Offer to investors

Introduction
New businesses looking for funding go a well traveled path - from initial friends/family/angel investment, to series A,B... etc. discrete funding rounds.
The goal of this funding is to reach liquidity / exit event - being acquired or having an IPO, when the investor will get their money back - hopefully with a small or a big gain.

This proposal offers a new path for funding. It is not done in discrete rounds but is continuous and it becomes liquid (trade-able) in a very short time period.

Besides our innovation in technology, this new path for funding is a big business innovation by itself.

Business, and products
With the decentralized web / dWeb project we are developing a decentralized communication and advertising platform.
Introduction of the platform is available in this article -
https://medium.com/@info_6697/decentralized-web-dweb-what-is-it-77ae2f0c9320?source=friends_link&sk=0420231fb1d2340caa45cc7b2cf51b48

As a communication platform users can do video and voice communication in a decentralized way - directly one to the other.
As a new communication platform it competes with existing communication platforms like zoom and skype - however these services are centralized as the communication goes through a server.

The platform is used for and monetized through showing advertisements as well. As a new digital advertising platform it competes with existing online ad platforms like - google, facebook, twitter. Unlike the existing online ad platforms, the dWeb platform rewards users for viewing ads.
Details on the monetizing model are available in this article -
https://medium.com/@info_6697/70c156832936?source=friends_link&sk=761d723a74123e9481c4d12d7e24b82c

The user has to request the start of ad viewing and then take action to go forward/backward in ad viewing.

The platform uses crypto-currency for value transfer.

Revenue is generated by advertisers paying for placing of ads. The dWeb platform collects the payments and then distributes a portion of it to users who view ads.
Specifics and the way of use is available on this page:
https://decentralized-web.tech/tutorial.htm

This user's guide page shows:
- links to download, install, run
- sending invitations to build contacts list
- showing ads
- access to personal decentralized web sites
- creating a wallet for crypto currencies and trading

The dWeb program has added incentives, paid in crypto-coins for users:
- ads viewing
- creating a wallet
- inviting new users
- running a bridge node

Current state of the project

There are program release for 3 platforms - Windows, Mac OS X, Linux.

Close to release are programs for full bridge / node, and light bridge / node.
The goal of having bridges is to enable building of a large decentralized network of nodes numbering
from tens of thousands to millions of nodes -
https://paulars.medium.com/decentralized-web-network-architecture-participants-and-evolution-7e4dc22871a2?sk=c0d0646149a94f27b3e3f5ac0845baa5

We plan to have releases of dWeb program for Android phones and tablets.

Current business structure
- ars technologies inc. , US Wyoming corp. , IRS chapter-S (small) corp.
- ars technologies , sole-proprietorship BC Canada business

Options of business structure for funding -
- opt.A - funding for 'Decentralized web' as a project going to ARS Technologies;
- opt.B - registering 'Decentralized web' as US Wyoming corp. , IRS chapter-S (small) corp. and receiving funding there; the business will be taxed at 21% rate
- opt.C - registering 'Decentralized web' as LLC type, in a country in European Union, making it eligible for EU innovation funding (refer.-Horizon 2020); the business will be taxed at 10% rate
  (to be determined – which option)
**Team and location**

physical location - Vancouver, BC Canada. Consistently voted in top 10 places worldwide to live & work. Big talent pool with 2 major universities - SFU, UBC. Most of large US (especially Silicon Valley) companies have offices here - Apple, Amazon, Google, Facebook, Microsoft, Boeing...

**Paul Arsov** - born in Eastern Europe, did live and work in Europe, US (including Silicon Valley), and Canada. Currently in - Vancouver, Canada.

founder, developer, president of - ars technologies

businesses:
- arstech.com - 1999 to present time, computer hardware and software products
- arstech.org - 2016 - 2019, robotics product
- arstech.biz - 2017 - 2019, foreign exchange and crypto-currencies trading and analytics products
- decentralized-web.tech - 2020 - present, decentralized communication and advertising platform

**To be hired** - one or more online digital marketing persons, location Vancouver
duties: advertising campaigns - facebook, google; social media campaigns; shareholder and investor relations; user relations, advertiser relations;
article writing/publishing; reaching - worldwide;

**Initial Funding**

ars technologies inc. (US) and ars technologies (Canada) did provide funding for the start and continuing of the Decentralized web project.

we are looking for external funding - initially of 5-10 'accredited' US based investors, each with up to $100,000 contribution.

we plan to issue security tokens for the company under - US SEC Rule 506 of Regulation D, effective as of January 16, 2013, allowing offerings that can use general solicitation, but must be sold to accredited investors only.

https://www.sec.gov/smallbusiness/exemptofferings/rule506c

Companies relying on the Rule 506 exemptions can raise an unlimited amount of money.
As a Issuer we can raise the capital directly via our own website.

Investors outside of the US may not need to be accredited. The rule allows having up to 2000 investors.
(to be determined – token/share price, and % of the business)
Continuous offering

As the funding is tokenized with security tokens we plan to have continuous offering at a price equal or higher than the initial funding offer.

In this way early investors are getting better pricing and increasing valuation of their investment.

Use of funds raised

We plan to have the funds split as follows:
- 30% - used for continuous development of the platform
- 50% - used for marketing, aiming gain of users and advertisers; user incentives, pay-offs
- 20% - reserve fund, operations, legal, travel

Trading

Secondary Market trading of our security tokens can begin once the 12 month mandatory hold period has been removed and if the security does not have any further restrictions.

Potential secondary market trading platform for the issued security tokens - Binance decentralized exchange / DEX. For more info on this DEX and having a wallet for funds please check: https://decentralized-web.tech/t12.htm

Trading depends on matching buy and sell orders.
After the 12 month lock-up period, Depending on the amount of cash on hand we plan to offer Stock repurchase program - offering to buy at a price that we determine.

Risks

We, at decentralized web do not have prior sales or a revenue.

The success of the company will depend on
- gaining large number of users
- gaining advertisers on our platform who will bring revenue to the company
We are creating essentially a new market and disrupting the existing markets. There is a risk the users and advertisers will be slow in adopting our platform.

The offer for security tokens will be registered with US SEC on federal level however may need to be submitted and reviewed on state level by securities commissions in the US states.

The offer is available for investors outside of the US. We may need to look and file for compliance in specific countries where we have investors.

Since there is a limit of the number of investors to 2000 we may need to put a minimum amount for investing.

We are one of the first pioneers in this field of security tokens and may need to seek clarification from federal/state/country security authorities.

It is not clear if increasing/decreasing of the investment is allowed during the 12 month lock-up period.

After the expiring of the 12 month lock-up period the security tokens become trade-able in a private market within the group of investors. It is not clear the transfer of security tokens to people outside of the initial group of investors.

While we require and collect identity documents, neither we nor any commercial service provider can confirm validity of documents. It is only city/state/federal government agencies which have appropriate access and can confirm validity of documents issued.

Ways of sending funding
We plan to accept funding through our US dollar, Canadian dollar and multiple other major currencies bank accounts with TIAA (US based) bank:
https://www.tiaabank.com/

We can accept funding through crypto-currencies as well - USDC (Circle), and Ethereum.

To schedule a call or video-chat
- reach on LinkedIn

- or by e-mail
mailto:connect@decentralized-web.tech