewing the content.

Once the view has been verified as genuine Veracity works on solving the second part of the ad fraud problem - accounting for valid ads. During this phase where the view is scored, the stats are inputted to our proprietary AI to issue a final score. Veracity's technology uses advanced methods to ensure only views verified by Proof of View are counted. Views which are verified are added to a publicly accessible database containing anonymized data and recorded on the blockchain — immutable and tamper proof so all participants can interact in a trustless environment.

Proof of View's target market are those brands and sponsors whose ads are being misused by fraudsters — which, in reality, is the vast majority of the world's advertisers. It's important to note that Proof of View is not integrated or part of the rewards system. Instead, Veracity's rewards system targets users to increase engagement, as will be described below. Instead, PoV and VeraViews are enterprise solutions designed exclusively to target brands and reduce fraud.

2.3) THE NFT MARKET OPPORTUNITY

As a content provider, VeraEsports hosts some of the leading exclusive Esports tournaments and user-generated content in the Esports industry. Veracity will work alongside its gaming partners to make exclusive NFT assets, in-game items, and content available through its upcoming NFT Marketplace, scheduled for a limited beta release in Q3 2022.

Through VeraEsports, Veracity can capture user intent and contextual data through its video viewership on VeraEsports. It is clear that NFTs drive forward fan-based economies. Given that Veracity —through its proprietary video player and ad stack — can track viewership, it is uniquely positioned to create value for NFTs.

For example, an Esports star with a large streaming fan base could use the VeraEsports platform coupled with Veracity's PoV technology for data storage, trading of, and targeting of NFTs. For VeraEsports it is natural to have NFTs alongside our offering.





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2.4) NFT CHAIN AUTHENTICATION

Proof of View applied to NFTs will help prevent some of the fraud [rife in the NFT market today](#). Many published artists, including traditional and classically trained artists, are concerned about taking the leap into blockchain-based ownership until NFTs are proven to be free of fraud and secure. Veracity will prove the authentication of the chain of ownership and therefore put both content creators and buyers at ease.

Proof of View is already a key patent in blockchain-based ad fraud prevention and video monetization. Now, Veracity is also utilizing PoV to tap into the broader consumer market through NFT digital collectables. Proof of View utilizes hundreds of metrics to evaluate user behaviour combined with a pre-screening process that occurs at the initialisation stage. This produces extensive statistical data that is AI sorted.

To power this mechanism, statistical data from the user is saved in the form of a fingerprint that is hashed, yet complies with all privacy regulations. The data collected, in conjunction with historical data stored for the NFT, permits a verifiers' network to validate the interaction and save the hashed records to the blockchain ensuring transparency and verifiability.



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3) VERASITY'S KEY PRODUCT VERTICALS

Veracity has the following key product verticals:

- **VeraViews + Proof of View** - An enterprise grade ad tech stack and patented anti-fraud solution for ad fraud prevention across video content. PoV detects and eliminates ad fraud sending only valid views to the blockchain which cannot be manipulated, and is also applied to NFTs,
- **VeraEsports** - A leading destination for Esports content which proves and packages PoV and VeraViews technology for international broadcasters,
- **VeraPlayer** - A proprietary video player which contains the unique VeraViews ad stack built to optimise advertising revenue using our ad partners. VeraPlayer is currently deployed on VeraEsports, and is available through the Brightcove Marketplace,
- **VeraWallet** - A custodial wallet for storing Veracity's utility and ecosystem token, \$VRA. VeraWallet stores rewarded tokens and is itself a payment system providing both crypto and non crypto payment options. It will have debit card integration in the near future. VeraWallet has over 130,000 users and offers VRA holders a 18.25% per year staking option,
- **VeraVerse (NFT Marketplace under development)** - A complete NFT ecosystem for art, in game items, and metaverse collectibles,
- **Watch & Earn** - A reward system that offers users token incentives for watching video content. Watch & Earn rewards users with the \$VRA token via an SDK integration into the publisher's video player. The integration is available already for YouTube, Twitch, Vimeo and 90% of all video players when they are used on a publisher's domain.



VeraViews



VeraEsports



VeraWallet



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4) VERASITY'S BUSINESS MODEL

Veracity drives revenue through multiple avenues. Veracity makes revenues from its content streaming via VeraEsports.com with commissions on prize pools, video ad revenues and transaction fees. It also makes revenue through its integrations with third-party broadcasting marketplaces.



Figure 1 - Veracity's revenue cycle with Brightcove and VeraEsports content.

Veracity drives revenue through its integration with the Brightcove marketplace, through both ad revenue and by making our Esports content available to publishers via the Brightcove platform.

In the Figure 1 above, we distil this cycle into four key elements: 1) VeraEsports secures broadcast rights to exclusive tournaments; 2) VeraEsports content is made available on Brightcove with the VeraViews ad stack built-in; 3) VeraViews protects publishers against fake views, who then come to realise it's a superior solution for preventing ad-fraud across all of their content and is consequently much more profitable, and 4) VeraViews adoption is increased and Veracity's revenues are used for operating expenses and \$VRA buyback.

Video publishers may now also license the modular products from Veracity for their own platforms, through the Brightcove marketplace. Veracity will also be selling its VeraEsports NFTs on its own platform, as well as on third party auction platforms with the integration of Proof of View to authenticate the chain of ownership and write it to the blockchain.



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5) UNDERLYING BLOCKCHAIN INFRASTRUCTURE

Veracity has decided to stay on the Ethereum chain but to upgrade to the ERC777. The swap from ERC20 has largely been completed.

But why use the Ethereum blockchain? The problem with non-Ethereum chains is that they are tied to exchanges that use the chains as a barter for listings. This means that these chains cannot be considered neutral.

So, the liquidity of non-Ethereum chains on non-native exchanges is not substantial even for the larger chains. PoV is designed to operate across multiple blockchains to optimize throughput and costs. We currently use the Ethereum blockchain for major transactions, and a side chain in form of VeraChain built solely to contain PoV data with hashes that verify VeraViews data integrity. Enormous amounts of transactions happen in our custom-built side chain. This would be unbearably expensive using Ethereum blockchain.

The Veracity team will monitor proposed Ethereum network scaling and gas price improvements, such as optimistic rollups, to ensure that it remains a robust blockchain for Veracity's solution. At this time, we are not exploring integrations with other blockchains.

BUILT ON:



6) RECENT ACOMPLISHMENTS

Veracity recently delivered entirely on its 2021 roadmap milestones. Moving into 2022, new roadmap goals are now in effect, which can be viewed on the Veracity.io website [here](#). Veracity's recent major accomplishments (Q3 2021 - Q1 2022) include:

- **Proof of View: Patent Approval in China**, becoming the first blockchain-based ad tech project to receive a patent in China, and adding to our [U.S. patent approval from 2019](#),
- **VeraViews**: Integration into the [Brightcove Marketplace](#), gaining the potential to provide ~3,000 Brightcove customers with access to the VeraPlayer and VeraViews ad tech stack,
- **Veracity Ecosystem**: Completion of a major [corporate rebrand](#) to all of our site properties and product verticals,
- **Proof of View: U.S. Patent updated with additional parameters** for data such as additional requests for NFTs and structural updates to the technology,

The Veracity team currently consists of 50 individuals across senior leadership functions, developers and product team, marketing and communications, business development, and community management. During the first two months of 2022, Veracity onboarded two senior team members to lead VeraEsports and PR and comms functions.

6.2) VERAESPORTS ACCOMPLISHMENTS

Veracity has built and deployed a fully functional Esports Tournament site through VeraEsports. We have launched Tournaments on DOTA 2, CS:GO, PUBG, and PUBG Mobile; and other major games developers.

Players can invite others to play in private or public tournaments for VRA funded jackpots. Our First Tournament was CS:GO with the best Pros in the world including NBK, Xccurate and Nifty. Our Second Tournament, the PUBG Mobile Ultimate Warrior Showdown, supported by OKEx and Tencent, included a thousand teams with thousands of players broadcast by Athena Gaming to millions of viewers.

Our dedicated site VeraEsports.com includes:

- Complete Active Tournament details
- The ability for users to create their own Tournaments with prize distribution and rules
- Tournament types including High Score, Elimination and Double Elimination
- Ability to join any public Tournament and participate from VeraWallet with PayPal or Credit Cards
- User generated My Tournament page with history and active Tournaments
- Dedicated user profile with transaction history, My Tournaments, APIs
- Ladder brackets, Player avatars, Whitelisting creator accounts and more

This allows players to:

- Create public or private tournaments with VRA Prize Pools
- Join tournaments and pay entry fees in VRA via your VeraWallet
- Track progress on the leader board and view current prize pool value
- Collect tournament prizes directly into your VeraWallet
- Connect third party major tournaments to our platform via simple API
- Utilize credit card payments for VRA entry fees via your VeraWallet



6.3) WATCH AND EARN

Watch & Earn products are live and publishers are already utilising our tech. Video players that support Watch & Earn make this available through a Green Trophy icon in the top right of the video player. By clicking on the green trophy, the user is directed to the in-built VeraWallet which serves as the gateway to Veracity's ecosystem.

Veracity technology can now be integrated through our custom-built SDK into the following video players on publishers' sites: YouTube, Twitch, Vimeo, JWPlayer, Brightcove, Kaltura, VideoJS, Flowplayer, and Ooyala which represents over 95% of all the video players utilised online (outside of China).

This rewarded module, integrated as an SDK into all major online video platforms provides rewards for actions without changing the publishers' workflow or the viewer's habits or preferences as well as an in- built wallet. Likewise, as described above, Veracity is now integrated directly into the Brightcove marketplace and future users will be able to easily plug-and-play VeraViews technology into their content player.

As a result of these integrations, our unique player technology is already available to be integrated on more than 2.0 million video publishers with their own sites with 550 million users and more than 110 billion monthly views.

6.4) B2B TOOLS FOR PUBLISHERS

Online Video Player (VeraPlayer)

Veracity has built-out a functioning online video platform for broadcasters and publishers.

The Veracity OVP introduces several innovations including:

- Running on the UDP transport protocol for all Chromium users when on Akamai CDN (default to TCP when on other non-Chrome browsers)
- Broadcast to the cloud directly from a laptop rather than via a server farm.
- Tested to over 8 PB of data per month (confirmed by Akamai)

No other platform currently has the advantage of an integrated SDK and OVP components and infrastructure that suits both content creators and large video publishers without any change to their workflows. Veracity views this as a sustainable competitive advantage as we also have first mover advantage without any direct competitors and can scale quickly from here with current completed products and little further development.

Veracity developed a solution that both publishers and viewers seamlessly adopt without any changes in workflow, habits or preferences. So Veracity will scale without any of the challenges that are plaguing other video sharing platforms.~

Ad Stack and Waterfall

The Veracity ad stack is unique in that it has solved timeouts for publishers that require a large number of SSPs and ad networks on one stack - as many as 200 ad networks on one stack - (example of a video publisher on our ad stack: <https://thegas.net/> with brands like Jaguar advertising and the mobile gaming app Triviata). Other ad stacks cannot handle more than a few ad networks at a time.

Proof of View (PoV)

Patented protocol layer blockchain technology that produces accurate, secure and auditable audience verification metrics.

7) THE VRA ECONOMY FLOW

VRA is a token used as a medium of exchange exclusively for the online gaming and video economy. Transactions of VRA happen over the blockchain from within the VeraWallet. The wallet and token are designed with the user convenience in mind, making it easy to use for the mass markets.

Staking VRA

The Veracity economy adds additional incentives to hold VRA through the VRA Staking program while also increasing the demand for the utility of VRA across a large network of video publishers and their own communities, using the platform to reward VRA and spread awareness and take advantage of the network effect. At the time of writing, the VRA staking APY is 18.25%.

Earning VRA

When viewers watch videos on a publisher's domain, they can be rewarded with VRA tokens through Watch & Earn. This is to incentivize viewers to watch videos on the publisher's domain, generate new traffic, and keep viewers engaged on the publisher's platform. Viewers may also earn additional tokens by referring additional viewers to the content. Viewers can earn VRA from sign ups, sharing videos, referrals, watching ads, and playing games.

Spending VRA

Viewers can convert VRA for other cryptocurrencies like Bitcoin across numerous exchanges. The fiat gateway within VeraWallet enables viewers to buy and sell VRA directly for fiat currency. Veracity is also introducing partnership programs to allow VRA to be spent on goods and services directly through a physical card. Veracity is exploring the roll out of a payments network to tie together other product verticals and increase \$VRA utility.

Future Utility

Veracity will make the \$VRA token central to the functioning of its planned VeraVerse NFT marketplace.

8) VERASITY PRODUCT TOUR

8.1) ESPORTS & VERAESPORTS

In a huge move into the competitive gaming space, Veracity expanded its GameStore tournament model to major Esports games through its site VeraEsports.com.

Veracity added the functionality of private, public and third-party tournaments for major Esports games. World class tournaments can now be launched from Veracity's VeraEsports platform. Players invite others to play in private or public tournaments for entry-fee funded Jackpots. Sponsors can launch tournaments with or without pro players.

VeraEsports has secured licences that allow it to promote large Esports events from the major gaming publishers.

VeraEsports site features:

- Fiat subscription and entry fees as well as crypto via VeraWallet,
- Bonus and Loyalty points,
- Double Elimination with Loser Bracket,
- Round Robin Tournaments for any game,
- Automation of game server usage,
- Custom headers, game logos,
- Tournament Sponsors,
- VOD recordings,
- SMS notifications,
- Ability for single players to find same level matches/tournaments,
- Marketplace for gamers on the platform,
- Referrals and affiliates,
- Streaming features with the Veracity adstack,
- Proof of View support for the Veracity adstack,

What makes us different?

The VeraEsports tournament site offers dynamic functionalities that common Esports tournament sites lack. Our users already benefit from the unique jackpot feature and can create their own tournaments with cut-cloth rules:

- VeraEsports will have its own team's tournament map veto functionality displayed on the user's match information (very useful for FPS genre Esports titles such as CSGO). This feature will reduce the tournament creators' workload and guarantees a smoother experience for participants, partners and tournament owners.
- From an organiser's perspective, getting the correct information about tournament attendees can be quite challenging. Not for VeraEsports organisers! Users' actions are rewarded by a website token system that will give players an incentive to help both the tournament admin side and the platform. For example: uploading the screen of a certain match result after a dispute or adding more contact details to their profile will give them access to more tournaments, more content, and prizes.
- Finally, a major feature currently lacking from most tournament websites is the ability for users and teams to "Check-in" and show that they are "ready" on D-day, before entering the server and playing. This feature will prevent a lot of no-shows, extra waiting time and tournament organisers' support issues.

While a few tournament creation websites offer mostly user-based experiences (Battlefy, ESLplay or Mogul), VeraEsports is the first platform to fully focus on both the organiser's and player's ecosystem for a shared and competitive journey.

Based on the findings from our tournaments and input from our Esports team, Veracity has evaluated the best features available on current tournament sites worldwide and are building to become the best in its class.

8.2) VERAWALLET

The VeraWallet is the viewers' entry point to the Veracity network and enables viewers to safely store, earn and transact with VRA. Within the wallet, viewers have access to their main account, escrow account and staking account.

Fund Campaigns

Video publishers and advertisers' escrow VRA tokens to fund their campaigns and reward viewers which build their audience, views, and revenues. The escrow guarantees that viewers are rewarded. [Learn more](#)

Earn VRA

Select from participating VRA publishers, visit their site, watch great content, and earn VRA. Also, discover sites where you can be rewarded for watching ads. In Veracity's mobile apps, participate in quizzes and games to earn VRA. [Learn more](#)

Stake VRA

Investors can choose to stake their VRA and transfer from their main wallet to the staking wallet. VRA is rewarded daily back to their main wallet at a rate of 18.25% (as of June 2022). [Learn more](#)

Send / Receive / Donate VRA

VRA holders use VeraWallet to send their VRA tokens to any compatible wallet or to an exchange that lists VRA. [Learn more](#)



8.3) VERASITY'S ONLINE VIDEO PLATFORM

The video player infrastructure is optimized for providing best in class quality video experiences, at scale. Veracity's video infrastructure utilizes several novel technologies for enabling quality streams even at the edge, combined with the latest Internet protocol performance standards like QUIC (Quick UDP Internet Connections).

This is an innovative use of the secure Transport Layer Security (TLS) and User Datagram Protocol (UDP) reducing buffering and network latency for viewers.

Viewers can access content from any browser without having to install any additional plug-ins or player software. The video player technology has already been proven to work at scale, powering over 8 Petabytes of video traffic per month.

The technology features developed for Veracity's online video platform includes:

- HTML5 Video Player Can run with or without Google IMA SDK
- JS API interacting with our player embedded into any website
- Built-in player wallet (Verawallet)
- 1080p / 60 frames per second full HD ready
- Embedded technology making it available across any website
- Lightweight and adaptive for mobile screens
- High load clustered database with sophisticated bit data storage for advanced statistics
- Back end database structure
- Built-in notifications system
- Third Party Publisher widgets
- Referral system and social sharing features

8.4) CONTENT MANAGEMENT SYSTEM (CMS)

The Veracity CMS is easy to use for publishers to manage their campaigns and video libraries. This includes both an online and desktop-based upload and management suite that enables creators of all sizes to effectively run their content libraries.

The CMS has the look and feel of current CMSs publishers utilize for their own ad campaigns in programmatic advertising which makes it extremely easy to navigate for publishers.

With multiple monetization options, the protocol enables multiple types of content to thrive, from niche technical videos through to feature films.

The Veracity CMS was designed to cater to the individual. We recognize that every viewer, content creator, and audience is different and therefore bring together multiple monetization methods which allows creators to monetize their content in a way that makes sense to their audience.

8.5) PROOF OF VIEW AND ON-CHAIN ANALYTICS & VERIFICATION

Veracity has a patented system to securely verify audience metrics (views) in a way that is publicly transparent and tamper proof. This system ensures the integrity of all elements of the Veracity economy which relies upon audience metrics.

Video ecosystems of today are plagued by suspect and often fake view statistics. These statistics are used to value the content or advertising, thus are being manipulated to generate fraudulent revenue.

PoV is a system designed to securely verify content consumption on the ecosystem, in a way that is publicly transparent and tamper proof. It is utilized within the Veracity economy to ensure the integrity of audience metrics and therefore the integrity of the ecosystem.

To ensure an accurate and transparent PoV, Veracity will implement publicly auditable logs. These logs will contain all views and content recommendations along with anonymized viewer information. The information will all be General Data Protection Regulation (GDPR), Payment Card Industry (PCI DSS), and ePrivacy compliant.

A Merkle Hash Tree guarantees that the database has never been altered. In the hash tree, each view's event data is hashed before being combined with other hashes until a final top hash is reached. Each top hash represents all the data stored in the specific chunk of the database.

The database itself is split into chunks. A new chunk is created each time a new block is created in the Blockchain. The top hash of the current chunk is added to each new block in the Blockchain.

As this data is stored in a decentralized manner, third parties can prove that each top hash added to the Blockchain is accurate and unchanged. This allows any third party to verify that the logs added within each new block on the Blockchain have not been tampered with, changed, branched or forked.

How PoV Prevents Fake Views

Veracity's PoV system detects multiple methods viewers may try to manipulate view counts and audience metrics such as:

- Automated repeated viewing of videos (looping views),
- Attempting to load multiple videos in parallel,
- Loading videos in hidden windows / tabs,
- Attempting to manipulate analytics without watching content,
- Veracity or other party altering the views database,

Veracity developed Proof of View to combat several problems.

On detection of a fraudulent ad view, the current standard is for analysis to happen after the content has been delivered and often towards the end of an advertising campaign. With Veracity, our technology detects ad fraud as it happens. Utilizing 200 touch points and AI, Veracity can determine with very high confidence whether a bot or human is watching an ad or content based on the viewers' behaviour, in real time. There's no more waiting for post-delivery fraud analysis or requesting refunds from publishers — ad fraud is detected and eliminated immediately. This first step utilizes anonymous fingerprinting.

The Proof of View system also detect the multiple methods bad actors may try to manipulate view counts and audience metrics. The content view evaluation phase provides multiple metrics which are gathered while viewing the content.

Once the view has been verified as genuine we need to solve the second part of the problem - accounting for valid ads. During this phase where the view is scored, the stats are inputted to our proprietary AI to issue a final score. Veracity's technology uses advanced methods to ensure only views verified by Proof of View are counted. Views which are verified are hashed and added to a publicly accessible database containing anonymized data and recorded on the blockchain.

The PoV target market are the brands and sponsors whose ads are being misused by fraudsters. PoV is not integrated or part of the rewards system. The rewards system targets users to increase engagement. PoV targets brands to reduce fraud.

Player must be viewable

- Through technology built into VeraPlayer, checks are made during a video view to ensure the player is visible within the browser window and not scrolled out of view, hidden, shown in background tab etc.
- If a view is generated when the VeraPlayer is not viewable, the view will not be verified.
- While the above points outline some of the ways PoV technology will verify and guarantee authentic views, the system will continually monitor for suspicious or unusual viewer behaviour even if all the above checks are passed.
- An example of suspicious behaviour would be a video being viewed by one user repeatedly in a set period. While this is not necessarily a fake/invalid view, additional views would previously have been recorded as verified views.
- As our PoV technology gains additional data through use, any common or high frequency suspicious activities will be used to create additional, automated features in PoV to verify.

PoV data is publicly auditable and transparent

- Veracity's technology will use advanced methods to ensure only views verified by PoV are counted. Views which are verified will be added to a publicly accessible database containing anonymized data regarding the views.
- Veracity will provide free, open-source tools to provide transparency and accountability of the system. With these tools, viewers and third parties can review the data to ensure its accuracy and credibility. Although view data is anonymous, individual viewers can generate their own unique ID to verify views recorded for their ID are accurate and not manipulated.
- To ensure that the data stored within the publicly accessible PoV database is bona fide untampered data, hashed view data is sent to the Blockchain, and all data is sent to Veracity's servers.



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9) CORE LEADERSHIP TEAM

The Veracity team are professionals with proven track records with high performing businesses in the media, video and technology sectors. The majority of the core team have been involved in the project together since 2017. The development team and management are full time and have been collaborating for four years.



RJ MARK - FOUNDER

A successful entrepreneur and technologist developing exciting and high growth hardware and software products since 1996 for various platforms including PC/MAC, Android and iOS mobile devices. With many patents to his name, he has been managing the development and launch of products into known brand names for over 20 years.



DAVID ARCHER - DIRECTOR & LEGAL COUNSEL

Over 30 years' experience in litigation, trust law, Not for Profit entities, Dispute Resolution, and Compliance. Governance, Legal.



ROBERT KEOGH - FINANCIAL DIRECTOR

Over 20 years experience in leading finance teams within fast growth SMEs and now specialising in digital media and blockchain. A qualified accountant with FTSE 250 training at the Financial Times and Emap plc.



SERGEY MOLYBOG - CHIEF TECHNOLOGY OFFICER

Solutions oriented CTO highly regarded for more than 15 years of progressive experience developing, implementing and supporting complex infrastructure and technical solutions in the video player, ad tech, CDN and blockchain industries.



OLENA BUYAN - CHIEF PRODUCT OFFICER

Result-oriented Chief Product Officer with a proven track record of creating scalable, insight-driven, and user-centric products. Has 9 years of experience in end-to-end development of web and iOS apps, optimizing conversion funnels and automating user flows. Was recognized as one of the top Product Managers in tech by the Ukrainian IT Awards.





DAN HODGSON - HEAD OF BUSINESS DEVELOPMENT

An experienced advertising sales director, Dan expands the number of publishers and advertisers using the VeraViews ad stack and seeks new commercial opportunities for Veracity's technology.



ELLIOT HILL - CHIEF MARKETING OFFICER

Elliot is an experienced crypto PR & comms professional, previously leading comms for Cardano and others. He evangelises our product verticals to all our B2B and B2C audiences.



KYRYLO BIBIK - LEAD ENGINEER BLOCKCHAIN DEVELOPER

High-load C/C++ developer with 11 years of experience. Strong background working with online video platforms with high traffic volumes. Co-inventor of Proof of View (PoV)TM.



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10) TOKEN INFORMATION

- Token name: Veracity
- Token ticker: \$VRA
- Smart contract address: 0xF411903cbC70a74d22900a5DE66A2dda66507255
- Smart contract audit: https://veracity.io/documents/smart_contract_audit.pdf
- Etherscan: <https://etherscan.io/token/0xf411903cbc70a74d22900a5de66a2dda66507255>
- Circulating supply: <https://coinmarketcap.com/currencies/veracity/>
- Maximum supply: 110,356,466,695 VRA

Proof of View (PoV) Foundation tokens are minted to serve as marker tokens for data circulation within Veracity's ad tech stack (VeraViews, powered by Proof of View) during ad campaigns; for NFT minting in VeraVerse; for DRM; for corporate acquisitions, and for related activities for the benefit of achieving the business objectives of the company. In total, 100 Billion PoV Foundation tokens are minted, as previously discussed on August 23, 2021 in our [in-depth medium article](#). Of these, we intend to set aside 10 billion tokens in a war chest to fund potential corporate acquisitions to advance the adoption of Veracity's technology. That may also include incentivising new or existing management in connection with any such acquisition.

Eventually, the 10 billion tokens we have allocated for acquisition purposes may make their way back into the circulating supply if and when a target company is acquired, but only at a time by which the value of the company Veracity has acquired is added to our own market cap through the growth of Veracity as a result of the acquisition. Until then, they do not contribute to our circulating supply. This would proceed in a similar fashion to the well-established mergers and acquisitions process in traditional publicly-listed companies, whereby an acquisition of a target company tends to exert a net positive on the acquiring company's market position over the long term. As of Q2 2022 Veracity's acquisition targets are two large video publishers that will enable us to push traffic through VeraViews and refine our product.

Marker tokens will not be made available for trading outside of circulation within the Proof of View system, for use exclusively by Veracity's enterprise clients. In turn, Veracity's enterprise clients have no means to manipulate, trade, or sell marker tokens; and such tokens are only used within the Proof of View system for the purposes of recording PoV data.

This token minting function has been verified in the [smart contract audit conducted by losiro](#).



11) LEGAL APPROACH

Due to concerns around unpredictability and regulation (or lack of in many markets) the team have treated the legal and administrative elements to setting up the project and raising funds very seriously. Verasity appointed a legal officer to sit on the advisory team and work closely with the rest of Verasity advising best practices. Verasity appointed Ogier, a well-known and highly reputable legal firm that has a dedicated Digital, Blockchain and Fintech team to advise Verasity on the structure of the company and certain regulatory and other matters pertaining to regional laws.

To comply with present and/or future regulation, Verasity is opting to apply the necessary KYC/AML and accredited investor procedures during the token sale and to comply with all applicable regulations including necessary sanctions and PEP checks.

VERASITY AND TOKENHOLDERS

Verasity is a limited company incorporated in the British Virgin Islands and registered as a limited company pursuant to the British Virgin Islands Companies Law. Verasity's management will be carried out by its executive team. Verasity does not pay dividends and is wholly set up to exploit the value of Verasity technology to benefit its token holders. Members of Verasity staff may be allocated VRA from time to time. Verasity acts as the token generator. Physically, the team is in France, Poland, the USA, and the United Kingdom.

90% of the Verasity roadmap has been completed and the rollout of its products to publishers has commenced, mitigating the risk of further development costs. Revenues are now being generated and are expected to scale.

The British Virgin Islands is a well-known and established jurisdiction in the international financial marketplace due to its stable and predictable political and legal framework, as well as its tax neutral status for international transactions. Verasity believes a British Virgin Islands domicile for the Verasity provides for a long-term stability. Verasity will pay zero taxes on the transactions of the Verasity Economy. The competent court for litigation will be the courts of the British Virgin Islands.

Formerly Verasity was domiciled in Cayman and moved to The British Virgin Islands at the beginning of 2021 due to increases in costs in remaining in Cayman.



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Preliminary Disclosures and Important Risks

The digital tokens described in this White Paper may only be used for enabling transactions associated with viewing digital content through the Veracity Platform, and such tokens have no intrinsic value and may not be redeemed except by a Content Creator in payment for viewership of his or her work product through the Veracity Platform. The acquisition of VRA involves a high degree of risk. Crypto currency is a very volatile asset class and VRA is no exception to that. Anyone buying VRA could lose all of the value of their investment.

Before acquiring VRA, it is strongly recommended that each purchaser conduct their own careful examination of all relevant information and risks (including as set forth below and in additional documentation associated with the sale of VRA). If any of the following risks occurs, the Veracity Platform and VRA may be materially and adversely affected, including all VRA being rendered worthless or unusable.

While tokens may be traded through one or more cryptocurrency exchanges, there is no guarantee of value, and the token may be delisted at any time that it does not meet the listing requirements of the exchange. The cryptocurrency token market is immature, and there are numerous risks that threaten the entire category, including but not limited to regulatory risk, the potential collapse of Ethereum as a cryptocurrency, loss of the password key that enables access to a digital wallet, and the potential for bad actors to attack and steal either the content on Veracity or the contents of the digital wallets that belong to the members of the Veracity community, owners and its viewers.



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12) FULL RISKS AND LEGAL DISCLOSURES

IMPORTANT NOTICE - PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THIS WHITE PAPER.

This document (the White Paper) is intended to present general information regarding the planned Veracity System. In connection with the development of the System, sales of blockchain tokens may take place in one or more proposed generation and sale events of VRA (Tokens) undertaken by the Veracity Limited (the Token Generator) (collectively, the Token Generation).

Certain terms of this document pertain to potential purchasers (each a Purchaser) in any such sale(s).

1. RELIANCE

Any Tokens are offered solely on the basis of the information contained in the terms and conditions of purchase and sale (Terms and Conditions). Potential Purchasers should disregard, and not rely upon, any other information or representations given or made by any dealer, broker or other person. No person is authorized to give any information or to make any representations in connection with any offering of VRA Tokens apart from those contained in the Terms and Conditions. A potential Purchaser to whom such information or representations are given or made must not rely on them as having been authorized by the Token Generator or any of its affiliates or subsidiaries.

Statements in the White Paper are generally based on the law and practice in the British Virgin Islands, with certain specific statements based on the law and practice of the jurisdictions explicitly-mentioned, in each case current at the date the White Paper was issued. Those statements are therefore subject to change should the corresponding law or practice change. Under no circumstance does the delivery of the White Paper or the sale of Tokens imply or represent that the affairs of the Token Generator have not changed since the date of the White Paper.

1.1. Purchaser responsibility

Nothing contained in the White Paper is or may be relied upon as a promise, representation or undertaking as to the future performance or policies of the Token Generator. The Token Generator does not make representations or warranties of any kind with respect to the economic return from, or the tax consequences of a purchase of Tokens. Prospective Purchasers should carefully review the whole of the token sale Terms and Conditions provided along with any token sale offer. They should also consult with their legal, tax and financial advisors in relation to the following: (i) the legal and regulatory requirements within their own countries for purchasing, holding and disposing of Tokens;

(ii) any foreign exchange restrictions to which they may be subject in their own countries in relation to purchasing, holding or disposing of Tokens; and (iii) the legal, tax, financial and other consequences of subscribing for, purchasing, holding or disposing of Tokens.



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This White Paper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum extent permitted by applicable law, Token Generator expressly disclaims and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) Purchaser's acceptance of or reliance on any information contained in the White Paper, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

1.2. Distribution and selling restrictions

The distribution of the White Paper and the offering or purchase of Tokens may be restricted in certain jurisdictions. The White Paper is not intended as part of any offer, sale or distribution under the laws of any jurisdiction governing the offer or sale of securities.

The receipt of the White Paper or the accompanying Terms and Conditions does not constitute an invitation to a recipient to subscribe for Tokens in a jurisdiction where it is necessary to comply with registration or any other legal requirement to make that invitation, or the use of the Terms and Conditions, lawful. No such recipient may treat the White Paper or the accompanying Terms and Conditions as an invitation to subscribe for Tokens, nor may such recipient use the Terms and Conditions. More particularly, the White Paper does not constitute an offer or solicitation:

- by anyone in a jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so; or
- to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of every person in possession of the White Paper and every person wishing to apply to purchase Tokens to inform himself, herself or itself of, and to observe all applicable laws and regulations of, any relevant jurisdiction.

1.3. Forward looking information

All statements, estimates and financial information contained in the White Paper, made in any press releases or in any place accessible by the public and oral statements that may be made by Token Generator that are not statements of historical fact, constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "aim", "target", "anticipate", "believe", "could", "estimate", "expect", "if", "intend", "may", "plan", "possible", "probable", "project", "should", "would", "will" or other similar terms. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual events or results, performance or achievements to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

Further, the Token Generator disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future.





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2. DISCLOSURE SCHEDULE

The acquisition of Tokens involves a high degree of risk. Before acquiring Tokens, it is recommended that each Purchaser conduct its own careful examination of all relevant information and risks about the Token Generator, Veracity Platform and Tokens and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, the Veracity Platform, Token and Purchaser's Tokens may be materially and adversely affected, including the Purchaser's Token being rendered worthless or unusable.

2.1. Disclosures regarding the White Paper

2.1.1. Accuracy of information, no consent of parties referenced in White Paper

This White Paper includes market and industry information and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications generally state that the information that they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

Save for the Token Generator and its respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in the White Paper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same. The Token Generator has not conducted any independent review of the information extracted from third party sources, verified the accuracy or completeness of such information, or ascertained the underlying economic assumptions relied upon therein.

Consequently, neither Token Generator nor its directors, executive officers and employees acting on its behalf makes any representation or warranty as to the accuracy or completeness of such information and shall not be obliged to provide any updates on the same.

2.1.2. Terms used

To facilitate a better understanding of Tokens being offered for purchase by the Token Generator, and the businesses and operations of the Token Generator, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in the White Paper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.



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2.1.3. Restrictions on distribution and dissemination of White Paper

The distribution or dissemination of the White Paper or any part thereof may be prohibited or restricted by the laws, regulatory requirements and rules of any jurisdiction. In the case where any restriction applies, you are to inform yourself about, and to observe, any restrictions which are applicable to your possession of the White Paper or such part thereof (as the case may be) at your own expense and without liability to the Token Generator.

Persons to whom a copy of the White Paper has been distributed or disseminated, provided access to or who otherwise have the White Paper in their possession shall not circulate it to any other persons, reproduce or otherwise distribute the White Paper or any information contained herein for any purpose whatsoever nor permit or cause the same to occur.

2.1.4. Language of White Paper

This White Paper may have been prepared in multiple languages. In the event of any inconsistencies between one version and another, the English language version shall prevail.

2.2. Disclosures regarding Tokens

2.2.1. Token is a utility token

Tokens are digital utility tokens that afford Token holders to access the Veracity Platform and/or execute certain functions on the Veracity Blockchain. Tokens do not represent a loan to Token Generator, nor do they provide Purchaser with any ownership or other interest in or to Token Generator. For greater certainty, the purchase of Tokens does not provide Purchaser with any form of ownership right or other interest in or to Token Generator or Veracity or its present or future assets and revenues, including, but not limited to, any voting, distribution, redemption, liquidation, revenue sharing, proprietary (including all forms of intellectual property), or other financial or legal rights.

2.2.2. Tokens are non-refundable

Other than instances described in the Terms and Conditions, if any, Token Generator is not obliged to provide Token holders with a refund for any reason, and Token holders will not receive money or other compensation in lieu of a refund. Statements set out in the White Paper are merely expressions of the Token Generator's objectives and desired work plan to achieve those objectives, and no promises of future performance or price are or will be made in respect to Tokens, including no promise of inherent value, and no guarantee that Tokens will hold any particular value.



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2.2.3. Tokens are provided on an “as is” basis

Tokens are provided on “as is” basis. The Token Generator and Veracity and each of their respective directors, officers, employees, shareholders, affiliates and licensors make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding Tokens, including any warranty of title, merchantability or fitness for a particular purpose or any warranty that Tokens and Veracity Platform will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the Token Generator and Veracity and each of their respective directors, officers, employees, shareholders, affiliates and licensors disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non- infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

2.2.4. Not an offering of securities, commodities or swaps

The sale of Tokens and Tokens themselves are not securities, commodities, swaps on either securities or commodities, or a financial instrument of any kind. Purchases and sales of Tokens are not subject to the protections of any laws governing those types of financial instruments. This White Paper and all other documents referred to in the White Paper including the Terms and Conditions do not constitute a prospectus or offering document, and are not an offer to sell, nor the solicitation of an offer to buy an investment, a security, commodity, or a swap on either a security or commodity.

2.2.5. Non-Investment purposes

Purchaser acknowledges and agrees that Purchaser is not purchasing Tokens for purposes of investment, speculation, as some type of arbitrage strategy, for immediate resale or other financial purposes. Tokens are not designed for investment purposes and should not be considered as a type of investment.

2.3. Tokens may have no value

3. FORCE MAJEURE

The Token Generation and the performance of the Token Generator’s activities set out in White Paper development roadmap may be interrupted, suspended or delayed due to force majeure events. For the purposes of the White Paper, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Token Generator and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond Token Generator’s control, which were not in existence at the time of Token Generation. Purchaser understands and agrees that Token Generator shall not be liable and disclaims all liability to Purchaser in connection with a force majeure event.





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4. INSURANCE

Unlike bank accounts or accounts at financial institutions, Tokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by Token Generator to offer recourse to Purchaser.

5. GOVERNMENTAL DISCLOSURES

5.1. Risk of unfavorable regulatory action in one or more jurisdictions

The regulatory status of cryptographic tokens, digital assets, and blockchain technology is undeveloped, varies significantly among jurisdictions and is subject to significant uncertainty. It is possible that certain jurisdictions may adopt laws, regulations, policies or rules directly or indirectly affecting the Bitcoin and Ethereum network, or restricting the right to acquire, own, hold, sell, convert, trade, or use Tokens.

Developments in laws, regulations, policies or rules may alter the nature of the operation of the blockchain network upon which Tokens are dependent. There can be no assurance that governmental authorities will not examine the operations of the Token Generator and Veracity and/or pursue enforcement actions against the Token Generator and Veracity.

All of this may subject the Token Generator and Veracity to judgments, settlements, fines or penalties, or cause the Token Generator and Veracity to restructure their operations and activities or to cease offering certain products or services, all of which could harm the Token Generator and Veracity's reputation or lead to higher operational costs, which may, in turn, have a material adverse effect on Tokens and/or the development of the Veracity Platform.

5.2. Purchaser bears responsibility of legal categorization

There is a risk that Tokens might be considered a security in certain jurisdictions, or that they might be considered to be a security in the future. The Token Generator does not provide any warranty or guarantee as to whether Tokens will be a security in the jurisdiction of the Purchaser.

Each Purchaser will bear all consequences of Tokens being considered a security in their respective jurisdiction. Every Purchaser is responsible to confirm if the acquisition and/or disposal of Tokens is legal in its relevant jurisdiction, and each Purchaser undertakes not to use Tokens in any jurisdiction where doing so would be unlawful. If a Purchaser establishes that the purchase or use of Tokens is not legal in its jurisdiction, it should not acquire Tokens and immediately stop using or possessing Tokens. Acquiring Tokens in exchange for cryptocurrencies will most likely continue to be scrutinized by various regulatory bodies around the world, which may impact the usage of Tokens.

The legal ability of the Token Generator to provide or support Tokens in some jurisdictions may be eliminated by future regulation or legal actions. In the event the Token Generator determines that the purchase or usage of Tokens is illegal in a certain jurisdiction, the Token Generator may cease operations in that jurisdiction, or adjust Tokens or the Veracity Platform in a way to comply with applicable law.



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5.3. Purchaser bears responsibility for complying with transfer restrictions

Tokens may be placed on third-party exchanges, giving future purchasers and viewers an opportunity to openly buy Tokens. A user seeking to enter the Veracity Platform following the Token Generation will have to buy Tokens on such exchanges. Conversely, Tokens may be sold on such exchanges if the holder of Tokens would like to exit the Veracity Platform ecosystem. Existing laws on the circulation of securities in certain countries, such as the United States of America, Canada and Singapore, may prohibit the sale of Tokens to the residents of those countries. When buying Tokens, Purchaser should be aware of the restrictions on their subsequent sale.

6. GENERAL SECURITY RISKS

6.1. Risk of theft and hacking

Token generation events and initial coin offerings are often targeted by hackers and bad actors. Hackers may attempt to interfere with the Purchaser's private key storage device or digital wallet Digital Wallet, the Veracity Blockchain or the availability of Tokens in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. Any such attack may result in theft of Purchaser's Tokens.

6.2. Private keys

Tokens purchased by Purchaser may be held by Purchaser in Purchaser's digital wallet or vault, which requires a private key, or a combination of private keys, for access. Accordingly, loss of requisite private key(s) associated with Purchaser's digital wallet or vault storing Tokens will result in loss of such Tokens. Moreover, any third party that gains access to such private key(s), including by gaining access to login credentials of a hosted wallet or vault service Purchaser uses, may be able to misappropriate Purchaser's Tokens. Token Generator is not responsible for any such losses.

6.3. Exchange risks

If Purchaser sends cryptocurrencies to the Token Generator from an exchange or an account that Purchaser does not control, Tokens will be allocated to the account that has sent such cryptocurrency; therefore, Purchaser may never receive or be able to recover Purchaser's Tokens. Furthermore, if Purchaser chooses to maintain or hold Tokens through a cryptocurrency exchange or other third party, Purchaser's Tokens may be stolen or lost.

6.4. Risk of incompatible wallet services

The wallet or wallet service provider used for the storage of Tokens has to be technically compatible with Tokens. The failure to assure this may result in the Purchaser not being able to gain access to its Tokens.

6.5. Risk of weaknesses or exploitable breakthroughs in the field of cryptography

Advances in cryptography, or other technical advances such as the development of quantum computers, could present risks to cryptocurrencies, Ethereum and Tokens, which could result in the theft or loss of Tokens.





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6.6. Internet transmission risks

There are risks associated with using Tokens including, but not limited to, the failure of hardware, software, and internet connections. The Token Generator shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Veracity Platform and Tokens, howsoever caused. Transactions in cryptocurrencies may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. cryptocurrency transactions are deemed to be made when recorded on a public ledger, which is not necessarily the date or time when the transaction is initiated.

7. VERASITY PLATFORM DISCLOSURES

7.1. No guarantee that Veracity Blockchain will be developed

Purchaser acknowledges, understands and agrees that Purchaser should not expect and there is no guarantee or representation or warranty by Token Generator that:

1. the Veracity Platform will ever be adopted;
2. the Veracity Platform will be adopted as developed by Token Generator and not in a different or modified form;
 1. a blockchain utilizing or adopting the Token Generator will ever be launched; and
 2. a blockchain will ever be launched with or without changes to the Veracity Platform and with or without a distribution matching the fixed balances of the initial tokens distributed under the Token Sale.

7.2. Risks associated with the Veracity and Ethereum blockchains and associated software and/or infrastructure.

7.2.1. Malfunctions - The initial iteration of the Tokens are based on the Ethereum blockchain. As such, any malfunction, unintended function or unexpected functioning of the Ethereum protocol may cause Tokens and/or the Veracity Platform to malfunction or function in an unexpected or unintended manner.

7.2.2. Bugs and weaknesses - The Ethereum blockchain rests on open source software, and accordingly there is the risk that the token smart contract pertaining to the initial iteration of Tokens may contain intentional or unintentional bugs or weaknesses which may negatively affect Tokens or result in the loss or theft of Tokens or the loss of ability to access or control Tokens. In the event of such a software bug or weakness, there may be no remedy and Token holders are not guaranteed any remedy, refund or compensation.

7.2.3. Delays and congestions - On the Ethereum blockchain (which is used for the Token Sale) timing of block production is determined by proof of work so block production can occur at random times. For example, Ether contributed to the Veracity Blockchain in the final seconds of a distribution period may not get included for that period. Purchaser acknowledges and understands that the Ethereum blockchain may not include the Purchaser's transaction at the time Purchaser expects and Purchaser may not receive Tokens the same day Purchaser sends Ether. The Ethereum blockchain is prone to periodic congestion during which transactions can be delayed or lost. Individuals may also intentionally spam the Ethereum network in an attempt to gain an advantage in purchasing cryptographic tokens. Purchaser acknowledges and understands that Ethereum block producers may not include Purchaser's transaction when Purchaser wants, or Purchaser's transaction may not be included at all.





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7.3. Irreversible nature of blockchain transactions

Transactions involving Tokens that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Token, the transaction is not reversible. Further, at this time, there is no governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen cryptocurrencies. Consequently, the Token Generator may be unable to replace missing Tokens or seek reimbursement for any erroneous transfer or theft of Tokens.

7.4. Amendments to protocol

The development team and administrators of the source code for Ethereum blockchain or the Veracity Blockchain could propose amendments to such network's protocols and software that, if accepted and authorized, or not accepted, by the network community, could adversely affect the supply, security, value, or market share of Tokens.

7.5. Risk of mining attacks

As with other decentralized cryptocurrencies, the Ethereum blockchain, which is used for the initial tokens sold under the Token Sale, is susceptible to mining attacks, including but not limited to double-spend attacks, majority mining power attacks, "selfish-mining" attacks and race condition attacks. Any successful attack presents a risk to Tokens, including the expected proper execution and sequencing of Tokens and Ethereum contract computations in general. Despite the efforts of the Token Generator and Ethereum Foundation, the risk of known or novel mining attacks exists. Mining attacks, as described above, may also target other blockchain networks, with which Tokens interact with and consequently Tokens may be impacted also in that way to the extent described above.

8. TOKEN GENERATOR DISCLOSURES

Because Tokens confer no governance rights of any kind with respect to the Token Generator, all decisions involving the Token Generator's products or services within the platform or Token Generator itself will be made by Token Generator at its sole discretion. These decisions could adversely affect the platform and the utility of any Token you own.

8.1. Dependence on management team

The ability of the Veracity Platform project team, which is responsible for maintaining competitive position of the Veracity Platform, is dependent to a large degree on the services of a senior management team. The loss or diminution in the services of members of such senior management team or an inability to attract, retain and maintain additional senior management personnel could have a material adverse effect on the Veracity Platform. Competition for personnel with relevant expertise is intense due to the small number of qualified individuals, and this competition may seriously affect the Token Generator's ability to retain its existing senior management and attract additional qualified senior management personnel, which could have a significant adverse impact on the Veracity Platform.





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8.2. Risks related to reliance on third parties

Even if completed, the Veracity Platform will rely, in whole or partly, on third-parties to adopt and implement it and to continue to develop, supply, and otherwise support it. There is no assurance or guarantee that those third-parties will complete their work, properly carry out their obligations, or otherwise meet anyone's needs, any of which might have a material adverse effect on the Veracity Platform.

8.3. Insufficient interest in the Veracity Platform and Tokens

It is possible that the Veracity Platform or Tokens will not be used by a large number of individuals, businesses and organizations and that there will be limited public interest in the creation and development of its functionalities. Such a lack of interest could impact the development of the Veracity Platform.

8.4. Veracity Platform development risks

The development of the Veracity Platform and/or Veracity Blockchain may be abandoned for several reasons, including lack of interest from the public, insufficient funding, insufficient commercial success or prospects or departure of key personnel.

8.5. Changes to Veracity Platform

The Veracity Platform is still under development and may undergo significant changes over time. Although the Token Generator and Veracity intend for the Veracity Platform to have the features and specifications set forth in the White Paper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the Veracity Platform does not meet expectations of the Purchaser.

8.6. Other projects

The Platform may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the Token Generator and Veracity, and such projects may provide no benefit to the Veracity Platform.

8.7. Disclosures relating to conflicts of interest

Any of the Token Generator and Veracity may be engaged in transactions with related parties and conflicts of interest may arise, potentially resulting in the conclusion of transactions on terms not determined by market forces.





VERASITY

9. TOKEN PURCHASES

Purchases of Tokens should be undertaken only by individuals, entities, or companies that have significant experience with, and understanding of, the usage and intricacies of cryptographic tokens, including Ether, and blockchain based software systems. Purchaser should have a functional understanding of storage and transmission mechanisms associated with other cryptographic tokens. While the Token Generator will be available to assist purchasers of Tokens during the sale, the Token Generator will not be responsible in any way for loss of BTC, ETH or Tokens resulting from actions taken by, or omitted by purchasers. If you do not have such experience or expertise, then you should not purchase Tokens or participate in the sale of Tokens. Cryptographic tokens such as Tokens are a new and untested technology. In addition to the risks included above, there are other risks associated with your purchase, possession and use of Tokens, including unanticipated risks. Such risks may further materialize as unanticipated variations or combinations of the risks discussed above.

Definitions

- **Creator:** An individual, Corporate Video Publisher or Broadcaster who creates or owns video content to share on their own online video channel to generate both views and revenue from their audience. In this document Creator and Publisher are used interchangeably
- **CDN:** Content Distribution Network, or a distributed network of servers that consumers connect to in order to receive video. The servers are normally positioned close to the end user and are normally deployed at scale to provide higher quality video experiences
- **Digital Wallets:** Desktop Application wallet and Web wallet with an API into Player, both used to hold VERA
- **Economy:** Veracity ecosystem in which Vera, the Veracity token, is utilized for transactions
- **Management:** Core team listed in this White paper
- **OVP:** Online Video Platform including uploader, player and CDN network
- **Publisher:** A company that distributes video content across multiple channels and mediums to maximize both views and revenue from their audience. Typically works with multiple creators who contribute to their content library
- **Platform:** The combined suite of technology and products that power the Veracity Video Rewarded Module and online video platform and components
- **Proof of View (PoV™):** Proof of View implementation on the Blockchain and patent pending as further described in the "Proof of View" section below
- **Veracity:** Veracity Limited, a British Virgin Islands company registered under the British Virgin Islands Companies Law which has been incorporated to support the Veracity Economy and Platform as per this white paper
- **VeraPlayer:** Video Player, Uploader, CDN and components that make up the online video platform, a technology licensed by Veracity and to be made available to the Veracity community and economy. This technology is already operating and available for implementation
- **VeraWallet:** Web based token wallet designed to allow VERA holders to top up their accounts, stake VERA or withdraw VERA to other wallets
- **VERA:** A cryptographically secured digital utility token which will be created and used within the Veracity Video Sharing Ecosystem and Economy and verified on the Veracity Blockchain

Please click [VeraWallet](#) for specific terms related to the use of the VeraWallet and click [Verawallet Staking](#) for specific terms related to Veracity staking

