

Endorsit

A Futuristic Content Distribution Ecosystem

WHITEPAPER

Version: V3.0

Publishing Date: Sept 13th, 2018

Author: Endorsit

(To be Further Updated as the Project Goes On)



Table of Contents

1. Abstract.....	3
2. Background.....	4
2.1 Industry Background.....	4
2.2 Project Background.....	5
3. Foundation	6
3.1 Problems that Endorsit Aims to Solve	6
3.2 Status quo and Future of Endorsit.....	6
3.3 Significance of Endorsit.....	7
3.4 Advantages of Endorsit.....	7
4. Mechanisms	8
4.1 In What Forms that Endorsit Functions	8
4.2 Core Mechanism of Endorsit	9
4.3 Influence Weight Factor in Endorsit.....	11
4.4 Small Court in Endorsit.....	14
5. Token	16
5.1 About EDS and EDC	16
5.2 About the Destroy	19
5.3 About the Lock Position	20
6. Technology	18
6.1 Consensus Mechanism.....	18
7. Roadmap.....	20
8. Endorsit Team Members and Partners.....	21
9. EDS Distribution Mechanism	27
10. Risk Warning	27



1. Abstract

Endorsit is the underlying content structure of the post-Internet era. It is dedicated to build the full content protocol of Endorsit Chain with blockchain technology. At the same time, Endorsit relies on its own resources in the Internet content domain to build its own content ecosystem with Endorsit application as its core. Global content producers, user, communicators, and investors can all participate in a relationship model that is completely different from the traditional Internet ecosystem.

Therefore, Endorsit is a dual enabler of the creation ecology and content platform.

Currently in the era of information explosion, the Endorsit team consists of industry experts in online learning course, new media and blockchain. There are several problems exist in the current content filed such as the content quality is uneven, the user has a high probability of failure, the attention is being squandered by the platform, and the benefits of the creator are not guaranteed. Based on blockchain technology, Endorsit use a pure market consensus mechanism to ensure that good content will be outstanding and all users' attention is guaranteed to the maximum extent.

The Endorsit team has more than 20 full-time blockchain developers, with the technical background of the Chinese Academy of Sciences, Alibaba Cloud, Huawei and Ant Financial, and this number will be double up by the end of 2018. As a product that has been in preparation for 2 years, Endorsit has a strong resource support since its inception. The team's new media matrix has accumulated more than one million high-quality users. In terms of resource integration for content creators, Endorsit is also a leader in the industry. Before the Endorsit community was officially launched, Endorsit has already cooperated with dozens of KOL in various fields and thousands of well-known content creators from several countries. The total number of fans is over 50 million in subdivision of blockchain industry and monopolize more than 20% of new media resources in some other countries.

Further details about the project background, our advantages, the consensus mechanism, and technological achievements of Endorsit will be explained in white



paper.

2. Background

2.1 Industry Background

The content industry is the biggest industry in the world. The platforms that you may use every day included social media platforms such as Facebook, Twitter, Whatsapp, Weibo, and Wechat, streaming platforms like Youtube, Youku, and iQIYI, music platforms such as Spotify, iTunes, QQmusic, Xiami music, and NetEase Cloud Music, or Online course platforms such as the Khan Academy, Quora, Skillshare, Coursera, Ximalaya FM, Iget, which are so called “content platforms”.

Any kind of business models will become content-driven as business itself is all about content. Platforms listed above combined are just a small portion of the content industry. Imagine that there is one underlying network that exceeds the current Internet mode and it is able to distributes and organizes content with high efficiency, and it brings content more value than they are. If this would come true, its market value would only be larger than trillions worth of CNY.

The content industry has very obvious problems, however it is always lacked of better underlying tools. When the blockchain technology was born, the big changes in the content industry were imminent. That would be guide us from the Internet 1.0 era to the blockchain 2.0 era.

2.2 Project Background

Users who create, disseminate, read, like the content or interact with it are all contributors in the ecosystem. It is the users that make the platform significant. The platform is meaningless with only limited number of users, yet its value increases exponentially with each “super user”. Disregarding extra influence that content concentration will be produced, we hereby use a table of data to prove it in terms of only the number of chains.



Number of users	Maximum number of chains produced
2	1
3	3
4	6
5	10
6	15

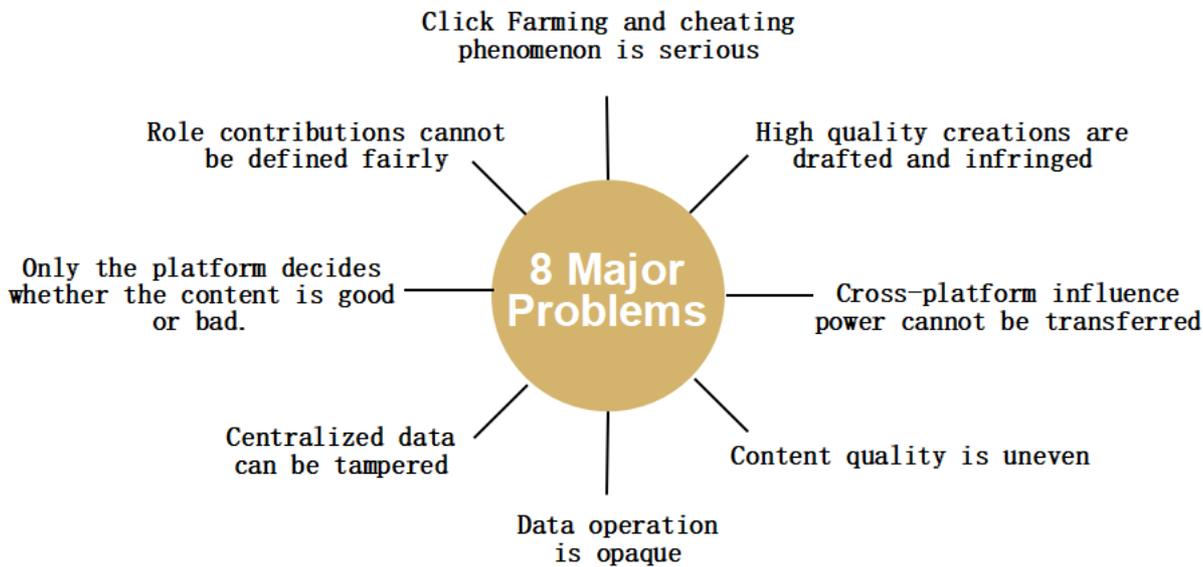
The value of the content platform is supported by users. However, the existing content platforms do not provide the rewards for these contributing users. This is due to the limitations of the tools in the Internet era, but in the blockchain era, contributions should not be defined in such simple way. Every user who contributes to the content platform should get a certain "platform share" according to the difference of its contribution value. This is the reason for the birth of Endorsit which the content 2.0 model can only be achieved with a blockchain. We believe that different users make different contributions to a platform, where they should get "platform shares" accordingly as they deserve it. This is why we establish Endorsit, and we believe that the blockchain technology is the only wise choice to make the 2.0 version content platform possible.

3. Foundation

3.1 Problems that Endorsit Aims to Solve

We will lead a reform in the content industry while resorting to the revolutionary blockchain protocol to deal with the following issues:

8 Major Problems in the Traditional Content Industry



3.2 Status quo and Future of Endorsit

Endorsit has strong community support around the world, and Endorsit's supporters now cover more than 100 cities around the world. Based on the team's influence in the cultural field and the estimated marketing cost, we expect the total number of Endorsit communities will exceed 1 million by end of 2018. And by the end of 2019, the Endorsit ecosystem will become the world's largest and truly blockchain who empowered the content ecosystem.

3.3 Significance of Endorsit

The Endorsit team is expert in the cultural education industry for years. However there are still many unsolved problems in the content industry such as various data fraud, click farming, piracy, infringement, and creator compensation are all chaotic. The blockchain is naturally a “non-transparent” nemesis. In the Endorsit ecosystem, every creator can make money through excellent creation. Every communicator can make money by disseminate the contribution, each good taste audience can earn money by their judgement. All contributions are full of values and in turn them to fortunes. No one can cheat, no one can deduct the creator's profit, no one can get hidden traffic, no



one contribute without profit, and the market is the final criterion.

This is the inevitability of content blockchaining. Endorsit Chain sets up the underlying content protocol for various partners, to help creators to protect copyrights, uses blockchain technology to prevent cheating, and provides various smart contract tools to automate the profit distribution as well as to ensure that the entire process is completely open and transparent.

3.4 Advantages of Endorsit

There are very few formed projects in the blockchain world. It is impossible to predict whether the products will work and it can not be simply seen from the white paper. This is why the investment of blockchain projects is high risky. However, Endorsit, is a “born-to-win” project that is independently profitable. The related products has been in operation for nearly a year. We have over 300 online groups under operation, each with over 300 members that strong loyalty. Daily active user are more than 10,000 and the project is experiencing rapid growth. We have proven strong profitability on our own and have trustworthy advantage.

Endorsit team members have greater influence among the cultural circle as well as the strong community basis and fans which over a million of followers in new media. We are not only own the ability of competent in crossover but also to mobilize more than one-third of the blockchain-related self-media resources in some countries.

4. Mechanisms

4.1 In What Forms that Endorsit Functions

Endorsit is an all-encompassing content ecosystem, covering as many kinds of content and platforms as possible. The content could be presented in Endorsit Chain, Endorsit Dapp, Browsers, WeChat Official Accounts, and etc. In the Endorsit ecosystem, the value of all content can be transferred and distributed in a blockchain manner, so whether it is the Endorsit application or any other content platform that interfaces with the Endorsit Chain, the common settlement token are EDS and EDC, which means we

used these two kinds of tokens to anchor a ten trillion CNY worth of market.



4.2 Core Mechanism of Endorsit

Endorsit DAPP is a core of the entire Endorsit ecosystem.

The traditional way of “like” and “dislike” cost nothing and it is easy to conduct click farming. Adjusting weight would do little help in this case. People who cheat finds their way to do so easily after all. They could register hundreds of accounts to increase their weight and turn such a conduct into an industry. Almost all content platforms are bothered by this problem. The result is that quality content is buried while bad content is displayed at the very top of a platform.

There are two sections in Endorsit DAPP. One of the section is a closed section which you can only read the content after you follow the party. The other section is the open section of the homepage. It is divided into voting area and browsing area. The voting area is non-active. The content source of this area will not display to the reader for the time being. Therefore, as to minimize the default psychological tendency brought by the "whale effect", and the content of the browsing area will be the default sorting result



after the majority of what users choose. Only the users who do not vote can browse it. By using this mechanism, the quality of the content will exceed the rest of the content platform.

Each user is entitled to vote for the quality of the content. Each vote will change the voter's influence weight factor. Whether the voter chooses to “like” or “dislike”, the influence weight factor will change due to the voter's behavior. When the vote is closed, if the voter's choice and the total weight factor are more than 50% of the user's choice, then the voter and user will obtain EDS which rewarded by the platform.

The total amount of EDS for daily rewards is basically unchanged during the settlement period of an “EDS year”. The average accuracy rate of voting by user on each day should be higher than the average forecast accuracy of all users’ votes on the previous day only can win the EDS award. The number of EDS obtained by each correctly voting user depends on the total weighting factor of the voter's personal vote on the day (assuming that the total weighting factor of the individual vote is A, the number of articles that the user participated in voting on the day and predicted accurately is B, the influence weight factor of individual user is C, then $A=B*C$) this will be a ratio function of the total weighting factors of all users who predicted accurately on that day. When the vote is accurate, the weight factor of the voter will increase accordingly. Increasing the influence of the next vote on the right value will also increase the accurate return of the next vote.

Before the vote is closed, each user can't see the current weight factor ratio of "like" and "dislike" which effectively prevents the phenomenon of click farming. Click farming will only reduce the influence weight factor, and when the average accuracy prediction of the day is lower than the previous day, the voter's vote will have no profit.

When the user participates in the voting in the voting area, he will accumulate the weight factor ratio of "like" and "dislike". User who often only vote either "like" or "dislike", when he votes for another tendency, the weighting factor will be increased multiplication. It is because everyone has their own tendency and habit of judgement. And if this tendency and habit are not being adjusted, it may caused the imbalance of "like" and "dislike". Everyone will lean towards to the major, and end up with an



inaccuracy result.

The multiplier of the "like" and "dislike" depends on the ratio between both "like" and "dislike" (assuming that the number of "like" is Z , the number of "dislike" is C , and the weight of the user's personal influence is X): When the cumulative behavior of the user is $Z \geq C$, then the "like" will maintain the original weight factor, and the weight factor of the "dislike" = $(Z/C)*X$; when the cumulative behavior of the user is $C > Z$, then the "dislike" will maintain the original weight factor, and the weight factor of the "like" = $(C/Z)*X$.

For example, if an article is being liked 90 times and disliked 10 times by user, then the 101 user who select "dislike" selection, the weight of one "dislike" = $(90/10) * X$ the weight factor, which is 9 times of weight.

4.3 Influence Weight Factor in Endorsit

Each user will have his own influence weight factor. The influence weight factor determine his status in the Endorsit ecosystem, which affecting the user's weight ratio according to his voting behavior, and affecting the rewards ratio of the user as a creator or voter.

The influence of the user's influence weight factor on the reward ratio of Endorsit Ecology is composed of three parts. First, it is the weight factor of net merit. Second, it is the weight factor of prediction accuracy rate, and last but not least is the weight factor of EDS lock position. These three parts demonstrate different contribution of a user to the community.

The weight factor of net merit represents the amount of the published content. The predictive accuracy rate weight factor represents the appreciation of the content, while the EDS lock position weight factor represents the recognition of the community's prospects and the support to the whole ecology.

The lock position weight factor stands for 50%, the net merit weight factor stands for 25%, and the prediction accuracy rate weight factor stands for 25%. Each weight factor calculates the factor according to the weight ranking, the highest factor is 100, and the



lowest is 0. If the three factors are less than 0, it will show that the personal influence weight factor is locked. There is no profit in any operation in the participating platform, and the content creation cannot be performed.

The improvement of the influence weight factor can be obtained in three ways:

1. As a loyal fan of Endorsit, the higher number of EDS locks among the users, the greater lock position weight factor you can get. The maximum is 100 and the minimum is 0. It is according to the proportion of EDS that your lock and it determined by function calculation.

Assuming that the weight of the lock position is S , the number of EDS which user's current lock is D , the number of EDS which user's consecutive lock is d , and the number of consecutive lock period (by day) is T , then $S=D+d*T/365$.

The lock position weight factor is sorted according to the user's current lock position weight. The user weight factor's ranking which before 0.01% will be recorded as 100, the ranking order of 0.01% to 0.02% is recorded as 99.99 and so on. For users who do not lock any EDS, the lock weight factor is always equal to zero. Parallel or at the same percentage, the weight factor takes the maximum with same condition. For example, there are 100 users with a ranking equal to 0.01%, and the lock weight factor is recorded as 100.

2. If you are a creator, the net "like" weight factor will be determined according to the total net "like" number of articles you have created (each article is calculated separately, assuming that the net "like" number is J , and the sum of the weights is Z , the sum of the number of "dislike" weighting factors is C , then $J=Z-C$. The total amount is also calculated if the total number of nets is negative, and the net "like" number of all articles is total net "like" number.) The higher net "like" number that creator obtained the greater weight factor he gains. The highest is 100, and the lowest is 0.

The net "like" weight factor is sorted according to the total net "like" number of all users. The weight factor of the user's net "like" number of 0.01% before the sort is recorded as 100, and the weight of the user's net-like number of the order is between



0.01% and 0.02% is 99.99 and so on. The weighting factor of the user's net credit rating of 99.99% to 100% is recorded as 0.01. Parallel or at the same percentage, the weight factor takes the maximum with same condition. For example, there are 100 users with a ranking equal to 0.01%, and the weight factor of the net "like" number is recorded as 100.

3. If you are the core user of the platform and you are willing to do a screening job for Endorsit Ecology, the more articles you vote on, the higher proportion of the accuracy article is predicted, and the higher prediction accuracy rate weight you gain. The prediction accuracy rate weight factor is up to 100 and the lowest is 0.

Please take note that when the voter predicts the total number of articles in the last 30 days is greater than 30, the real-time calculation will be started. The first 30 prediction results are also included in the prediction accuracy rate calculation, and the prediction accuracy rate weight factor is determined according to the prediction accuracy rate ranking. If the number of votes of the voters is less than 30, the weight factor of the prediction accuracy rate is always equal to 0, and the prediction accuracy rate is not included in ranking.

Predicted accuracy rate weight = the user predicts the correct number of articles in the latest 30 days / the total number of articles in which the user participates in the prediction in the past 30 days. When the number of predictions is greater than or equal to 30, the prediction is performed on the accuracy rate of weight calculation, and the result retains in 6 decimal places.

The prediction accuracy rate weight factor is sorted according to the prediction accuracy rate weight. If the ranking of user's prediction accuracy rate weight factor is before 0.01%, the accuracy rate weight factor will be recorded as 100. If the user's prediction accuracy rate weight factor is 0.01 to 0.02%, the accuracy rate weight factor will be set as 99.99 and so on. Parallel or at the same percentage, the weight factor takes the maximum with same condition. For example, there are 100 users with a ranking equal to 0.01%, and the weight factor of the prediction accuracy rate is recorded as 100.



4.4 Small Court in Endorsit

When the user reads the article in the browsing area, he believes that the author's article is suspected of infringement or violation, the reader can pay a certain amount of EDS to initiate a vote, and the system will randomly select a number of people as jury.

If more than 50% of the jury members do not approve the infringement or disagreement complaint request, then it is determined that there is no article infringement or article complaint failure. The EDS paid by the sponsor will be assigned by the person with the accurate judgement, and the author allocates 20% of the judgement. The accurate user splits the remaining 80%.

If more than 50% of the jury members approve the author's infringement or recognition complaint request, it is determined that there is a successful infringement or complaint of the author's article. The platform will reward voting initiator receives the 20% EDS reward at the time of initiation. 80% EDS reward will be divided by user who judge accurately. The EDS paid by the sponsor is returned after the settlement of the small court.

The first appeal to initiate a vote requires payment of 50,000 EDS. After the appeal is terminated, the author decides that there is no infringement/no other satisfaction of the complaint. 100,000 EDS will be paid for the next re-initiated vote for the same article and so on. The number of paid EDS is doubled and there is no upper limit. When an article is judged to be in violation during the voting period, the author has no income, and the overall influence weight factor is reduced by 50% lasting for 7 days. From the second time, it was determined that the violation was extended for each punitive measure, which was 15 days, 30 days, 60 days, 180 days, 365 days and account will be closed for permanently.

When the author's reward has been settled and the article is violated and passed, the income of the article is not affected, but the punitive decline of the author's personal influence weight factor remains unchanged, and the duration is determined by the number of violations.

The EDS awarded to the appeal voting initiator and the predicted accurate user is



provided by the Endorsit Foundation Operating Funds.

The specific rewards and penalties are as follows:

If the initiator A believes that the article is being infringed, he pays 50,000 EDS to open the judgment of the small court, the small court has convened 30 people and 8 people approved the article is infringement, then the initiator A lost the 50,000 EDS to vote, and the 22 people who participated in the small court and predicted the correct score 40000EDS, the author obtained 10000 EDS.

If the initiator A believes that the article a is infringing, paying 50,000 EDS to open the small court judgment, the small court has convened 30 people and 28 people approved the article A infringement, then the 50,000 EDS paid by the initiator A will be returned after the settlement of the small court. At the same time, Initiator A receives 10,000 EDS rewards. Endorsit Foundation will reward 80% of EDS (40,000 EDS) to 28 user who participates in the small court which predict the accurate judge. It will be the same when A pays 100,000 or more EDS.

Please take note that an article can only be settled once at a time, which means that B cannot be initiated at the same time when A has not been settled, and the small court has a fixed participation time when the jury is assigned. If the members who do not participate in the trial within 12 hours, the system will assign additional jurors. Unless the participating jurors have reached or exceeded 2/3, no new jurors will be assigned by then.

The initial number of small courts is 30. The number will be adjusted as daily active user increase of DAPP.

5. Token

5.1 About EDS and EDC

EDS is the underlying token in the Endorsit Chain and Endorsit ecosystem. EDC is a system credit that can be replenished directly with legal currency at 1:1, but reverse



exchange is not available.

The initial total amount of EDS is 100 billion, and it will increase 20% every year after destroying the number of EDS corresponding to the highest market value of EDC. 50% of this 20% increment will be awarded to EDS lock position users, and the remaining 50% will be evenly distributed to "content creators from voting area", "voters who vote accurately", and "creator at closed area which being liked".

"Voter who voted accurately" income distribution:

The voting income distribution is related to the user's personal influence weight factor, no matter the prediction is accurately (predictive accurately: which means, the voter's choice and the total weight factor that more than 50% of the user's choice are consistent) and also related with the average forecast accuracy rate of the day. User who predict accurately, the higher the weight of the individual in the forecast, the higher he gains. When the user predicts an error, the article is predicted to be unprofitable. A deadline of a calendar day which user participates in the voting is by 24:00. The average prediction accuracy rate of all voting articles of the user on that day is lower than the average prediction accuracy rate of all users participating in the voting on the previous calendar day, there will be no profit on the day of voting. The weight factor changes according to personal influence..

When the user predicts that the accuracy rate is higher than the previous calendar day average forecast accuracy rate, the day's voting income can be obtained, and the voting income is calculated below.

The actual voting income calculation method (provided that the user's forecast accuracy on the current day is higher than the average of all users on the previous day):

The user predicts article A accurately and gain profit = the user's personal influence weight factor / influence weight factor of the sum of all the voting articles on the day by the user who vote accurately * the total income of all articles on the day can be obtained (the total return is a fixed value)



"Content creator from voting area" income distribution:

The author's income is derived from the reward pool, and the EDS of the total operating expenses of the day is divided according to the total number of net "like" of the author's article. (Total revenue is a fixed value)

Net "like" number = the sum of the "like" weight factors of the article - the sum of the "dislike" weighting factors of the article.

Total net "like" = the sum of the net "like" of all articles by user's on the day, and the value is the positive participation income calculation.

Example:

Today, only author A and author B published articles. Author A has published two articles. The article a net "like" number is -20 so it does not participate in the calculation, the article b net "like" number weight factor is 60, then author A today's gain total net "like" weight factors of 40.

Author B also published two articles, the article c net "like" number of weight factor is 100, the article d net "like" number of weight factor is 60. Then the total number of net weights of author B today is 160.

If the total revenue of the content creators from the voting area on the day is 1 million EDS:

The income obtained by author A = $40 / (40 + 160) * 1000000 = 200000$ (EDS)

The income obtained by author B = $160 / (40 + 160) * 1000000 = 800000$ (EDS)

"Content creation which is being liked at closed section" income distribution:

When an article which posted by user at the closed section and the article is being liked, he will gain revenue on a calendar day. The gain depends on the author's influence weighting factor and the likes from articles which he gains. The posting he released on the same day (A calendar day of Beijing time 00:00-24:00), statistics of the number of



"like" will be taken by the next day at 24:00.

The revenue from the "like" which gain by user on the day = (the total number of "like" from the posting of user on the day * the weight of the personal influence weight factor) / (the total number of "like" from the posting of all user of the day + the weight of the personal influence weight factor) * The total revenue of posting which is being liked from closed section

Total amount of EDS rewards of posting which are being liked from closed section is constant.

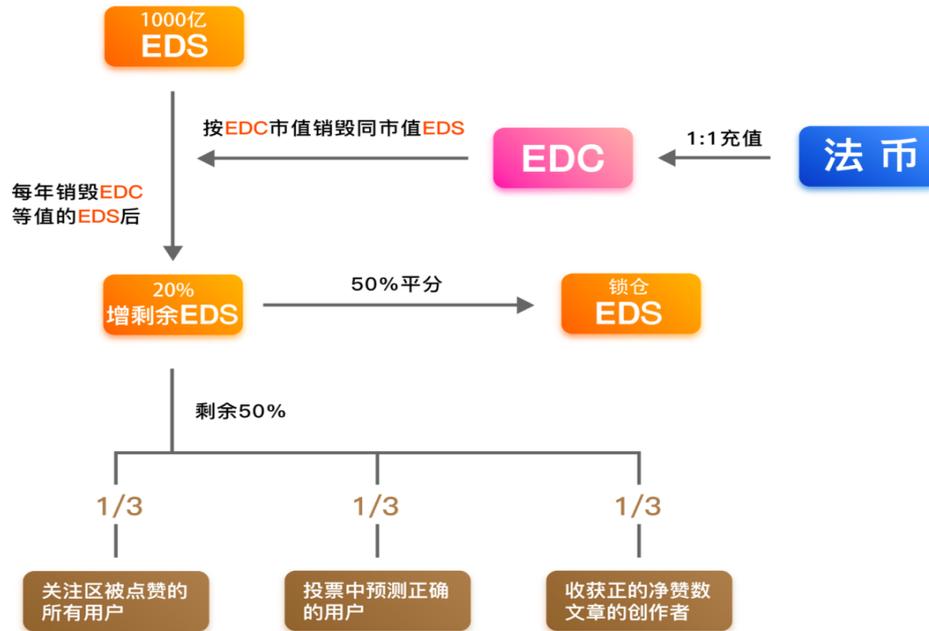
EDC as a system credit can be shared among all of the products in the Endorsit ecosystem. The so-called sharing is that Endorsit has an general purpose account system. As long as you top up into any application, the balance can be seen and used in all applications with a term and condition of using a same account.

When content creators publish online learning product (including but not limited to a series of courses, Q&A, live lessons, paid readings) in the Endorsit Eco-Series app, they can either determine the EDC payment price or to choose whether the payments is supported in EDS.

When the user selects EDC payment, the user will replenish and pay legal currency directly to the content creator.

When the user selects EDS payment, the selection will simultaneously capture the real-time redemption price of EDS in the largest transaction pair of the current exchange, and convert the EDS quantity corresponding to the EDC price of the product.

It will be locked for 5 minutes once the quantity is determined. User can purchase the product directly by using the current EDS price. The EDS obtained by the creator will appear directly in the EDS account of the application, and can be used to lock, transfer, withdraw, and etc.



5.2 About the destroy

1. EDS will be destroyed by Endorsit according to the total market value of EDC that top up by user, which is equivalent to the EDS of the corresponding market value. The EDS portion which is being destroyed is from Endorsit Foundation. When the total market value of the EDS corresponding to the destruction is constant \geq the new EDS destruction will be stopped when the total market value of EDC which top up by the current user. When the total market value of the destroyed EDS is $<$ the total market capitalization of EDC which top up by the user, EDS from new foundation fund will be destroyed until the market value of both tokens are balance.

Calculation and announcement will be done in a fixed time once a month. The price is calculated according to the monthly average price of the transaction pair with the largest EDS transaction volume. Once it is being destroyed, it cannot be generated irreversibly.

In another word, when the total number of EDS is being destroyed in the first year more than 16.7 billion, the total amount of EDS issued after the year will be less than 100 billion. Even if the number of EDC is decreases, the number of destroyed EDS will not be reproducible. 20% of the additional issuance are only assigned to users who have made a positive contribution to the community according to white paper.



2. When the total number of articles in the voting area created by the user is 10 or more than 10 (including 10 articles), 75% of the articles are voted as bad articles, the author account will be locked as well as his personal influence weight factor will be locked too. If he has no revenue in the platform, he needs to pay EDS to unlock his account and each time the number of EDS will be double up. After the unlock is completed, the “good or bad count” of the past article will be cleared while the articles still exist. The first unlocked fees would be 50K EDS. These tokens will be destroyed in full.

If the number of articles in the voting area created by the author within 10, the continuous creation of 5 articles is judged as a bad article, his account will be locked.

5.3 About the Lock Position

EDS lock position refers to that each user can perform the lock operation of the EDS at his own. Once the EDS is being locked, it will get into the reward calculation cycle. The owner is eligible to earn the rewards proportionally according to the annual inflation distribution. However, it will take 13 weeks to proceed the unlocked process. EDS will be returned to his account according to his locked amount on weekly basis.

6. Technology

6.1 Consensus Mechanism

6.1.1 dBFT (delegated BFT)

EDS is not only operating on NEO Chain, but also is an asset on Neo Chain. NEO’s consensus mechanism dBFT (delegated Byzantine Fault Tolerant) is an improved Byzantine fault-tolerant algorithm that selects the book-keeper through equity and uses the Byzantine Fault Tolerance Algorithm (BFT) to reach consensus among the holders. This is to ensure that a group of professional book-keeper completes collaborative accounting in the same time, so that each block is final and will not implement any fork.

The fundamental difference between various blockchain consensus mechanism in the



block chain is the fault-tolerant on black nodes, (referring to malicious nodes, illegal nodes, etc.). The main consensus mechanism of the existing blockchain projects is the consensus mechanism of PoW, PoS, dPoS and modified from BFT (Byzantine fault tolerance). Although the PoW mechanism has successfully proved its long-term stability. However, under the existing framework, the use of PoW's "mining" form will consume a lot of energy to proof fairness of the work volume by SHA256 calculation.

Currently BTC's transition speed is about 5TPS, whereas Ethereum's is about 15TPS due to the upper limits of GAS's total amount in each block. This traditional blockchain consensus mechanism relies on a large amount of computing power and it cost large amount of energy consumption as well as expansion costs since the number of miners increased.

The dBFT (delegated BFT) mechanism implements a delegated Byzantine fault-tolerant consensus algorithm with minimal resources to protect the network from Byzantine failures. In another word, the core of dBFT (delived BFT) is to ensure the finality of the system with the least amount of resources used.

6.1.2PoE (Proof of Endorsit)

The PoE (Proof of Endorsit) mechanism is a consensus mechanism designed and developed by Endorsit. The Chinese name is the endorsement proof mechanism (also known as the weight proof mechanism). This consensus mechanism emphasis on the quality evaluation of the contents in the Endorsit community.

When a user generated content to Endorsit DAPP, we apply POE on both free and paid contents evaluation section. High-quality content will be highlighted under the PoE consensus mechanism, and creators will be rewarded in a fairer way with the relevant ecosystem weight and grades.

6.1.3Data Record of Ownership

This mechanism will be used in Endorsit, and it is the sole ownership record for the content creator, it ensures the uniqueness and safety of each work, which is the same



as copyright protection. For both individuals and even for corporations, data security is the biggest concern when using Toolbox. To solve these problems, we apply one way encryption of SHA algorithm (Secure Hash Algorithm) with the data source developed.

The safety of SHA algorithm is based on the below two points (in accordance with the information from the official):

1. Theoretically it is difficult to hash into the original information from the information abstract.
2. Moreover, it is also difficult to have two different information to hash into the same abstract, because any slight change in the input information has a high probability of causing a different abstract.

Encrypt the data source information with algorithm based on SHA to ensure the sole ownership of all the information, this also applies to the authorization of data source.

7. Roadmap

Oct. 2016, Endorsit team assembled;

Feb. 2017, Endorsit minimum viable application development complete;



Apr. 2017, Endorsit minimum Viable Application started operation on WeChat platform, with a net profit of over 1 million CNY in two month time;

Feb.2018, Endorsit published the white paper

May 2018, iWallic wallet is launched which EDS token can be kept in this wallet;

Jul. 2018, EDS listed at Bit-Z Exchange.

Aug. 2018, EDS listed at BigOne Exchange.

Sept. - Oct. 2018, Endorsit Dapp test run open.

Dec. 2018, Endorsit Press Conference

End of 2019 - Endorsit ecosystem completed.

8. Endorsit Team Members and Partners

Team Member:



Leilei Cai

Senior investor in digital asset industry, former Bit Fund LP, author of the best-selling book "Breakthrough Cognitive", Amazon's new author of the year 2017, founder of Zanbtc College & Ant Private School, over million fans of new media, and entrepreneurial tutor of Northeast Forestry University .



Kanda Yasuo

Used to be Apriso Co., Ltd Global MES software consultant, used to act as Dassault Systèmes Co., Ltd. senior software consultant, expert in data module design, has perfect knowledge and experiences in Oracle database and SQL server, enjoys a high reputation in Japan developer community.



Yuewen Ji

Senior blockchain industry engineer, proficient in C/C++, python, shell and other development languages. He previously served at Ningbo Institute of Information Technology Application, CAS. Expert in NEO's various mechanism and the mainstream blockchain project underlying structure.



Shangwei Yang

Former developer of Straight Flush, used to establish and optimize App that enjoyed millions of users, proficient in Objective-C, Swift, Kotlin, JavaScript, Golang these development languages, one of the early blockchain developers.



Tapi

Bachelor Degree holder of Computer Science of Cardiff Metropolitan University, United Kingdom. Used to work as project manager of Information Technology Division, Public Financial Management Project Phnom Penh, Cambodia, former web application engineer at Phalanx Co., LTD, experienced blockchain development practitioner.



Yuefeng Wang

Graduated from Nanyang Technological University, the founder of Chengfeng Media, Co-founder of the Coin-X Alliance, and he owns a media matrix at Wechat Public Accounts such as "Bihei" and "Biji". He successfully led the operation of community group of multiple blockchain projects such as IOST.



Ollie

Master degree holder of Oxford University, former market and business development manager of Bureau Veritas, former professor of Tsinghua University. Fluent in six different languages, and strong in both market analysis and brand operation.



Ricky

PhD degree holder of the University of Cambridge and the University of Nottingham respectively, former teacher of Tsinghua University, now associate professor of Northeast Normal University. A British citizen, with rich educational resources in the United Kingdom and the European, now responsible for the European community coordination.



Low Wee Kiat

Bachelor degree holder of Business in Economics and Finance from Royal Melbourne Institute of Technology University, former finance supervisor of Amara Hotels, with years of accumulated experience in cost accounting management and tax obligation management.

Consultants:



Jianliang Shao

Founder of Bitrise Capital, Executive Vice Secretary-General of ZheJiang Investment Finance Association, MBA of Zhejiang University, Initiator of Diedai blockchain startup camp, Former VP& board secretary of Rongdu Science and Technology



Haozheng Guo

Venture Partner of Canaan Creative and Bitrise Capital. One of the early participant of blockchain, managing partner of MarsCrypto Blockchain Technology R&D Company, and strategy consultant of many public listed companies.



Ming Liu

Double bachelor's degree holder in Economics and Philosophy from Peking University, former founder and COO of TRON, invested in bitcoin and blockchain author since 2013, initiator of Bitcoin Pizza, once incubated the Maggie project, blockchain industry investor and expertise.



Chan Pan

CEO of Shanghai Yulian Information Technology, founder of Ding-lian Capital, participated in Bitcoin technology research since 2013. Current senior project consultant of Cambodia national digital currency project, of state-lead public chain Entapay, of DAEX.



Zhi Liu

With seven years enterprise development experience in renowned International company, former Hennessy CTO of Louis Vuitton Japan unit, former CTO of ZJmax, senior blockchain industry development engineer, one of the early promoter of the blockchain technology, proficient in C/C++, Java, Golang these development languages. Discussed with Vitalik Buterin on Ethereum underlying structure.



Tong Gao

Founder and CEO of TokenClub, PhD of Information Department from University of Michigan. During her PhD study, she led the team of Adobe research in commercial data interaction system based on natural language, published a series of papers in the world's top conferences and quoted by Google, IBM, Stanford, top research institutes and etc.

Partners





9. EDS Distribution Mechanism

EDS token total issuing amount is 100billion.

20% of the token will be held by the first round investors

The first round investment will go to product upgrading, market promotion, contacts with exchanges, creation of legal framework, relevant ecosystem building and project operation respectively. Investor's token will experience a six month unfreeze period, with every 10% unfreeze in the first five months and the rest 50% unfreeze in the 6th month.

40% of the token will be held by Endorsit Foundation

This part is reserved for the Endorsit Foundation to reward those who make great contributions towards the ecology and the destruction deposit as an increment in the balance of EDC.

20% of the token will be held by Cooperation fund

This part reserved for strategic partners and third parties who make a significant contribution to the overall ecology of Endorsit.

20% will be held by the founding team

This part will be spent on the technical and operation team motivation. These tokens will experience a long-term lock out period of four years, with a unfreeze of 25% per year.

10. Risk Warning

The information contained herein this white paper is for reference only, which does not constitute any form of investment advice and should not be interpreted as offer or



undertaking. To help investors have a better understanding of the risks in the blockchain world, we hereby lists some of the risk factors as below.

1. Policy Risk

Blockchain is a brand-new field therefore government from all over the world will stage out temporary policies to either support, regulate, supervise or restrict it. We are equipped with the best legal team specialized in blockchain area, so this enabled us to comply with the legal and compliance requirements under the current policies and regulations, yet we do not guarantee to cover and to tackle every possible scenarios.

2. Price Risk

We are a well experienced team with abundant resources and expert in Cultural Education and Blockchain. A certain amount of capital will be invested in promotion and branding; we are equipped with a professional market value management team, yet we will not interfere with the market and the token price directly. It is advised for each investor to have a full understanding of the price fluctuations and risks of cryptocurrency before investing, and the investors shall bear liability for their own investment.