NARRATIVE

The Content Economy™

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INTRODUCTION

It's time for content creators to get rewarded for their hard work. Narrative is a self-sustaining content ecosystem where members are in charge, users get paid, and the world's best content, on every subject imaginable, is easy to find.

Narrative is a **Content Economy**, generating rewards for content creators, moderators, and others who positively contribute to the quality of content on the network.

Narrative is autonomous, transparent, and completely user-centric. Reputation scores and content ratings ensure that "bad eggs" have minimal impact and that quality users and content rise to the top (and are rewarded the most).

The economic motive for Narrative is to reward all users who add value to the network.

Narrative is the world's public journal. There are three types of content channels on Narrative: *Personal Journals*, *Niches* (subject-based collections), and *Brands*.

Users can follow specific Narrative channels and view a stream of all content they track. All content is public, curated and managed by elected moderators.

Best of all, 85% of all revenues generated by the network flow directly to the active participants (e.g., content creators, active participants, moderators, and other positive influencers).

The Narrative organization ("Organization") manages the software development, technical infrastructure and product marketing, but has no role in moderating users or content.

All revenue for the network is logged and managed using blockchain technology to ensure immutability and transparency, but the network itself may include off-chain functions to ensure outstanding performance and powerful search capabilities.

Narrative makes visible all actions by moderators and leaders, so that the community as a whole can ensure it is properly represented.

It's great content, by the people, for the people.

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/əˈKÄNəMĒ/

"An entire network of producers, distributors, and consumers of goods and services in a local, regional, or national community."[1]

....

As the first true Content Economy, Narrative disrupts the traditional business model for social media networks.

For current social networks, there is no economy; there is only subjugation. The producers and consumers of content on traditional social networks do all of the work and realize none of the income. The economic motive for the corporation running the network is to increase profits through the sale of advertising.

Users have no control over whether their personal data is shared with third parties, no input on editorial decisions, and their content can be censored at any time for any reason by a monolithic corporation that calls all of the shots. They have no seat at the table, and in fact their sole role is to keep generating content so the corporation can sell more ads.

With Narrative, however, the participants in the network engage symbiotically toward the common goal of creating and maintaining a reputable environment. Narrators are essentially owners in the system, because everyone has an equal chance at prospering, based on the quality of their own actions in the network.

The value of the Narrative Network is represented by the NRVE token, a cryptocurrency that is used to pay for items of value (channels, advertising, etc.) and reward the users who positively contribute to the network (content creation, commenting, votes, and more).

Revenue sources for the Network will include:

- Niche and Brand Channel Ownership Fees
- Advertising
- Issuance of NRVE Tokens

Revenue collected by the Network is held and disbursed in the following manner:

- Content Creators: 60%
- Narrative Organization: 15%
- Niche Owners: 10%
- Activity Rewards: 8%
- Niche Moderators: 6%
- Tribunal: 1%

Let's review the different types of users/areas in the system, so that it is easier to understand the payout structure above.

Narrator
Any registered user of the network. All users have their own (free) journal that they can post to anytime.

Content Creator
A Narrator who posts content on the network.

The Narrative Organization
The organization that manages the network software, infrastructure and marketing.

Tribunal
The Tribunal is like the "Supreme Court" of Narrative. Tribunal members are elected by the community, have steep qualification requirements, and serve time-limited terms. The role of the Tribunal is to be the final arbiter of disputes, and the Tribunal has powers for taking action when necessary.

Niche
A Niche is a subject-oriented channel that any Narrator can post to. Niches are created by Narrators, but each must be unique and must be approved by a vote of all Narrators who are "Rep Pos" (have a positive reputation). Every authorized niche must have one owner and one or more moderators. These owners and moderators earn Network Rewards, based on the overall popularity of each Niche.

Brands
Brands can set up Brand channels in Narrative, but Brand owners and moderators do not participate in Network Rewards.

Activity Rewards
Narrators earn activity points for various activities, including commenting, voting for nominated Niches, voting in Tribunal elections, up-voting/down-voting content, etc. Users who have earned activity points during a payout period are eligible for Activity Rewards. Note that users may

receive negative activity points, as well, for behavior that is harmful to the network.

Founders

Any person that contributes 60 NEO or more in the Narrative Token Sale will be classified as a "Founder" when they register on the network using the same email account they used for the Token Sale. Founders will receive the following special rewards:

Niche Ownership Advantage: when we launch our early alpha, code-named Chaucer, in March 2018, only Founders will be allowed to reserve/purchase new niches for the first two weeks. This gives them a huge competitive advantage in reserving the most popular subject areas.

Activity Points Bonus: for each reward period, Founders will receive a 10% bonus for the number of Activity Points they accumulate. Thus, if the Founder generated 100 activity points, we would add 10 bonus points to his total. This will occur for the life of the Founder's account.

Exclusive Access: Founders will be granted exclusive access to the Narrative team via a dedicated Slack channel from the end of the Token

Sale until the network is launched. This will give them more insight into the development progress before launch.

CENTRAL TENETS OF NARRATIVE

AUTONOMY

The community of users on the network create their own Niche channels, create the content, elect their own leaders and moderators, and even approve the ads that appear. The Narrative organization manages development of the software and pays for the infrastructure to keep things humming along, but has no involvement in managing the content posted to the network.

TRANSPARENCY

To have true autonomy, the entire system has to be as transparent as possible. With Narrative, every action taken by a moderator (or any user with any authority) is displayed for all to see. Every revenue-related transaction is cataloged in an immutable blockchain. Anything of value or impact is visible for all to see.

OWNERSHIP

All users truly own their content and profile data in Narrative. They can export their data anytime. Ownership is also reflected in the role all users have in governing the network as a whole.

ECONOMIC BENEFIT

Users should be rewarded for behavior that benefits the network. Similarly, User Reputation should be an important factor in determining the impact of a user's actions. 85% of all revenue generated by the network should be directed to its active users.

NO CRYPTO BARRIERS

Cryptocurrency is not highly adopted yet. Thus, the network cannot thrive and compete with other networks if it requires its users to use cryptocurrency. Thus, advertisers will have the option to pay with fiat currency and network rewards can also be received in fiat currency (through a crypto/fiat conversion process).

CONTENT IN NARRATIVE

Narrative is designed to be the world's journal- a place for individuals, groups, and businesses to tell their stories and post their thoughts. A Narrative post might be a single photo, a collection of photos, text only, or a mixture of text and photos. The idea is that users can use their own Journals for personal perspectives, and/or use Niches to post about specific subjects. Brand spaces give organizations a way to have more controlled areas where authorship is limited to authorized users only.

Niches work similarly to tags during the content creation process. The author can associate his/her content with up to three niches. Acceptance into a niche is subject to approval by niche moderators. The content creator may also suggest new niches, which would be subject to community approval.

In general, we envision Narrative being a home for long-form content, but obviously Narrators will determine how to best utilize it.

Narrators can follow Niches of interest, other Narrator's Journals, and Brands. And they can view content via an aggregated stream of everything they follow or of course directly via the channel's stream.

The Reputation and Rating systems are used by Narrative to automatically bury low-rated content and feature highly rated content, though Narrators can customize their settings to disable or minimize these automations, if desired.

PERSONAL JOURNALS

Every registered member in Narrative has a Personal Journal. This is their own personal Narrative, and the only content on a Personal Journal is the content by that journal owner. All journal content is always public and any registered member may comment.

Personal Journals cannot have moderators. Personal Journals may be suspended by the Tribunal for any reason. (And note that users may report Personal Journal content to the Tribunal.)

NICHES

One of the three types of content channels, a Niche is a subject area into which any Narrator may publish content. All Niches should be unique. You should not find one Niche called "New England Patriots" and another called "NE Patriots". The goal is to create unified content streams around singular subjects. This helps create more focused content and allows Narrators to subscribe knowing that they are following all content on a given subject.

That said, subjects may be quite broad or very narrow. For instance, an "NFL" niche is much broader than the "New England Patriots", but they could coexist, since they are not identical.

Each Niche that is created should have value. And for that reason, the creation of new Niches goes through an approval process.

1. A Narrator suggests/nominates a new Niche.

2. Narrators vote during a 48-hour period. The Reputation of each Narrator influences the impact of each vote. The higher the Rep, the more impactful the vote.

3. Once the voting period is complete, if the Niche receives a vote score greater than 50% it becomes an authorized channel.

Because Niches are essentially communal posting areas, it is critical that each one has an "owner" to act as the overall manager, as well as moderators for managing the content in the Niche. Niche owners are responsible for nominating moderators in their channels, but Rep Pos Narrators actually elect each moderator that is nominated.

There is only one owner per Niche. When a channel becomes authorized, it is then open for any Rep Pos Narrator to request to be the Niche owner. Bids are accepted for a 48-hour period for any new channel. Reputation will influence a user's ability to bid and/or limit the number of bids the user may place for a niche. In addition, there will be a limit on the number of niches any one member may own.

Both Owners and Moderators of a Niche are compensated for their efforts by participating in Network Rewards, based on the overall popularity of their channel, compared to others. This incentivizes Owners to promote their channels and appoint excellent Moderators. In fact, Owners

who do not have any Moderators for their Niches do not qualify for Network Rewards.

It is important to avoid duplicate niches in Narrative. For that reason, any Narrator may report that a particular Niche is redundant. Such reports will be reviewed by the Tribunal. If more than 50% of Tribunal members agree that is redundant, it will be merged with the primary Niche and all content from the channel will be merged into the primary Niche. Refunds are not given to owners of redundant Niches. The user who reports the redundant niche is awarded Activity Points, once it is determined to be redundant.

Owners must pay an annual fee to purchase the Niche. If they fail to renew the fee, the Niche is re-listed for a new Owner. Annual fees are paid in NRVE tokens (though a fiat purchase option is available).

Because some Niches may prove to be quite popular, we expect to see a land grab of Niche ownership. Maintaining ownership of Niches may prove quite profitable over time.

BRANDS

Narrative will support Brand channels. These are intended for organizations that wish to publish content on Narrative but need to control who can post the content on its channel. They are also ideal for publishers. Brand Owners appoint their own Moderators, but, unlike Niches, their Moderator choices do not have to be approved by the vote of the community. Brand channels also have the option to exclude network ads (for a fee).

Brands pay a premium ownership fee for the special privileges they receive. In addition, Brand Owners and Moderators do not participate in Network Rewards.

As with Niches, each new Brand channel must be approved by the community via a vote available for any Rep Pos Narrator. This allows the community to ensure that each channel on the site reflects their overall values. In addition, a Brand can lose its rights to function by Narrator petition to the Tribunal. Brands have some other unique qualities:

1. Moderator Payments

Unlike with Niches, Brand Moderators do not qualify for Network Rewards. The reason they do not is because the brand has tighter control over the selection of Moderators (there is no community vote). Many brands will want strict control over the moderators they employ, so this makes sense.

However, Narrative still provides a mechanism for Brands to optionally pay their Moderators. With the Moderator Compensation feature, a Brand can set a specific recurring payment rate per moderator. These payments can be in NRVE tokens, or can be a fixed dollar amount that is auto-converted to NRVE by the system at the time of payment.

When enabled, the Brand will be able to deposit fiat currency or NRVE tokens that the system will draw upon to auto- pay each moderator every pay period. If depositing in fiat currency, a 15% conversion fee is applied, in order to encourage the

Brand to deposit NRVE tokens directly instead (as well as to account for the exchange rate risk and processing costs).

On pay day, if the Brand has insufficient funds to cover the moderator payments, the Brand will be given 24 hours to deposit a sufficient amount. After 24 hours, if still short on funds, the Brand site will be suspended (and will not be reinstated until the balance is paid in full).

2. Content Creator Reward Overrides

Some Brands may wish to require that the Brand Owner share in the Content Reward for all content published in the site.

For instance, imagine a use case where a publication wishes to use Narrative as a platform. The publication Owner could require that all of its published content is split 50/50 with the authors.

Another example: a company that is already paying the salary for its content authors may wish to have all Content Creator revenue flow directly to the Brand Owner.

With the optional Content Creator Reward Override, the Brand Owner can designate exactly how content created in the Brand Site is credited in terms of Content Creator rewards, by setting a percentage allocation for the Owner and a percentage for the Creator.

3. Editors

Brands offer a unique role- Editors. Editors are similar to moderators, but their role is to serve as reviewers of new content. The use of Editors is optional; when enabled, the site can set rules about how editors interact with new content. For instance, a rule could be set to force all content to be reviewed by an Editor prior to publication, or even to have two different editors review content before publication. Editors also may edit the author's content, as well as set Child Rating, and set publication date/time.

Brand Owners do not receive any Network Rewards for their role; however, just as with Moderator Payments described above, Brand Owners may designate specific payments to Editors, as well, if desired, on a recurring basis.

TRANSPARENCY

One of the hallmarks of Narrative is transparency. Because it is an autonomous, user-run community, it is important that as much information as possible is available to all users, including:

- **Actions Performed by Moderators**: users must be able to see every action a moderator takes so that performance can be monitored and moderators are accountable for their actions. Narrators can evict problematic Moderators by popular vote.

- **Approval of New Niches**: new channels should not be added without the community of users reviewing them first. This ensures that new "subjects" are not introduced without general consent.

- **Approval of Ads**: Advertisements must also be reviewed in advance to ensure that they meet the standards the community of users adheres to.

- **Child Protection**: content creators can indicate whether the content they posted is kid-friendly or not. Content not rated kid-friendly is automatically hidden from users under age 18 (and for users not signed in). Moderators can modify the status anytime, as well. Note that there is an overall age limit of 13 for registering on Narrative.

- **Revenue**: on every user profile, Narrative will display the revenue earned by that user currently and all time (with graphs). In addition, each content item will display how much it has earned the creator. Network rewards each month will also be summarized (revenue per source and how distributed). The platform will also display how much advertisers pay for each ad (historical log). Fiat conversation fees collected by the Organization will also be made available for anyone to see.

- **Niche and Brand VIPs**: every Niche and Brand will display its current owner and all moderators and users will be able to contact them via private message. Private messages will only be supported between users and owners/moderators, however. No user-to-user direct messages will be supported initially.

- **Organization Financials**: the audited financials for the organization will be reported online every year.

- **Tribunal Elections**: all Tribunal elections will be held online and a list of all current Tribunal members will also be posted.

GOVERNANCE

While the Organization is responsible for all product development, marketing, and infrastructure management for the network, it has no role in terms of content policies or management, user management, or overall governance of the day-to-day activities inside the network. The Terms of Service will clearly stipulate this, as well as assert the Network Reward payouts.

Activity within the network is to be governed by the network users themselves. In fact, the network users can also alter the network payout structure and the activity point system. In order to ensure the continued operation of the organization as the provider of the infrastructure. However, the Organization is guaranteed to always receive at least 15% of all network revenue. The Organization also controls the fee to charge for fiat conversion, as well as all channel ownership fee rates.

A community-elected Tribunal is the governing body of the network, and it has final say on issues within the community. Major policy changes must be approved by the Tribunal, as well, and are also subject to approval by the community at large. The Tribunal is compensated via Network Rewards.

The Narrative Committee serves as a bridge between the Organization and the Network. Representatives from the Organization and the Network will serve on the committee, which shall meet quarterly to review issues, plan for changes, and consider amendments to operations. This Committee also has oversight of Content Taxonomy for the Network. While the Network has no authority over issues involving software, infrastructure, or marketing, it will have a voice. Similarly, the Organization has no authority in terms of content or user management on the Network, but it will have a seat at the table to understand issues that may require software or infrastructure improvements. This will be a small group, comprised of at least 4 but no more than 12 people (split evenly between Network and Organization). The Network will elect its representatives once per year, but only Tribunal members will qualify. The Committee will be formed one year after the network officially launches. Until that time, the Organization will oversee Content Taxonomy management.

NETWORK REWARDS

The lifeblood of the network is the Network Rewards fund. All revenue generated by the network, including new token generation (after the genesis token generation event), advertising sales, and channel ownership fees, is always included in the Network Rewards fund and the fund is distributed on a recurring basis in the following manner:
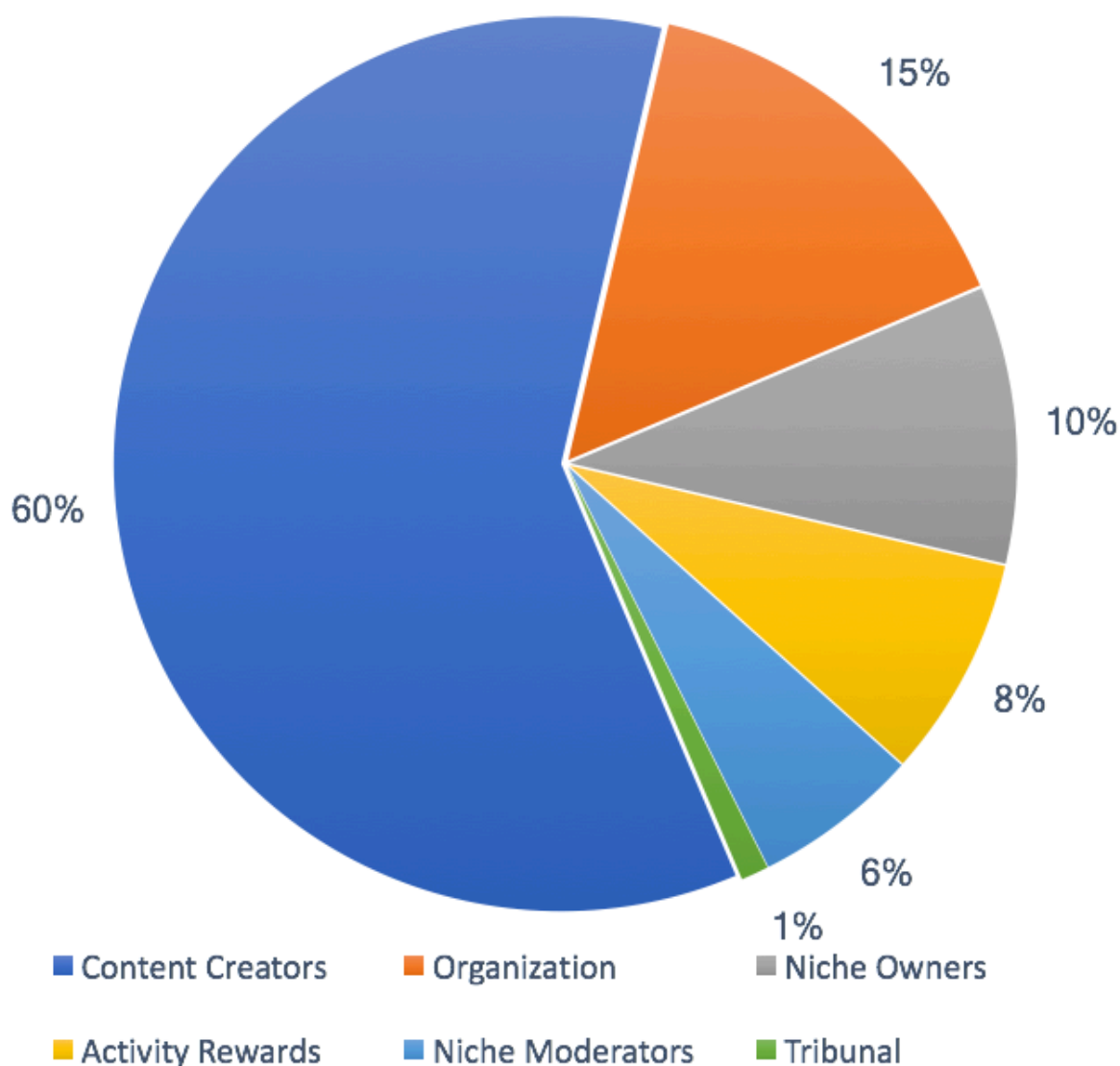
The only revenue not included in Network Rewards is Fiat Conversion Fees, which are always paid 100% to the Organization, which processes all such transactions. Note that payouts do not include gas fees (fees required to process each transaction on the blockchain), which may reduce some payouts. Reward recipients do not have to own any NRVE tokens to qualify for rewards.

Until advertising becomes a vital part of the system, the revenue generated from minting of new tokens (retained by the network) will be a significant source of revenue for the network, with the value predicated on the market value of the tokens.

To better explain how the network will sustain itself via the proposed business model, the following table provides an example (though none of the specific dollar amounts should be construed as projections).

	Year 1	Year 2	Year 3
NRV Tokens Issued	5,000,000	5,000,000	5,000,000
NRV Token Valuation	$5,000,000	$10,000,000	$30,000,000
Ad Revenue	$0.00	$6,000,000	$25,000,000
Niche Ownership Fees	$300,000	$700,000	$1,200,000
Brand Ownership Fees	$0.00	$700,000	$4,000,000
Total Network Rewards Fund	$5,300,000	$17,400,000.00	$60,200,000
PAYOUTS			
Content Creators	$3,180,000	$10,440,000	$36,120,000
Organization	$795,000	$2,610,000	$9,030,000
Niche Owners	$530,000	$1,740,000	$6,020,000
Niche Moderators	$318,000	$1,044,000	$3,612,000
Activity Rewards	$424,000	$1,392,000	$4,816,000
Tribunal	$53,000	$174,000	$602,000

Network Reward distributions are made each month (though a more frequent distribution may be used), based on activity in the previous month. Let's break down how things are divvied up:

A. Content Creators
Narrative calculates all content that had activity in the month, with activity being defined as comments and up or down votes. User reputation impacts each assessed activity. Each content item is given a score for the month based on the activity in that month (this is independent of its overall score, which reflects all-time activity).

Once all eligible content has been scored for the month, the content is ranked. Only the top 90% of all content is eligible for Content Creator rewards. In addition, content by users with very low Reputation Scores is not eligible. This is done to prevent users from trying to game the system for recurring payments. Each content item's share of the Content Creators rewards is based on this formula:

(Content Item Score / Aggregated Content Score For Eligible Content) * Content Creator Rewards Value

B. Narrative Organization
The organization receives 15% of the Network Rewards Fund value.

C. Niche Owners
The share paid to each Niche owner is based on the Content Rankings for the previous month described above for the Content Creators reward. Once the Content Creators rankings are completed, those content items posted in Niches are correlated to each Niche.   Each Niche is then given an aggregated score based on the total Content Scores for all associated content items. Each Niche then receives a pro rata share of the Niche Owners reward, based on this formula:

(Niche Content Score / Content Score For All Niches) * Niche Owner Rewards Value

D. Niche Moderators

Payouts to Niche Moderators directly correlate to the payouts to Niche Owners. Thus, the Niche Content Scores calculated in C above are used to calculate the Niche Moderator payouts. Thus, this formula is used to calculate the payout for each Niche Moderator:

((Niche Content Score / Content Score For All Niches) * Niche Moderators Rewards Value) / Number of Moderators In Niche

E. Activity Rewards Recipients

Anyone who received activity points in the previous month qualifies for Activity rewards. There are number ways to earn activity points (including comments, up/down voting, etc.), and each qualifying event has its own point formula.

Note that a bonus is applied to Activity Point totals for the period based on each user's month-end Reputation Rank, like so:

Reputation Rank	Bonus
90% and higher	30%
80% - 89%	20%
70%- 79%	10%

For Founders, the Reputation Rank bonus is applied after the Founder bonus (10%) is applied.

The formula for calculating payout per Activity Points holder is:

(User Activity Point Total For Month / Total Activity Points Issued In Month) * Activity Rewards Value

G. Tribunal

Tribunals split the Tribunal rewards equally, based on the number of Tribunal members at the end of the previous month.

REVENUE FLOWS AND THE FIAT CONVERSION OPTION

Though Narrative uses a cryptocurrency to process all transactions, it is important that the system is designed so that users do not have to have any understanding of cryptocurrency, nor require that they set up cryptocurrency wallets. After all, the process of establishing and maintaining crypto wallets is fairly complicated currently.

To accomplish this, many payment and payout mechanisms in the system will support fiat conversion into US Dollars. Note that Niche channel ownership fees will not have a Fiat Conversion option, however. The Organization will manage and process all such conversation between the NRVE tokens and fiat currency. Any time a user pays or withdraws in fiat currency, however, a 15% fiat conversion fee will be applied. The fiat conversion fees will be retained by the Organization and are not included in Network Rewards.

To be clear, in all cases, NRVE tokens will be applied. With the fiat option, entities and users have the option to pay or receive in fiat, but the underlying transactions are all conducted using NRVE tokens.

For example:

1. Advertisers will be quoted in NRVE, but may alternatively pay in fiat.
2. Narrators who have earned NRVE tokens via Network Rewards may opt for cashing out in fiat instead.

For revenue paid in fiat, the Organization will purchase NRVE tokens on the open market using the fiat funds and then place the purchased tokens in the Network Rewards fund. Similarly, for payouts to Narrators for Network Rewards balances, the Organization will sell NRVE tokens on the open market and use the proceeds to pay the Narrators in fiat. Because this process may be time-consuming, Network Rewards payouts made in fiat also may take up to 15 days to process.

It's possible that efficiencies may be developed, as well, for example, to automatically swap tokens required for an advertisement purchase with tokens sold for reward payouts, reducing the net market order transactions.

Let's take a closer look at how revenue flows into and out of the network. In all cases, tokens are the currency that powers all transactions.

Below, you will find a diagram that details the inflow of revenue. Fiat payments are always converted to tokens for inclusion in the Reward Fund, which is comprised only of tokens.

Revenue Inflow

Advertisers can opt to pay using fiat. If elected, payments go through Fiat Conversion System, whereby fiat payments are converted to tokens by the Organization for deposit into the Rewards Fund. 15% fee applies with this option.
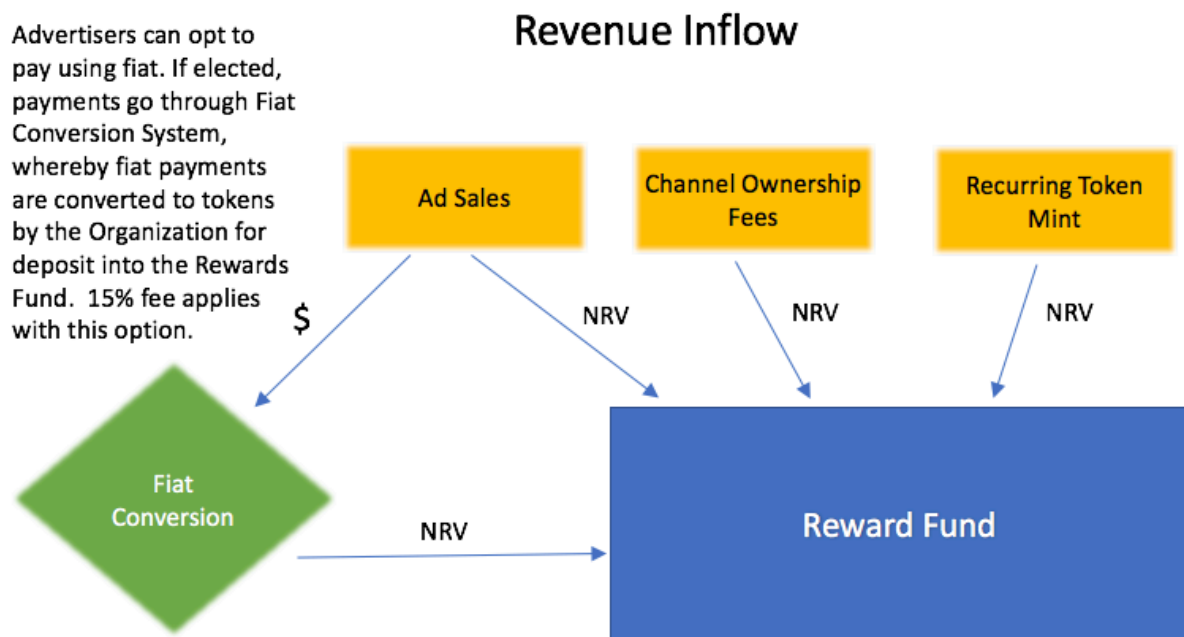
And here is a look at revenue outflows- payments to members who earn rewards.

Revenue Outflow

Users can opt to be paid in fiat. If elected, payments go through Fiat Conversion System, whereby tokens are converted to fiat by the Organization. A 15% fee applies, as well as added processing time.

Reward Fund

NRV

NRV

Fiat Conversion

$

Content Creators

Organization

Niche Owners

Niche Moderators

Activity Rewards

Tribunal
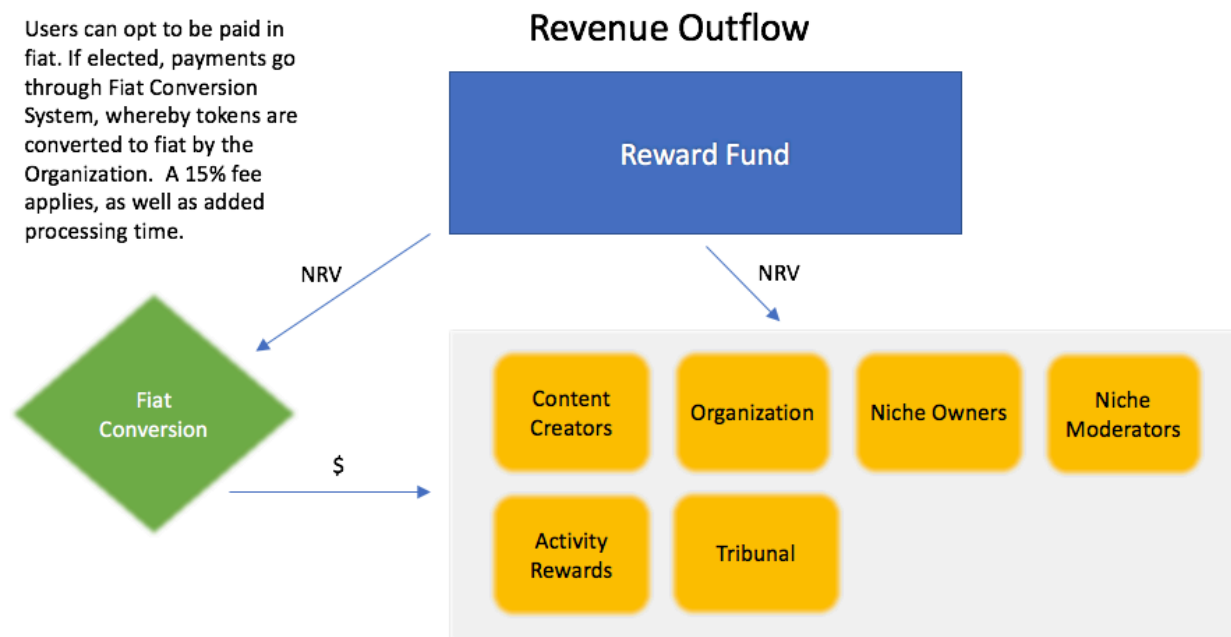
STAKING VALUE IN THE NETWORK

Niches and Brands are purchased by an "owner". Each owner pays an annual fee (in NRVE tokens) to maintain the Niche or Brand. For Niches, the annual fee for new Niches will be set at the start of each month based on the following formula (20% of average ownership payout per niche):

(((Previous Month Network Rewards Fund Value * 0.10) / Total Niches) * 12) * 0.20

The annual renewal fee for a specific Niche will be calculated using this formula (20% of previous year's revenue for channel):

Previous Year Total Ownership Payout In Tokens For That Niche * 0.2

For Niches, initial and renewal fees are subject to a minimum of US$75/year, however. For Brands, the annual fees will be fixed (price TBD).

Niche ownership fees must be paid using NRVE tokens.

Note that when the network initially supports niches, Founders will be given at least two-week head start in reserving/purchasing the first set of niches. During this phase, only Founders will be able to reserve new niches.

USER REPUTATION AND CONTENT RATINGS

A critical component of a completely community-run system is User Reputation and Content Ratings. Every Narrator has a Reputation Score and Rank that is based on all of the actions taken by the user. All content is rated based on Narrator opinions. Importantly, Narrator Reputation always influences Content Ratings. And how a Narrator's content is rated impacts his/her Reputation.

In this manner, Reputation reflects the actions of a user, as well as how others perceive the user. Reputation is also tracked over time, so a Narrator's Reputation is graphed and is easily followed by any user in the system. An improving Reputation over time can be rewarded systematically via Activity Points, for instance, providing economic incentives to users who improve their stand in the overall community.

Importantly Reputation and Content Ratings also impact Network Rewards. For instance, every Content Creator is *eligible* to receive Network Rewards, but the user's Reputation and the Content Ratings for the content posted impact the reward payout (and, in some cases, low ranking/ ratings may preclude the Narrator from receiving rewards).

Reputation

The Reputation Score is based on a formula that considers the following factors, among others:

- Age of Account (how long since registered)
- Average Content Rating (based on posts and comments made by user)
- Correlation between a user's votes and overall content scores (as well as user's votes and other outcomes). In other words, do the user's votes correlate to general community voting results.
- Activity Points received in the past month (and recent months) (more is better)

Reputation Scores and Rankings are updated once per day. Rankings are based on how the user's score ranks compared to all other scores, using the standard competition ranking

method. These rankings are important in that they are the multipliers used for most voting mechanisms in the system.

Content Ratings

Every piece of content has a rating/score based on the up and down votes by the audience. Each vote is weighted based on the Reputation Score of the voter, as well. Thus, a user with a higher Reputation Rank will have more impact on the content rating than a user with a lower Reputation Rank.

Note that a "kid-friendly" flag is available for each piece of content and comment. If unchecked, the content/comment will not be displayed for users under the age of 18.   When a user creates content or comments, he can determine whether this is checked or not. Moderators can also change this setting. (Note the network will require all users be 13 or older.)

Content flagged as "not kid-friendly" will never be displayed to users under 18 years old.

While the formulas used to assess Reputation and Content Ratings may change over time, the Reputation and Ratings system is a primary component for ensuring community harmony and rewarding the Narrators who are the most positive influence. Machine learning may aid with assessments over time, but will never replace ongoing assessments by Narrators.

CONTENT MODERATION

Without oversight, an ecosystem of content created by a large number of users may degrade, overrun by spammers and other ne'er-do-wells.

Narrative supports moderation in two ways:

1. **Automated Rules and Machine Learning**

Numerous automated rules are in place to reduce the effort required by the human moderators. Examples:

Niches

a. New content and comments posted by users who have registered within the past week is always moderated (not published until approved by an elected moderator), except within the first month of a niche start date.
b. Content or comments posted by users with negative Reputation Scores are always moderated.
c. Content or comments by users with low Reputation Ranks are buried.
d. Content or comments posted by users with *extremely* low

Reputation Ranks are not permitted.

Personal Journals

a. Users with low Reputation Scores are prevented from posting to their own personal journals. When scores move above the minimum threshold, though, permission is granted.
b. Comments on Personal Journals are not permitted by users with negative Reputation Scores.
c. Personal Journals with content with an average rating that is very low may have its content buried and may be subject to review by The Tribunal (and may receive a temporary/permanent ban).

Brands

a. Comments on Brand channels are not permitted by users with negative Reputation Scores.
b. Brands that consistently post content by users with low Reputation Ranks or with Content Ratings that are low are subject to review by The Tribunal and may have their brand channels revoked.

2. Human Moderation

All Niche and Brand channels have their own moderators, responsible for policing and curating the content within their channels. Each Narrator also acts as personal moderator for their own Journal, allowing them to remove or disable comments.

For Niches, moderators are nominated by their Owners, but must be elected by a vote of all followers of the Niche. The influence of each vote depends on the Reputation Rank of the voter. All actions performed by Moderators are logged and viewable by all users. If the Niche users are unhappy with a particular moderator, they can petition the Owner to remove the Moderator. (Note: Owners can also be removed by petition to The Tribunal.)

For Brands, moderators are selected by the Owner. There is no community vote. However, all moderator actions are also logged and viewable by all users. Users may petition The Tribunal to request removal of a Brand channel.

The Tribunal serve as the top-level decision-makers to make final decisions concerning content and users.

The Moderator Pool

Because moderators are so vital to the success of the community, Narrative will also support a Moderator Pool, where channels can advertise openings and moderators can list their availability.

Niche Owners will not qualify for Network Rewards unless they have moderators in place, so this area may be crucial to help channels recruit and place moderators.

Owners will be able to see the Reputation Score/Rank for each potential moderator, as well as any channels the moderator is or has moderated. Moderators soliciting for jobs can indicate whether they prefer Niche and/or Brand gigs, as well as subjects of interest.

There is no limit to the number of channels a user can moderate. We see the moderation role being a vital part of the system's health, and envision talented, dedicated moderators taking on multiple moderator gigs in the content economy, generating significant revenue for themselves in the process.

USER MODERATION

The Tribunal will be granted authority to ban/remove any registered member of the network. Tribunal members will have access to reports that identify potentially problematic users and may take proactive measures.

A member may be banned from specific channels. For Personal Journals, the journal owner may ban any other user from participating on his/her site. For Niches and Brands, moderators may ban users. For Personal Journals, the ability to ban only conveys if the banner is Reputation Positive. All ban actions will appear in the Channel Logs (for all channel types), just like any other moderator actions.

Channel bans may be temporary or permanent. All channel-specific banning will be listed on the person's profile (transparent for everyone) and will impact the user's reputation score.

If a member feels he has been improperly banned, he may appeal to the banner and, if not resolved, may appeal to the Tribunal, which has final authority.

If a member is found to be improperly banning people (for instance to harm their reputation), the Tribunal may take punitive action against the banner.

DECENTRALIZATION

The goal of the project is to be as decentralized as possible, while still offering blazingly fast performance, powerful search capabilities, and support for user control over content (including the ability to edit and delete your own content anytime).

Thus, due to current limitations with blockchain technology, the initial implementation will likely begin as a hybrid application that combines a centralized content management system with decentralized blockchain systems. Over time, though, the goal is to be as decentralized as possible, while still offering outstanding performance.

The system will likely use decentralized identity management services for users, as well.

Storing the content in a decentralized manner is an important goal, even if it is not achieved initially. It is equally important, however, that users be able to edit and delete their content. Privacy regulations like the GDPR must be adhered to; members of the system must have control over their data. Such regulations in many ways fly in the face of an immutable ledger, and must be considered when considering which elements are stored in a blockchain.

While NEO will be utilized for the NRVE cryptocurrency, the system will likely utilize another blockchain/distributed ledger system to manage a broader scope of transactions (including the recording of fiat payments). Various systems will be considered for that, including IOTA, Hyperledger, and others.

TOKEN SALE

The NRVE token will be the utility currency for the network and the genesis block of those tokens for the system will be created at the conclusion of a Token Sale. This will set the initial value of the network and provide the resources to launch the Organization.

100 million NRVE coins will be minted during the Token Sale and distributed in the following manner:

INITIAL TOKEN DISTRIBUTION

Team
20%

Company Reserves
30%

Crowdsale
50%
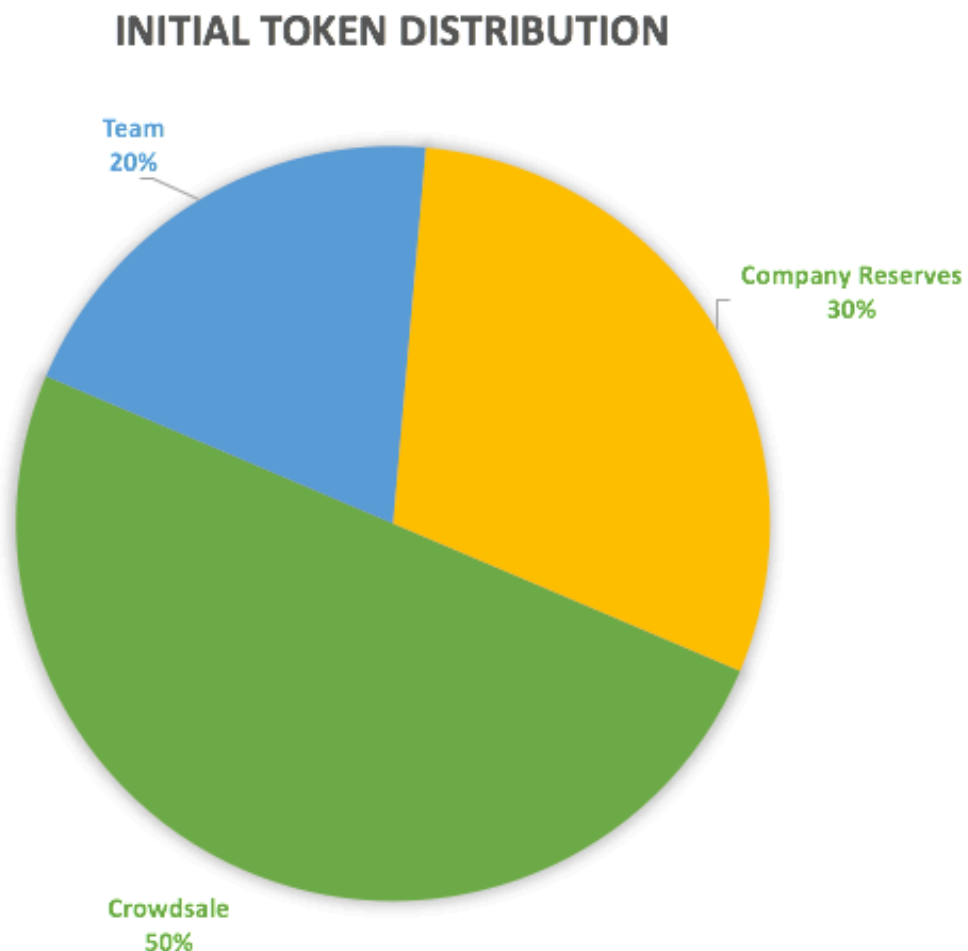
Tokens reserved for the Company Reserves will be used for content creator enticements, marketing, corporate operations, other incentives designed to increase the branding and influence of the network, and other purposes required by the Organization.

The Token Sale schedule will be listed on our Token Sale site at http://tokensale.narrative.network. Up to 50 million tokens will be sold in the crowdsale.

Whitelist
Users will be **required** to register to participate in the Token Sale (at any stage). The registration process will include collection of KYC information, as well as AML checks to ensure that funds from illegal sources are not used. The registrants will supply the NEO account to be used for contributions. Those authorized accounts will serve as a whitelist for the Token Sale. The only accepted form of payment will be NEO.

New registrations may be capped at times, or permanently, depending on overall demand. Users from certain countries may also be prevented from participating; currently, only citizens of China are prohibited, but this list of countries may change at any time.

Caps and Unsold Tokens
If the Token Sale fails to sell more than 30,000 NEO, the Organization will cancel the Token Sale and refund all proceeds to users. The hard cap is approximately 166,667 NEO.   Unsold tokens will be burned.

Vesting
Tokens granted to the Team will be subject to a 3-year vesting period that begins only when the network actually launches. Tokens granted to the Company Reserves will be vested over a 2-year period.

USE OF FUNDS

An early alpha of the platform focusing on niches will be available on the last day of the Token Sale (March 22, 2018). The money raised from the sale of tokens will be used to help fund operations of the Organization for the first 3 - 5 years, or until the revenue from the network is able to fully fund operations. As such, it will be used for human resources, infrastructure costs (legal, licensing, contractors, office space, data centers, etc.), and marketing.

Use of Funds

■ Human Resources   ■ Marketing   ■ Infrastructure
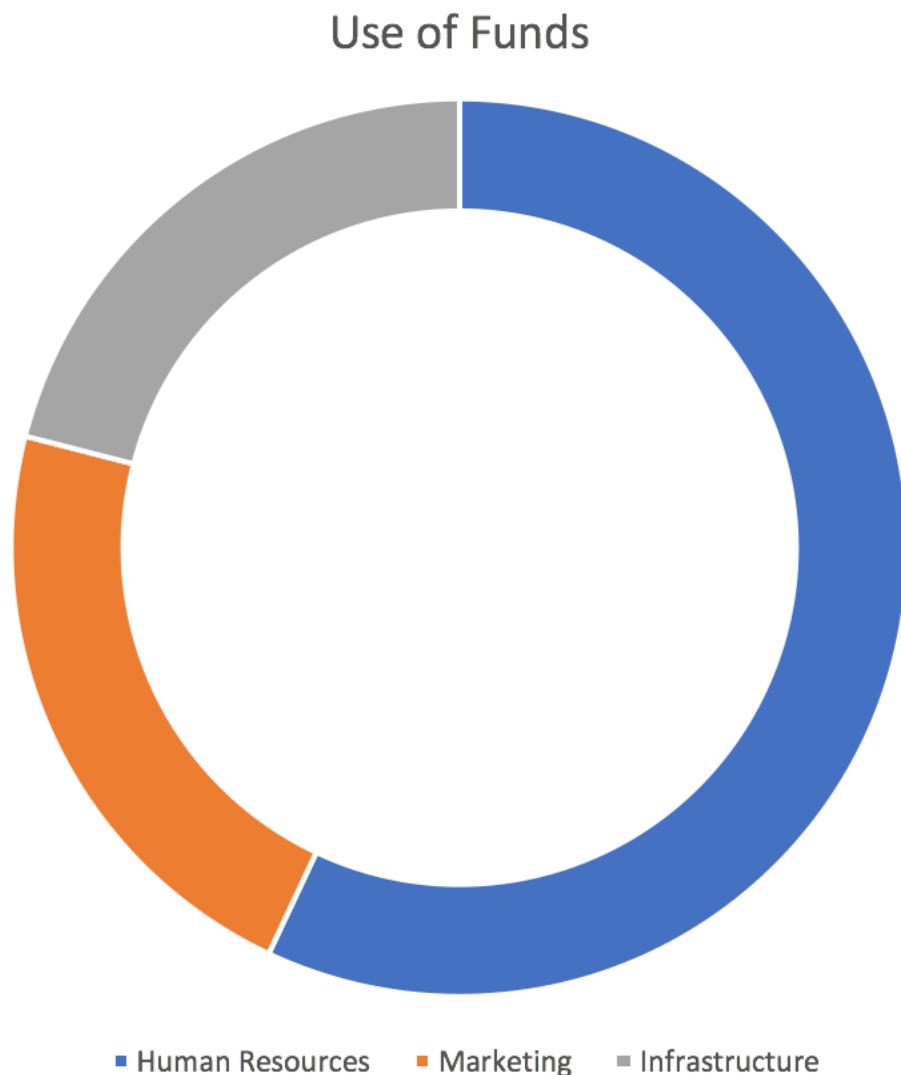
TOKEN SUPPLY

100 million tokens will be issued as part of the Token Sale, with a maximum of 197.5 million tokens issued lifetime. Once Narrative is released as a service, new NRVE tokens will be minted (and released directly into the Network Rewards fund) over a period of 30 years, with a maximum of 5 million issued in each of the first 10 years and then a decreasing amount for the remainder until the 197.5 million maximum limit is reached.

NRV Tokens Over Time (in Millions)
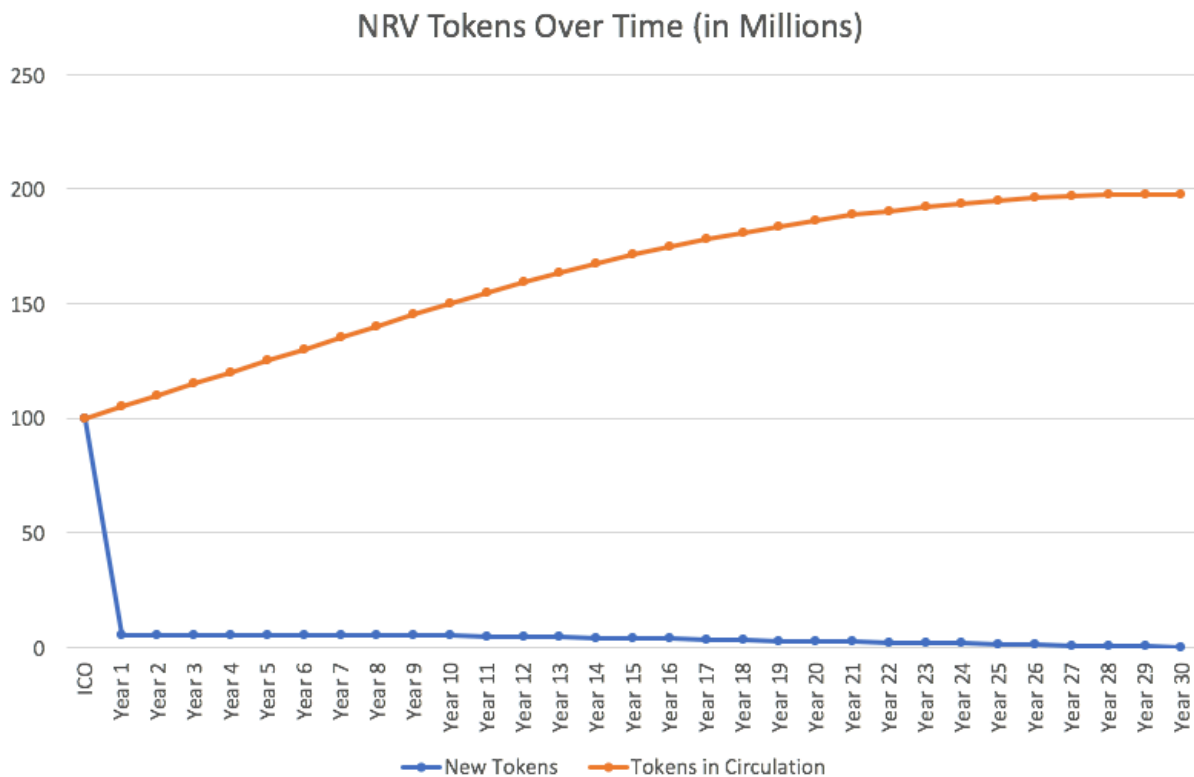
LANGUAGE

Narrative will focus on the English language only, initially. However, the plan is to support unique communities per language. Thus, we anticipate launching Spanish, French, German, Korean, Japanese, Italian, and other languages on the platform. Each language will be a separate Narrative site that does not share members or content with other Narrative sites, but that still use the same NRVE token system.

In some cases, however, if a language primarily serves one market (like China and India), we will roll out customized versions of the platform that use their own cryptographic token. These specialized networks may also utilize a different network name.   Note that some countries, like China, have their own laws regarding blockchain technology, so taking this approach will allow us to serve markets that may have unique requirements.

Each language will have its own unique set of channels (niches, brands, etc.), significantly increasing the overall value of the network through additional channel ownership fees and advertising.

The relative market sized by country is listed below.

Social network users in millions

Country	2017	2022*
China	596	725
India	196.02	370.77
United States	208.91	220.62
Indonesia	96.09	125.38
Brazil	90.55	111.08
Russia	70.51	75.9
Mexico	56.28	68.01
Japan	52.56	63.63
Germany	45.9	48.13
Philippines	39.87	47.33
Vietnam	36.75	44.06
United Kingdom	39.35	42.28
Turkey	32.98	38.74
Thailand	34.64	38.44
France	35.16	37.8

■ 2017 ■ 2022*

Source: Statista: https://www.statista.com/statistics/278341/number-of-social-network-users-in-selected-countries/

THE TRIBUNAL

The Tribunal is the ultimate governing authority of the network. This elected group of people can make final decisions regarding content and users. One of the primary day-to-day tasks of the Tribunal is oversight of the taxonomy of the network. The Tribunal has final say over whether a particular niche is unique, for example, and reviews/manages community input about niche appropriateness and content in general.

The Organization decides the maximum number of Tribunal members, and that number will scale as the size of the network increases over time.

If less than three Tribunal elected members are active, the Organization will appoint temporary Tribunal members (from amongst the Narrative community) until such time as at least three community-elected Tribunal members are in place.

To become a Tribunal member, a network user can apply for an open position (via the Tribunal Openings page), but the user must meet the following requirement at time of election:

- Have a Reputation Rank Greater Than 75%

The term of a Tribunal member is one year. After one year, the position goes up for re-election. The Tribunal member is free to apply again, but has no advantage compared to any other qualified users. A Tribunal Member may not serve more than 10 terms.

THE ORGANIZATION

The Organization manages the software development, infrastructure, and marketing for the platform. All infrastructure costs are borne by the Organization.

The Organization has no authority to manage content or users on the network. Its overall goals for the network however, are:

1. Provide a frictionless system for rewarding the contributors to the network.
2. Provide automated tools to ease the moderation burden for moderators.
3. Allow users to manage their profile and delete their accounts and content any time.
4. Protect all users' privacy. Users must consent to allowing any profile information from being shared with any third parties, including advertisers (and be rewarded if they do).
5. Provide outstanding software that works well on all devices.
6. Strive for as much decentralization as possible, while still providing an outstanding experience.

All costs in operating the system will be borne by the Organization, so that usage is always free for users. Users should only ever pay "gas" fees (for blockchain transactions) when they buy or sell NRVE tokens (perform a financial transaction).

The Organization will only be retaining 15% of network revenue*, but by operating as a lean organization we are confident the model will succeed. In addition, revenue for the Organization will be substantially supplemented in the early years by the revenue from the Token Sale.

* Note that fiat conversion fees will also be received by the Organization.

ADVERTISING

An advertising system will be added to Narrative, to be completed within 6 months of the beta launch of the platform. This system will be an important cornerstone of the network. Importantly, advertisers will never have access to any personally identifiable information for network users (unless specifically authorized by each user) and no data about users will ever be sold by Narrative.

Advertisers will bid on ad space for specific niches/keywords/demographics. Auctions will be automated and based on specific time periods (one week or one month).

Ads based on demographics (user location, age, gender) will only be targeted at users that have authorized sharing their demographic info to advertisers. **Such users will also be compensated by receiving Activity Points for each month that they authorize targeted demographic-based ads**.

Here's how the advertising bidding process will work:

1. Advertiser chooses one or more channels/tags/demos to advertise to. Ads are sold in units of time (one week, for example, not pay per click or pay per view). The ad can be targeted for a time period in the future, as well. Advertiser posts ad content when bidding. Dynamic pricing will be used to set proper price points per ad, based on historical traffic data.

2. When Advertiser submits new ad, he pays associated fee, but ad is still subject to approval by the community at large (over a 48-hour period). This ensures that ads meet the community's standards. Users who vote on ads are rewarded with Activity Points.

3. If ad is not approved in public vote, the advertising fee paid is refunded to advertiser. If ad is approved, it is scheduled for display on schedule supplied by advertiser.

4. Brands have option to disable ads (for additional fee).

100% of all advertising revenue will be contributed to the Network Rewards fund. Advertisers can pay with NRVE tokens or with US Dollars, though a Fiat Conversion Fee of 15% is added, if paying with fiat currency.

HOW USERS COLLECT NETWORK REWARDS

Each payout period, Narrative distributes the payouts for the Network Rewards and updates each user's profile with the amounts to be credited based on the prior period's activity. Users may collect multiple rewards (based on being Content Creator, Niche Moderator, Activity Points, etc.).

Narrators will see the current credit (as well as total credit available, if previous credits were not claimed). The credits must be formally claimed by the user via their control panel. The credits will be shown as both NRVE tokens and US Dollar equivalent (based on exchange rate at that time). If the user prefers fiat payment (US Dollars), payment is made via a third party (such as PayPal) and there is a Fiat Conversion Fee. The Fiat Conversion Option also

requires up to 15 days to process. There is no handling fee if receiving NRVE tokens instead and, in that scenario, the payout is instant via a standard NEO transaction. The user simply provides his/her wallet address and the tokens are transferred to them. The user can also store wallet addresses (or PayPal addresses) on their profile for easy transfer in the future (and once set up, the user can have auto-claiming turned on).

Importantly, if user has not claimed any rewards in over one year, all tokens will be reclaimed by the system in this manner: 100% returned to the Network Rewards fund for redistribution. Users have no recourse once tokens are reclaimed; rewards will not be reissued. Reminders will be sent to users two weeks before tokens expire.

TIPS

While the Network Rewards are the primary economic engine of Narrative, the system also allows users to send each other "tips" using their existing token balances, for any reason.   Common use cases would be to send a tip to a Content Creator who created great content, or perhaps an Owner tipping a Moderator for handling a difficult situation.
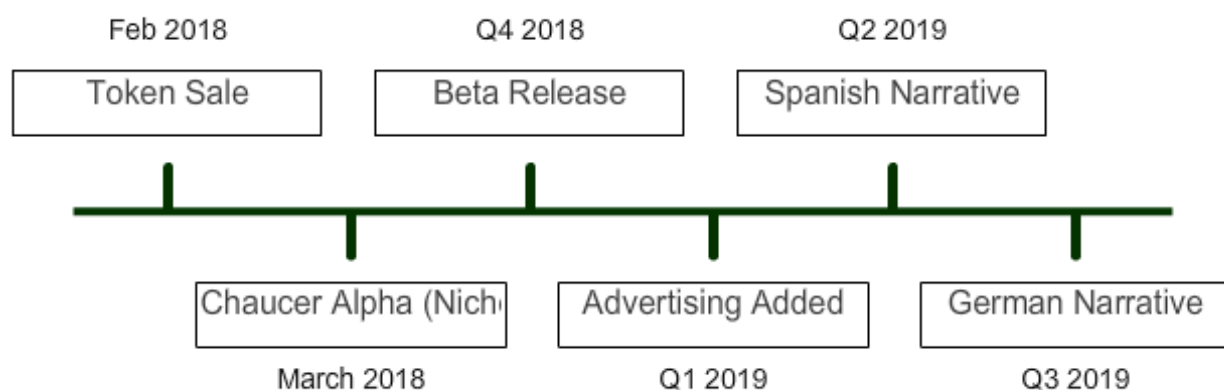
Basically, any Narrative member can tip any other member, using any portion of their personal Narrative balance, including balances that they have not yet claimed. There is no limit to the amount that can be tipped, other than the available balance on the tipper's account, but all tips are non refundable.

When received, tips are added to a member's overall token balance and thus are eligible for conversion to fiat, as well, if desired.

The tips mechanism may be extended in the future for supporting things like crowdfunding to encourage someone to create content on a certain subject.

TIMELINE

An early alpha of the platform focused solely on niches, will be available in March 2018, with the complete network scheduled to launch (as beta) in Q4 2018. We have set the following timeline for the first two years:

Feb 2018	Q4 2018	Q2 2019
Token Sale	Beta Release	Spanish Narrative

Chaucer Alpha (Nich|	Advertising Added	German Narrative
March 2018	Q1 2019	Q3 2019

MARKET SIZE

The market size for social media is obviously already proven and massive. Per Statista, the number of people using social media in 2017 is 2.46 billion and that number is projected to reach 3.02 billion by 2021.
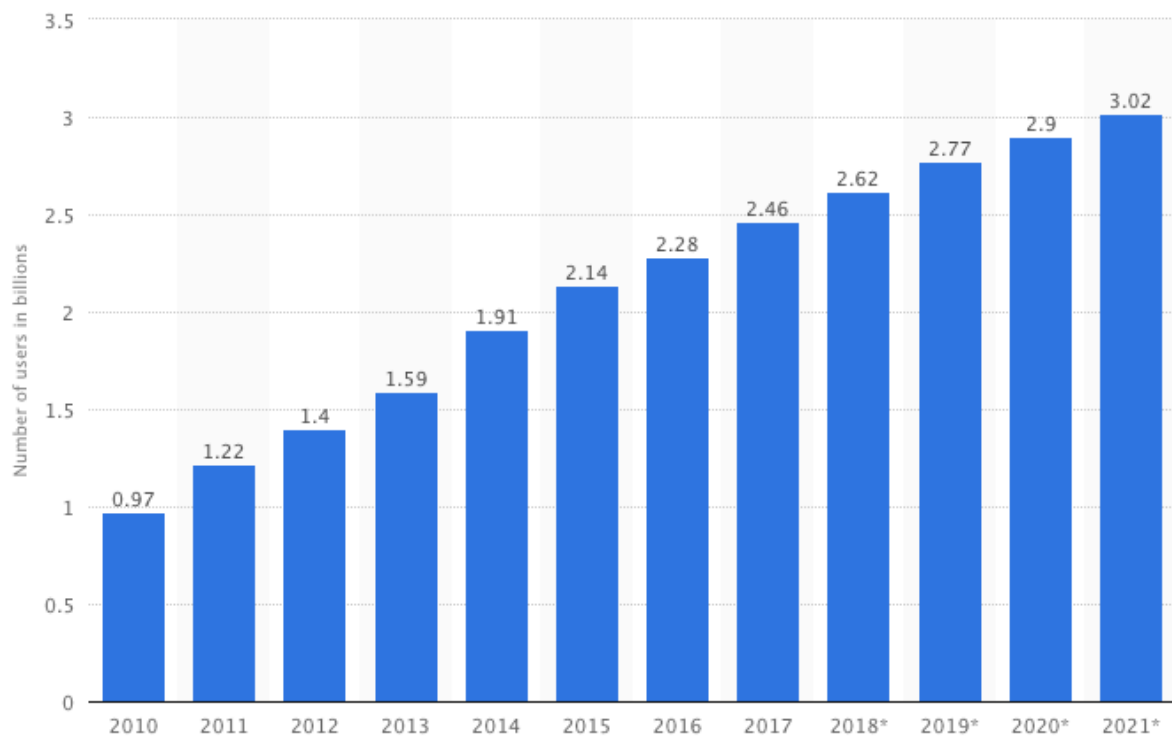
© Statista 2017

Per Statista, Social media marketing spending is expected to reach nearly $17.5 billion by 2019.
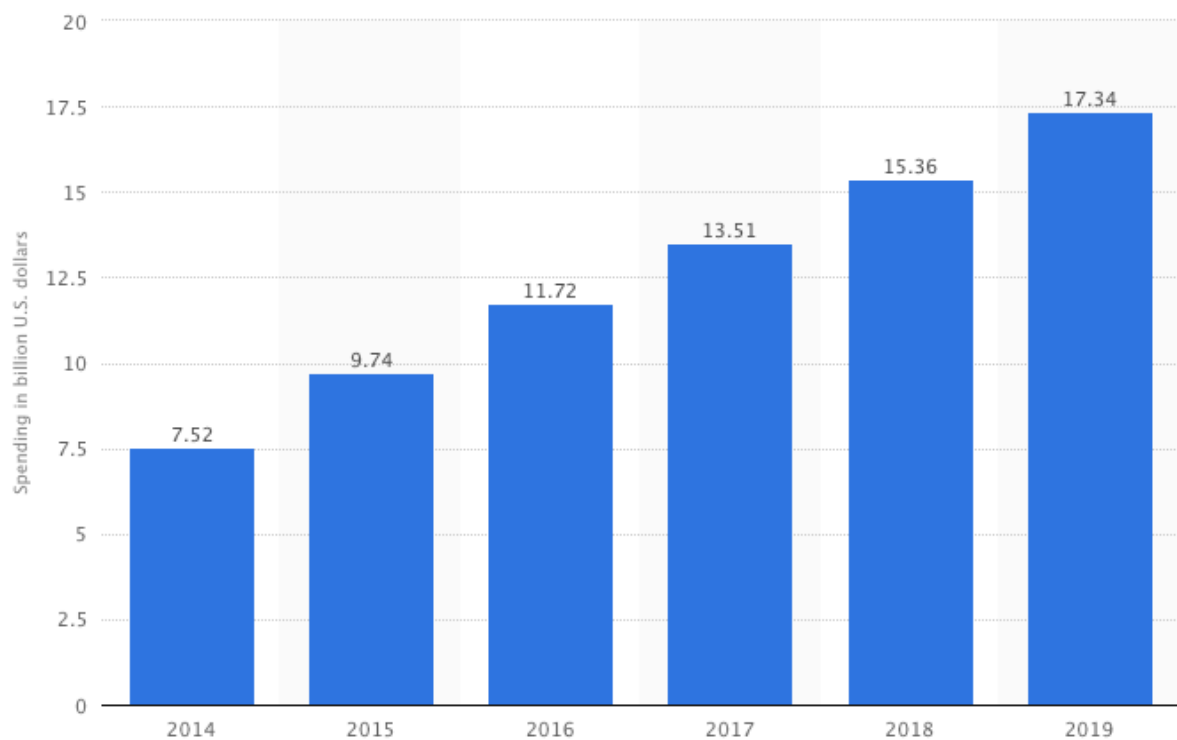
However, we view Narrative as much more than a social media disruptor. We see it disrupting the publishing industry, especially traditional magazine and newspaper models, because content creators will have less reliance on publishers, who reap most of the profits from the content they create. In the Narrative ecosystem, writers, photographers, and other creatives can publish their work directly and reap significant rewards without a middleman.

LEGAL CONSIDERATIONS

The goal of Narrative is to give users control over their content by not allowing anyone (not even moderators) to edit their content in any way and by allowing users to remove their content from the network at any time. That last point will be an important consideration when designing the platform, because a traditional feature of decentralized applications that use blockchain is that the content is immutable (cannot be deleted). Thus, the platform will need to ensure that user control (including editing/deleting) is supported, regardless of the technology put in place.

Another consideration, especially since the system is being managed by the network users, is how to deal with things like copyright infringement, illegal activities, and government take-down notices.

If and when the content is decentralized, the location of the content becomes ambiguous. Furthermore, the Organization will have no authority over the

management or the content, but it will have to comply with legal government take-down notices.

The overall goal of the platform is to allow the community to determine what content is appropriate and displayed through the Reputation and Content Rating system, as well as via the Moderators and the elected Tribunal. But Narrative needs to limit the legal exposure that those individuals have, since they are simply making best efforts to take actions that reflect the desires of the community at large.

To what extent can a community of users, spanning many cultures and governments, impose its own publication guidelines (decide what stays and what goes) without being superseded by any one government's edicts, especially if the content itself is only controlled by the user that created it?

These are fairly profound questions that must be accounted for in the Terms of Service. The Organization will seek to protect the rights of the network users, but acknowledges that compliance with government directives will be necessary.

MARKET COMPARISON

There is strong evidence that the model proposed by Narrative will thrive.

Steemit is a blockchain-powered social network modeled after Reddit. It uses complicated cryptocurrency models (multiple crypto token types) to reward content creators based on the number of up-votes received. It currently has a market valuation of over $1.4 billion million (as of Jan 26, 2018, per CoinMarketCap.com) and has seen steady adoption over time, albeit mainly by users who are familiar with the cryptocurrency space, due to its overall design.

Authors on the Steemit network have realized significant income by posting quality content.

Narrative significantly enhances upon the nascent model developed by Steemit by incorporating reputation, moderation, governance, and transparency; by providing a more flexible and deeper rewards system; by supporting powerful search features; and by developing a more complete, structured content system.

In addition, Narrative has tangible revenue sources (advertising, channel ownership fees, etc.) in its economic model and does not require crypto in order to use/benefit from the network.

It's also being developed by a team with over 20 years' experience building online community platforms. In fact, the development of the Narrative platform will be jumpstarted by licensing core technology from Social Strata.

Here is a comparison of Narrative with Steem, as well as some major social media networks:

	Narrative	SteemIt	Facebook/Medium/Instagram
Governance	Users	Users	Corporation
Economic Motive	Reward Users Who Add Value to Network	Reward content creators primarily	Profits for corporation through advertising sales
Content Moderation	User-Elected Moderators/Tribunal	None	Corporation
Can User Export Own Data/Content	Yes	No	No
Network Rewards (Revenue For Users)	Yes	Yes; though not as extensive	No
Transparent Moderator Actions	Yes	No	No
User Tipping	Yes	No	No
Who Controls Advertising	Users	N/A	Corporation
Who Has Executive Authority On All Content	Users	Users	Corporation
Advertising on Brand Channels	None	N/A	Yes
Immutable Financial Transaction Records	Yes	Yes	No
Payouts To Users In Both Crypto and Fiat	Yes	No	N/A
User Reputation Scores	Yes	No	No
Content Scores	Yes	No	No
Moderator Pools	Yes	No	No
iOS/Android Apps Available	Yes	No	Yes
Web Version Available	Yes	Yes	Yes
Advanced Search Supported	Yes	No	Yes
Users Can Delete Own Content	Yes	No	Yes

TEAM

Narrative was founded by Ted O'Neill, who is also founder and CEO of Social Strata, Inc. Social Strata's flagship product is Hoop.la, a SaaS online community platform, with customers that include Pepsi, Bose, Dun & Bradstreet and Monster. Hoop.la is a highly scalable platform for user generated content and much of the technology developed for that platform will be licensed by Narrative in order to jumpstart development.

A few of the executives from Social Strata will be joining Ted on the Narrative team, including Brian Lenz, CTO, and Rosemary O'Neill, the marketing officer for the company. Dr. Michael Farris, will also join the management team. Michael has extensive technology experience, much of it focusing on community development and management.

With nearly twenty years of experience developing enterprise-class applications, all focused on user-generated content management, the Narrative team is uniquely qualified to deliver on its promises.

Advisors for the project include:

Christopher S. Penn: Vice President of Marketing at SHIFT Communications, best-selling author, and noted keynote speaker.

Michael B. Moore: former Coca Cola brand manager and current CEO of the International African American Museum.

Chris Pirilllo: noted content creator (the Locker Gnome) and influencer.

Paul B. Allen: founder of Ancestry.com, keynote speaker, tech entrepreneur.

Sergey Vasin: COO, BlackmoonCrypto.

THE FUTURE

While the initial focus is on blog content, Narrative's ultimate goal is to be the Amazon of content, eventually offering support for podcasts, video, and potentially even original programming/films. The content economy created and maintained by Narrative can be extended to support brand-controlled advertising (for organizations with large audiences of their own) and premium memberships.

The goal is to be the home for content of all types, whether created by "amateurs" or professionals. The ratings and reputation systems baked into Narrative only enhance the content marketplace as it extends. The transparency of the system ensures fairness for all participants.

By focusing on the economic benefit for participants in the network, Narrative is uniquely positioned to create a true land of opportunity for creators and a fertile ground of discovery for consumers of content of all types.

SUMMARY

It's time to disrupt the business models for social media networks and traditional publishing. Narrative's content economy will revolutionize social media networks and content publications. Its mandate is to put users first and to provide an economic motive for success by compensating members based on the quality and popularity of their content, and any positive contributions to the network's ecosystem as a whole.

With a completely user-run governance system and a transparent approach to data, Narrative truly gives the power to the people and completely cuts out the middleman.

Content will live or die based on its popularity and the morals and opinions of the community at large. There will be no censorship by a monolithic organization, and the moderation that does occur will be enacted by users elected by the people.

While Narrative utilizes blockchain and crypto to maintain its value, it is not a "crypto network". Any user, no matter their experience or comfort-level with crypto can use and reap rewards from the network.

Competing with established social networks will not be easy, but with a reward system that is clear and demonstrated, there will be plenty of incentives for content creators (and those seeking great content) to find a new home. And while the powerful, proven technology of the blockchain will power the transactions, that same technology will not need to be understood for the average person to use the system.

The Organization will have three purposes- develop the software, provide and manage the infrastructure, and market the network. While the technology and business model will be revolutionary, the team recognizes that a major marketing effort will be required to reach consumers and it is prepared to execute on that. In addition, the Organization will be actively recruiting leading content creators to join the network.

The Narrative platform will be developed by one of the most experienced teams in the online community space, with core technology available from Day One via a licensing deal with Social Strata, in order to jumpstart software development.

The underlying technology will no doubt change and adapt over the years, but the central tenets of the system will remain- user autonomy, transparency, content ownership, and economic rewards, with the fundamental goal of putting users first in terms of management of the content and reaping the rewards of the system.

[1] Business Dictionary

APPENDIX A
TOKEN SALE BACKGROUND

An important early milestone in the development of Narrative will be the usage of a Token Sale to help fund the initial development of the project. The Token Sale involves selling a certain percentage of "coins" (aka tokens) from the minting of the initial block of cryptocurrency tokens (called NRVE) for the platform. Those tokens will function as a utility for the system, allowing funds in and out of the system to be tracked in a transparent manner.

Token Sales are a relatively recent method of crowdfunding, but one that has become quite popular within the blockchain space. The first token sale may have been by Mastercoin in 2013. So far in 2017, however, over $1.3 billion has been raised via the Token Sale process. In fact, in July alone, Token Sales raised over $300 million, while traditional VS/angel investments amounted to just over $200 million[2].

Many governments throughout the world have yet to determine whether Token Sales should be regulated in some way. In the U.S., for instance,

the SEC announced in July 2017 that that it may have authority to apply federal security laws to Token Sales, on a case-by-case basis. Because of the uncertainty about U.S. imposing regulations in the future, many Token Sales exclude U.S. citizens from participating.

Many companies choosing to offer Token Sales set up their operations in countries like Switzerland and Singapore, however Singapore has recently announced that it to will be considering some sort of regulation on Token Sales.

In the U.S., it is important the Token Sale pass the "Howey Test", which determines whether something should be classified as a security. If the underlying token of an Token Sale is considered a security, then government regulation should be expected.

Some companies are looking to make Token Sales more regulation-proof by limiting investments to accredited investors only. For instance, Filecoin, which recently raised over $250

million in its Token Sale, limited its Token Sale participants to those who met the requirements for being an accredited investor[3].

Here is a listing of some significant Token Sales so far in 2017 (as of August 2017):

Product	Sale Date	Amount Raised
Filecoin	August 2017	$250 million
Tezos	July 2017	$222 million
EOS	Ongoing (1-Year Sale)	$200 million+ raised so far
Banco	June 2017	$153 million
Status	June 2017	$95 million
TenX	June 2017	$80 million

Narrative will be seeking to raise approximately $25-30 million in its Token sale and has received a legal analysis that concludes that it should not be classified as a security, according to the Howey Test.

[2] CoinTelegraph.com, August 13, 2017: https://cointelegraph.com/news/ico-funds-pass-vc-funding-filecoin-adds-more

[3] Forbes, July 19, 2017: https://www.forbes.com/sites/laurashin/2017/07/19/filecoin-ico-launching-next-week-aims-to-resolve-token-sale-problems/#5e6e3a35384b

APPENDIX B
CHANNEL COMPARISON

	Personal Journal	Niche	Brand
Designed For	Any member	Users with interest in certain subject	Organization that wishes to control who can post - used for brand messaging. Also useful as an alternative publication model, since revenue can be split between owners and author.
Who Can Post Content	Only Journal Owner	Any member of the collection	Approved brand creators
Who Can Comment	Any member of community	Any member of community	Subject to moderation by brand
Who Can Vote on Content	Any member of community	Any member of community	Any member of comumunity
Moderators	Owner Only	Elected by collection members	Selected by Brand
Ownership	Free Ownership	Paid Ownership	Paid Ownership
Fees	None	Annual Ownership Fee	Annual Ownership Fee
Follow-able?	Yes	Yes	Yes
Rewards For Owner	No	Yes	No
Rewards for Content	Yes	Yes	Yes - but can be paid directly to owner or split between author/ owner (config per brand site)

	Personal Journal	Niche	Brand
Approval to Create Channel Required?	No	Yes - Rep Pos Voting	Yes - Tribunal Approval
Automatic Moderation Rules In Place	No	Yes	No
Advertising	Yes	Yes	Optional - higher fee to remove ads
Handle	@xxx	@@xxx	$xxx
Eviction	Yes - automated rules but also petition by tribunal	Yes via petition to Tribunal	Yes via petition to Tribunal

APPENDIX C
RISK FACTORS FOR TOKEN SALE

You should carefully consider and evaluate each of the following risk factors and all other information contained in the Terms of Token Sale Documents (the "Terms") before deciding to participate in the Narrative Token Sale (the "NTS").

To the best of Narrative's (the "Company") knowledge and belief, all risk factors which are material to you in making an informed decision to participate in the NTS have been set out below. If any of the following considerations, uncertainties or material risks develops into actual events, the business, financial position and/or results of operations of the Company and the maintenance and level of usage of the Narrative platform and the NRVE Tokens could be materially and adversely affected. In such cases, the trading price of NRVE Tokens (in the case where they are listed on a cryptocurrency exchange) could decline due to any of these considerations, uncertainties or material risks, and you may lose all or part of your NTS Tokens.

RISKS RELATING TO PARTICIPATION IN THE TOKEN GENERATION EVENT

There is no prior market for NRVE Tokens and the NTS may not result in an active or liquid market for the NRVE Tokens Prior to the NTS, there has been no public market for the NRVE Tokens. Although the Company will use reasonable endeavors to seek the approval for availability of the NRVE Tokens for trading on a cryptocurrency exchange, there is no assurance that such approval will be obtained. Furthermore, even if such approval is granted by a cryptocurrency exchange, there is no assurance that an active or liquid trading market for the NRVE Tokens will develop or if developed, be sustained after the NRVE Tokens have been made available for trading on such cryptocurrency exchange. There is also no assurance that the market price of the NRVE Tokens will not decline below the original purchase price (the "Purchase Price"). The Purchase Price may not be indicative of the market price of the NRVE Tokens after they have been made available for trading on a cryptocurrency exchange.

A NRVE Token is not a currency issued by any central bank or national, supra-national or quasi-national organization, nor is it backed by any hard assets or other credit. The Company is not responsible for nor does it pursue the circulation and trading of NRVE Tokens on the market.

Trading of NRVE Tokens will merely depend on the consensus on its value between the relevant market participants, and no one is obliged to purchase any NRVE Token from any holder of the NRVE Token, including the purchasers, nor does anyone guarantee the liquidity or market price of NRVE Tokens to any extent at any time.

Furthermore, NRVE Tokens may not be resold to purchasers where the purchase of NRVE Tokens may be in violation of applicable laws. Accordingly, the Company cannot ensure that there will be any demand or market for NRVE Tokens, or that the Purchase Price is indicative of the market price of NRVE Tokens after they have been made available for trading on a cryptocurrency exchange.

Future issuance of the NRVE Tokens could materially and adversely affect the market price of NRVE Tokens. Any future issuance of the NRVE Tokens would increase the supply of NRVE Tokens in the market and this may result in a downward price pressure on the NRVE Token. The sale or distribution of a significant number of NRVE Tokens outside of the NTS (including but not limited to the sales of NRVE Tokens undertaken after the completion of the initial token sale, issuance of NRVE Tokens to persons other than purchasers for purposes of community and employee initiatives, affiliate (or bounty) program development, academic research, education and market expansion and issuance of NRVE Tokens as a reward to employees and/or users of the Narrative platform), or the mere perception that such further sales or issuance may occur, could adversely affect the trading price of the NRVE Tokens.

Negative publicity may materially and adversely affect the price of the NRVE Tokens. Negative publicity involving the Company, the Narrative platform, the NRVE Tokens or any of the key personnel of the Company, may materially and adversely affect the market perception or market price of the NRVE Tokens, whether or not it is justified.

We may not be able to pay any anticipated rewards in the future. There is no assurance that there will be any transaction volume such that you will receive any rewards anticipated to be distributed to active users of the Narrative platform. Further, even in the event there is substantial transaction volume and interactions among the users and the Narrative platform, there is no assurance you personally will receive any part of the rewards. This is because the ability of the Company to pay any reward to you will depend on the future results of operations and the future business and financial condition of the Company and there is no assurance of the future results of operations and the future business and financial condition of the Company.

There is no assurance of any success of Narrative Platform or any Future Business Line. The value of, and demand for, the NRVE Tokens hinges heavily on the performance of the Narrative platform. There is no assurance that the Narrative platform will gain traction after its launch and achieve any commercial success. Although the Company will perform testing, including QA-testing of the Narrative platform, the Narrative platform has not been fully developed and finalized and is subject to further changes, updates and adjustments prior to its launch. Such changes may result in unexpected and unforeseen effects on its projected appeal to users, possibly due to the failure to meet users' preconceived expectations based on the beta version, and hence impact its success. Limited usage of the Narrative platform could impact the public demand for the NRVE Tokens and correspondingly the trading price of the NRVE Tokens.

The trading price of the NRVE Tokens may fluctuate following the Token Generation Event. The prices of cryptographic tokens in general tend to be relatively volatile, and can fluctuate significantly over short periods of time. The demand for, and corresponding the market price of, the NRVE Tokens may fluctuate significantly and rapidly in response to, among others, the following factors, some of which are beyond the control of the Company:

(a) new technical innovations;
(b) analysts' speculations, recommendations, perceptions or estimates of the NRVE Token's market price or the Company's financial and business performance;
(c) changes in market valuations and token prices of entities with businesses similar to that of the Company that may be listed on the same cryptocurrency exchanges as the NRVE Tokens;

(d) announcements by the Company of significant events, for example partnerships, sponsorships, new product developments;

(e) fluctuations in market prices and trading volume of cryptocurrencies on cryptocurrency exchanges;

(f) additions or departures of key personnel of the Company;

(h) success or failure of the Company's management in implementing business, development and growth strategies;

(i) changes in conditions affecting the blockchain industry, the general economic conditions or market sentiments, or other events or factors.

The funds raised in the Token Generation Event are exposed to risks of theft. Further, upon receipt of the funds, the Company will make every effort to ensure that the funds received will be securely held through the implementation of security measures. Notwithstanding such security measures, there is no assurance that there will be no theft of the cryptocurrencies as a result of hacks, sophisticated cyber-attacks, distributed denials of service or errors, vulnerabilities or defects on the NTS website, in the smart contract(s), if used, on which the escrow wallet and the NTS may rely, on NEO or any other blockchain, or otherwise. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. In such event, even if the NTS is completed, the Company may not be able to receive the cryptocurrencies raised and may not be able to use such funds for the development of the Narrative platform and/or for launching the Narrative platform, including but not limited to the structuring and through developing of the Narrative platform. In such case, the launch of the Narrative platform might be temporarily or permanently curtailed. As such, distributed NRVE Tokens may hold little worth or value, and this would impact its trading price.

RISKS RELATING TO NARRATIVE

The Narrative platform is developed, operated and maintained by the Company. Any events or circumstances which adversely affect Narrative or any of its successor operating entities (collectively referred to herein as "Narrative") may have a corresponding adverse effect on the Narrative platform. Such adverse effects would correspondingly have an impact on the utility, liquidity, and the trading price of the NRVE Tokens.

Narrative may be materially and adversely affected if it fails to effectively manage its operations as its business develops and evolves, which would have a direct impact on its ability to maintain the Narrative platform. The social media technology and cryptocurrency industries, and the markets in which Narrative competes have grown rapidly over the past years and continue to evolve in response to new technological advances, changing business models and other factors. As a result of this constantly changing environment, Narrative may face operational difficulties in adjusting to the changes, and the sustainability of Narrative will depend on its ability to manage its operations and ensure that it hires qualified and competent employees, and provides proper training for its personnel. As its business evolves, Narrative must also expand and adapt its operational infrastructure. Narrative's business relies on its software systems, cryptocurrency wallets or other related token storage mechanisms, blockchain technology and smart contract technology. All of these systems and tools represent complex, costly, and rapidly changing technical infrastructure. In order to demonstrate continued ability to effectively manage technical support infrastructure for the Narrative platform, Narrative will need to continue to upgrade and improve its data systems and other operational systems, procedures and controls.

These upgrades and improvements will require a dedication of resources, are likely to be complex and increasingly rely on hosted computer services from third parties that Narrative does not control. If Narrative is unable to adapt its systems and organization in a timely, efficient and cost-effective manner to accommodate changing circumstances, its business, financial condition and results of operations may be adversely affected. If the third parties whom Narrative relies on are subject to a security breach or otherwise suffer disruptions that impact the services Narrative uses, the integrity and availability of its internal information could be compromised, which may consequently cause the loss of confidential or proprietary information, and economic loss. The loss of financial, labor or other resources, and any other adverse effect on Narrative's business, financial condition and operations, would have a direct adverse effect on Narrative's ability to maintain the Narrative platform. Any adverse effects affecting Narrative's business or technology are likely to also adversely impact the utility, liquidity, and trading price of the NRVE Tokens.

Narrative may experience system failures, unplanned interruptions in its network or services, hardware or software defects, security breaches or other causes that could adversely affect Narrative's infrastructure network, and/or the Narrative platform. Narrative is not able to anticipate when there would be occurrences of hacks, cyber- attacks, distributed denials of service or errors, vulnerabilities or defects in the Narrative platform, in the smart contracts, if used, or on NEO or any other blockchain technology. Such events may include, for example, flaws in programming or source code leading to exploitation or abuse thereof. Narrative may not be able to detect such hacks, cyber-attacks, distributed denials of service errors vulnerabilities or defects in a timely manner, and may not have sufficient resources to efficiently cope with multiple service incidents happening simultaneously or in rapid succession.

Narrative's network or services, which would include the Narrative platform, could be disrupted by numerous events, including natural disasters, equipment breakdown, network connectivity downtime, power losses, or even intentional disruptions of its services, such as disruptions caused by software viruses or attacks by unauthorized users, some of which are beyond Narrative's control. Although Narrative has taken steps against malicious attacks on its platform or its infrastructure, which are critical for the maintenance of the Narrative platform, there can be no assurance that cyber-attacks, such as distributed denials of service, will not be attempted in the future, that Company's enhanced security measures will be effective. Narrative may be prone to attacks on its infrastructure intended to steal information about its technology, financial data or user information or take other actions that would be damaging to the Company and/or holders of the NRVE Tokens. Any significant breach of the Company's security measures or other disruptions resulting in a compromise of the usability, stability and security of the Narrative platform may adversely affect the utility, liquidity and/or trading price of the NRVE Tokens. The Company is dependent in part on the location and data center facilities of third parties. Narrative current infrastructure network is in part established through servers which it owns and houses at the location facilities of third parties, and servers that it rents at data center facilities of third parties. If the Company is unable to renew its data facility lease on commercially reasonable terms or at all, Narrative may be required to transfer its servers to a new data center facility, and may incur significant costs and possible service interruption in connection with the relocation.

These facilities are also vulnerable to damage or interruption from, among others, natural disasters, arson, terrorist attacks, power losses, and telecommunication failures. Additionally, the third party providers of such facilities may suffer a breach of security as a result of third party action, employee error, malfeasance or otherwise, and a third party may obtain unauthorized access to the data in such servers.

As techniques used to obtain unauthorized access to, or to sabotage systems change frequently and generally are not recognized until launched against a target, Narrative and the providers of such facilities may be unable to anticipate these techniques or to implement adequate preventive measures. Any such security breaches or damages which occur which impact upon the Company's infrastructure network and/or the Narrative platform may adversely impact the utility, liquidity, and/or trading price of the NRVE Tokens.

General global market and economic conditions may have an adverse impact on Narrative. Operating performance, results of operations and cash flows Narrative has been and could continue to be affected by general global economic and market conditions. Challenging economic conditions worldwide have from time to time, contributed, and may continue to contribute, to slowdowns in the information technology industry at large.

Weakness in the economy could have a negative effect on the Company's business, operations and financial condition, including decreases in revenue and operating cash flows, and inability to attract future equity and/or debt financing on commercially reasonable terms. Additionally, in a down-cycle economic environment, Narrative may experience the negative effects of a slowdown in trading and usage of the Narrative platform. Suppliers on which Narrative relies for servers, bandwidth, location and other services could also be negatively impacted by economic conditions that, in turn, could have a negative impact on the Company's operations or expenses. There can be no assurance, therefore, that current economic conditions or worsening economic conditions or a prolonged or recurring recession will not have a significant adverse impact on Narrative's business, financial condition and results of operations and hence the Narrative platform. Any such circumstances would then correspondingly negatively impact the utility, liquidity, and/or trading price of the NRVE Tokens.

The Company or the NRVE Tokens may be affected by newly implemented regulations. Cryptocurrency trading and NTS are generally unregulated worldwide, but numerous regulatory authorities across jurisdictions have been outspoken about considering the implementation of regulatory regimes which govern cryptocurrency or cryptocurrency markets. The Company or the NRVE Tokens may be affected by newly implemented regulations relating to cryptocurrencies or cryptocurrency markets, including having to take measures to comply with such regulations, or having to deal with queries, notices, requests or enforcement actions by regulatory authorities, which may come at a substantial cost and may also require substantial modifications to the Narrative platform. This may impact the appeal of the Narrative platform for users and result in decreased usage of the Narrative platform and the NRVE Tokens. Further, should the costs (financial or otherwise) of complying with such newly implemented regulations exceed a certain threshold, maintaining the Narrative platform may no longer be commercially viable and the Company may opt to discontinue the Narrative platform and/or the NRVE Tokens. Further, it is difficult to predict how or whether governments or regulatory authorities may implement any changes to laws and regulations affecting distributed ledger technology and its applications, including the Narrative platform and the NRVE Tokens. Narrative may also have to cease operations in a jurisdiction that makes it illegal to operate in such jurisdiction, or make it commercially unviable or undesirable to obtain the necessary regulatory approval(s) or license(s) to operate in such jurisdiction. In scenarios such as the foregoing, the utility, liquidating, and/or trading price of NRVE Tokens will be adversely affected or NRVE Tokens may cease to be traded.

There may be unanticipated risks arising from the NRVE Tokens. Cryptographic tokens such as the NRVE Tokens are a relatively new and dynamic technology. In addition to the risks included in the above discussion of Risk Factors, there are other risks associated with your purchase, holding and use of the NRVE Tokens, including those that Narrative cannot anticipate. Such risks may further appear as unanticipated variations or combinations of the risks discussed above.