HYBRID FUNGIBLE/NON-FUNGIBLE CRYPTOCURRENCY WITHIN A DECENTRALIZED SPORTS ECOSYSTEM

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BY SPORTSCASTR INTERNATIONAL LTD.
A CAYMAN ISLANDS COMPANY
TECHNICAL PEER REVIEW BY INPUT STRATEGIC PARTNERS
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Risk disclosures are further set forth at the end of this document.
In this whitepaper, we outline a new framework for a decentralized global sports entertainment ecosystem (“FanChain”) that utilizes a unique token (“FanChain token”) to connect a fragmented landscape. Our primary objective is to align the interests of fans, athletes, teams, leagues and media entities.

The FanChain token leverages a unique combination of fungible and non-fungible characteristics that enable team-loyalty and affinity to be embedded within individual tokens, and which can be produced and transmitted across multiple platforms via a DApp-powered “minting” system. The decentralized and open-nature of the ecosystem allows it to be adopted by online publishers, fantasy platforms, social networks, sports teams, leagues, over-the-top (“OTT”) platforms, stadiums, and arenas — both online and on-location.

FanChain is developed by SportsCastr for use on its platform and on other affiliated sports platforms or venues in which fans create value. SportsCastr’s FanChain ecosystem will include blockchain-powered digital goods, tips, premium subscriptions, and pay-per-view (“PPV”) functionality and an enterprise-grade SDK that will allow its technology to be integrated into existing OTT systems.

ABSTRACT
In this whitepaper, we outline a new framework for a decentralized global sports entertainment ecosystem (“FanChain”) that utilizes a unique token (“FanChain token”) to connect a fragmented landscape. Our primary objective is to align the interests of fans, athletes, teams, leagues and media entities.
OVERVIEW

Behavioral trends and viewing patterns of sports fans have evolved. Fans rely on social media for authentic reactions during sporting events, and market research shows that younger demographics prefer receiving commentary directly from other fans versus on traditional broadcasts.\(^1\) For example, 50% of Tweets become sports-related during games.\(^2\) And although they are not alone in their preference, market research shows that Millennials and Gen Z viewers prefer to receive commentary directly from other fans versus listening to canned commentary.\(^3\)

The cable broadcast market has also experienced a massive shift. Cord-cutters have ushered in a new era in which digital-native OTT services and social networks such as YouTube, Facebook, Twitter and Amazon are becoming sources of live sports and replacing cable TV. Traditional cable broadcast networks, such as ESPN, are seeing revenue from flagship programs decline, and are losing substantial numbers of subscribers.\(^4\) The shift towards digital-first distribution platforms allows for commentary from fans and athletes to be integrated directly into live sports streams, opening up unprecedented opportunities for personalization and interactivity.

Clearly, the role of a fan as a passive consumer is in the distant past. Fans rely on other fans for authentic reactions and commentary, and media entities, teams and social networks rely on fans for content production, virality, and crowdsourced marketing. For example, there is a direct and well-documented correlation between fan-driven conversation on social media platforms and the amplifying effect it has on game viewership.\(^5\) An increase in fan posts equates to more viewers on traditional broadcast and OTT platforms, which leads to additional revenue for rights-holders and media conglomerates (in addition to building value for the social media networks themselves).

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THE PROBLEM
The problem with the shift from fans as passive consumers to active content producers is that fans are not benefiting from the value they are creating for their favorite teams (and for other fans). Even though sports leagues are securing record-high distribution deals — and social networks are generating billions in revenue from user-generate-content — fans have yet to be factored into the equation.

THE FANCHAIN SOLUTION
FanChain provides a framework in which fans are rewarded with a token that can be used within the sports ecosystem to which they contribute, and creates a feedback loop that incentivizes the community to contribute to the social conversation that they rely on for an optimal sports experience. FanChain introduces the concept of “Mints,” which are powered by a DApp and which allows third-party entities to distribute FanChain tokens that are stamped with a specific sports team, league or event.

FanChain aligns the interests of all stakeholders including fans, leagues, and media in several key areas:

FANS ARE REWARDED FOR SUPPORTING THEIR FAVORITE TEAMS
Fans earn FanChain tokens for sharing news, providing commentary and participating in the social conversation of their favorite team(s). Fans can then use their FanChain tokens to purchase goods, receive rewards, and access content from, for example, leagues, teams and media platforms.

LEAGUES AND TEAMS CAN ENGAGE FANS IN NEW WAYS
Teams and leagues can offer rewards and access to their most engaged fans by targeting holders of their respective team-stamped FanChain tokens, and can accept FanChain tokens for merchandise or access.

MEDIA AND SPORTS PLATFORMS CAN INCREASE FAN ENGAGEMENT
Online publishers, OTT platforms and social networks can distribute FanChain tokens to encourage participation and user-generated-content (“UGC”) that increases viewership, revenue and adoption.
THE FANCHAIN ECOSYSTEM

The core FanChain ecosystem consists of FanChain tokens, Mints, the FanWallet, FanExchange and FanPay.

In simplest terms, FanChain works as follows:

1. A user creates content, or some other value, for a specific sport, team(s), game, league or related event on a UGC platform that is approved to be a Mint.
   - Note: The role of a Mint is to categorize content and stamp tokens. It cannot issue new tokens - only distribute tokens that are already in its possession.

2. The user receives FanChain tokens containing metadata that are “stamped” with the team(s), league(s) or sporting event that the user created content or value for as a reward.

3. FanChain token compatible wallets will show a user’s total balance of FanChain tokens, and additionally provide a visual breakdown of the stamps that are associated with their tokens.

4. This results in content/value-producers being rewarded with FanChain tokens that are unique to their favorite sports, teams, leagues (or other sports-related event).

5. Third-parties can then offer special discounts, access, digital goods, promotions and features to FanChain users who hold a certain number of stamped tokens of a particular team, league, or other sport related events and organizations.
The Fanchain Token: Addressing Team Loyalty Through a Fungible/Non-Fungible Hybrid Token Ecosystem

Research indicates that there are “similarities between a fan’s identification with a sports team and how people identify with their nationality, ethnicity, even gender... and for some, team identification is both important and powerful to their sense of self.” Most tokens intentionally strive to be fungible and are not designed with the ability to be categorized by team, league or sport. This allows them to be used within broad markets but limits their ability to have team-specific associations or to be harnessed within the sports ecosystem.

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WAYS TO USE FANZ

**TICKETS**
Purchase game tickets from leagues, teams and ticket vendors that integrate FanPay.

**MERCHANDISE**
Trade FANZ for sports merchandise on FanPrizes.com or from online shops that add support.

**ACCESS**
Unlock pay-per-view subscriptions and premium content within SportsCastr and OTT platforms.

**TIPPING**
Send virtual tips to your favorite broadcasters and athletes right on SportsCastr.

**BETTING**
Use FANZ to get in on the action on betting platforms that join the FanChain ecosystem.

**FANTASY**
Access fantasy streams on SportsCastr, and join teams and more as fantasy networks join the network.
HOW FANCHAIN TOKEN IS DIFFERENT

FanChain tokens are based on the ERC20 standard but also adopts ERC721-style features when they are distributed or accepted within the FanChain ecosystem (including any wallet that adds support for our DApp.)

Similar to the concept of a “colored coin,” FanChain tokens are the synthesis of a fungible token with a non-fungible token. Although the FanChain token is fully ERC20-compliant, its implementation of the ERC20 specification allows for additional information to be stored on a per-address basis. This additional metadata contains the breakdown of an addresses’ token balance by team, league or event.

FanChain tokens can be transferred and monitored by any ERC20 compatible wallet without care or concern of the extra metadata (“stamps”), but the extra data associated with each stamped token (e.g. team or league breakdown) becomes visible in FanChain-aware systems.

Storing the stamped-metadata at the address-level, as opposed to the token level (as in the case of ERC721), allows for enhanced functionality. This includes:

1. **Divisibility:** Unlike pure ERC721-tokens, FanChain tokens can be decimalized to allow for fine-grain and micro transactions. FanChain tokens can be transferred and stored as fractions of a token, instead of only in whole-token increments.

2. **Lower Gas Prices:** Transfers between addresses do not require a transaction per token, but can be executed using a simple, low-cost group operation (even when transferring team, league or event-specific tokens). This significantly reduces the Gas consumed when using FanChain’s DApp. Consequently, transactions only consume slightly more Gas than a basic ERC20 operation, especially when compared to ERC721 bulk transfers.

While FanChain tokens have non-fungible aspects, they are at their core a fungible (ERC20) token. This fungibility allows for existing systems to utilize FanChain tokens without regard for the stamps.
STAMP-MAPPING METADATA

FanChain will use an integer-based stamp value in the address-associated metadata. A global list of sports, leagues, teams, and related sports events will be publicly available within FanChain’s GitHub account in a dedicated repository. This data will be in the form of a JSON file for broad compatibility and ease of integration into other systems. Modifications and additions to this list will be handled via an open pull/commit process, managed by FanChain, as new items are added or modified by the members of the FanChain ecosystem and community.

Each sport, league, team or event will have a dedicated and immutable numeric identifier assigned to it and each token will be stamped with the corresponding value by a Mint.

Addresses will have associated metadata that enables any member of FanChain’s ecosystem to identify the balance and stamps of tokens held by that address.

STAMP-MAPPING NUMBERING SCHEMA

The FanChain stamp-mapping numbering scheme will contain multiple levels of granularity which is held in the associated addresses’ metadata. The mapping space will be the set of integers from 1,000,000 to 9,999,999,999 (inclusive), allowing for both broad and fine categorization of tokens.

The Stamp-Mapping Numbering Schema will have hierarchical structure with the general format of Major Categorization, Subcategorization, Specific Entity.

The millions and billions digits (1,XXX,XXX to 9,999,XXX,XXX) will be used for categorization for major leagues, sports, or events. For example, all addresses containing FanChain tokens stamped with a value between 1,000,000 and 1,999,999 will be “NBA” related as the value of 1 in the millions place has been assigned to “NBA.”

The thousands places will indicate a sub categorization of the league, sport, or event. For example, all tokens stamped with a value between 1,001,000 and 1,001,999 will be categorized as “NBA : Eastern Conference.” The final three numbers will indicate a specific value associated with a specific team, event or sport. For example, a token stamped 1,001,001 will be categorized as “NBA : Eastern Conference : Celtics.”
The stamped values are intended to be immutable once they have been associated with a team, league or event. The use of numeric values instead of string values allows for changes to the mapping without loss of data. For example, when the WNBA team the “San Antonio Stars” (2,001,005) relocates to Las Vegas in 2018, its stamp value will be unchanged, and only the text in the stamp-mapping JSON file will reflect that the team is now to be displayed in FanChain compatible products as the “Las Vegas Stars”.

The hierarchal formatting allows for members of the FanChain ecosystem to target and reward users in multiple levels of granularity. For example, leagues can reward token holders for participation no matter which specific team or event the tokens are stamped for, but instead for the fact that the tokens are in the league’s numbering space.

Example stamping metadata:

<table>
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<tbody>
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Event specific numbering examples:

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<td>NFL</td>
<td>Superbowl</td>
<td>2018</td>
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FANCHAIN TOKEN BEHAVIOR

WHEN USED IN ERC20 ENVIRONMENTS
FanChain tokens can be used, transferred and monitored in standard ERC20 environments such as MyEtherWallet. However, in these instances, stamp metadata will not be visible, nor will they be stripped or able to be changed. Transfers initiated in wallet software clients without FanChain token support will transfer tokens without being able to choose which specifically stamped tokens to use in the transfer.

WHEN USED WITHIN THE FANCHAIN ECOSYSTEM
When FanChain tokens are earned or accepted within the FanChain ecosystem, stamps are fully visible and accessible. Users are able to choose which stamped tokens they want to send during transfers, facilitating trades and other features.

MODIFYING AND STAMPING FANCHAIN TOKENS VIA MINTS
To ensure the integrity of stamps, only Mints will have the ability to distribute new stamps and modify existing stamps. Mints, via a whitelisted origin address, will have access to the DApp that will allow them to modify and transfer FanChain tokens. In addition, we will develop a RESTful API alternative for Mints that will allow for easy integration into existing platforms without requiring a fully token-aware backend. The process works as follows:

1. Any sports-related website, app or media partner that facilitates user-generated content (“UGC”) may apply to become a Mint.
2. Mints are required to have a vetted process of categorizing the UGC (live streams, blogs, vlogs, images, memes, activity) that is produced on its platform.
3. Once a Mint is approved, it will have access to functionality that allows it to modify stamps during transfer of FanChain tokens to content or value creators.
4. As a user produces content or creates value, the Mint will categorize the activity by team and/or league.
5. The user will receive FanChain tokens which are stamped with the respective teams or leagues that the user generated value for.
6. If a user creates general sports content or value on a Mint that is not related to a particular team or league (or creates content about a team or league that is not currently supported by the Mint), the user may receive FanChain tokens that contain a generic stamp reserved for uncategorized content. These tokens can then be traded on the FanExchange for team-specific tokens if desired.
Looking forward, we may explore additional ways for Mints to come into existence with the goal of being as decentralized as possible while maintaining the integrity of stamped FanChain tokens.

THE UTILITY AND MODIFICATION OF STAMPED FANCHAIN TOKENS

Third-parties may grant rights and privileges to the bearers of stamped tokens. This opens the door for third-parties to target and reward FanChain token users who hold tokens stamped with a particular team or league. Example rewards may include:

1. Special offers or discounts on team-branded goods
2. Discounted access to team games or matches
3. Access to special digital content or online promotions
4. Access to PPV games or OTT subscriptions

FANWALLET

As FanChain tokens are ERC20 compliant, the token will be compatible with and stored on standard Ethereum wallets such as MyEtherWallet. These wallets, however, will not recognize the team stamps. A FanWallet will be developed for the web, android and iOS devices. Unique functionality of the FanWallet includes:

1. Visual breakdown of FanChain tokens by team
2. Ability for users to select and send team specific tokens
3. Ability for users to send specific stamped FanChain tokens to other users
4. User will be able to see and consume offers available to those who hold specifically stamped tokens
Apps, websites, media and other entities will be able to easily accept FanChain tokens for goods and services by integrating a FanChain token payment gateway ("software plugin") called “FanPay”. The gateway will allow third-parties to easily offer discounts or offers only to holders of specific team tokens.

**FANEXCHANGE**

We plan to develop a web-based trading exchange where users may exchange the stamped FanChain Tokens of one team for FanChain tokens stamped with a different team. This will allow users to build a collection of stamped FanChain for their favorite teams while reducing tokens stamped with teams they have less allegiance to.

**FANPAY**

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FANPRIZES

We will launch a website listing all rewards and prizes that can be exchanged for FanChain tokens on FanPrizes.com. FanPrizes.com will be the first platform to the use the FanPay payment gateway, allowing us to develop, test and implement FanPay in a live environment.

Please note that not all rewards or prizes may be directly sponsored by or associated with SportsCastr (especially as the number of Mints continue to grow) and additional terms and conditions may apply.
SPORTSCASTR - THE MASTER MINT

The first Mint and the first platform to use FanChain tokens is SportsCastr. SportsCastr is an open, ultra low-latency live video platform that personalizes the fan experience by allowing the global sports population to choose who calls the game for them — or calls the game themselves. SportsCastr’s ecosystem includes a responsive web platform, mobile application and SDK that can integrate into existing OTT platforms.

PROBLEMS SPORTSCASTR SOLVES

CROWDSOURCED, REGIONALIZED COMMENTARY

Although many domestic leagues are popular internationally (or vice versa), they are predominantly broadcast on their respective OTT platforms in a single language. SportsCastr allows local fans and reporters to provide regionalized commentary that can be accessed via a second screen device or via direct integration with live-game footage.

PERSONALIZATION OF COMMENTARY FEEDS

Commentary is the only customizable component of the live-sports experience, yet there is currently no platform that seamlessly integrates into viewing and behavior patterns of a diverse global audience. For example, younger viewers may not relate to or enjoy homogenized commentary provided by older broadcasters speaking to an older demographic and constrained to traditional TV network norms. Further, socioeconomic differences in viewership (including gender, political and religious identity) are currently ignored by traditional media networks.

LATENCY AND GAME SYNCHRONIZATION

Live-streaming sports apps tested by VentureBeat average end-to-end latency scores ranging from nine to 101 seconds. Consequently, if a viewer attempts to use an existing live video platform as a source for alternative commentary, the commentary on the second screen will be out of sync with the game they are watching. SportsCastr currently offer lens-to-lens latency of less than two-seconds while still being highly scalable, and has plans to reduce this latency to less than one-second (under ideal conditions). In addition, SportsCastr is developing a game sync engine, CastSync, that will allow viewers to adjust the latency of the commentary so that it is in sync.

7 VentureBeat (2017) Study shows live mobile sports apps are lagging behind real-time sports TV http://bit.ly/2qqSmT9
SportsCastr can be used as a second-screen experience to provide alternative commentary and “group watching” to virtually any game or sporting event. The platforms ultra-low latency and synchronization system are two of its major market differentiators.

**KEY TAKEAWAYS**

- **One of the first sports-focused user generated live streaming video platforms**, customized specifically for sports broadcasting, news and commentary including real-time scoreboard integration and professionally designed dynamic graphical overlays
- **Industry trends favor live streaming** and second screen solutions. Platform can be integrated with OTT services, which is in alignment with shifting market trends and viewing consumption
- **High-profile, accomplished team** with extensive experience building and growing sports media companies, supported by top-name industry investors and partners
- **In-app purchase (“IAP”) (blockchain-based digital goods, a la carte PPV)** and subscription-based revenue model proven on other live streaming platforms
- **Official partnership with NFL Players Association**

**THE SPORTSCASTR PLATFORM**

The SportsCastr platform allows viewers to select which broadcaster they wish to have call, recap or make predictions on a game. Streams are enhanced by features such as broadcast quality scoreboards that update in real-time and on-air motion graphics that simulate a professional, live studio experience. SportsCastr is designed to encourage users to chat and interact with the broadcaster and other viewers during a live broadcast. SportsCastr supports a multitude of user types - fans, athletes, sports reporters, families, students - to live stream during games, share reactions and create original commentary. Following a simple signup process, users can go live in a matter of seconds — instantly notifying their fans via push notifications — and communicate and share the broadcast with viewers and followers across social media. SportsCastr is designed to be a second-screen experience, a first-screen experience, and integrated into existing OTT offerings.

**AS A SECOND-SCREEN EXPERIENCE**

SportsCastr can be used as a second-screen experience to provide alternative commentary and “group watching” to virtually any game or sporting event. The platforms ultra-low latency and synchronization system are two of its major market differentiators.
ULTRA-LOW LATENCY

SportsCastr’s video delivery infrastructure will blend P2P distribution with a traditional CDN model which will allow us to achieve scalable sub-second latency (under ideal conditions). By contrast, most major platforms used for live streaming are not ultra-low latency and can be delayed by up to 30 seconds or more. This delay creates sync issues between game action and fan commentary. SportsCastr’s scalable ultra-low latency addresses this issue to provide an ideal medium for second-screen commentary.

SYNCHRONIZATION SYSTEM (“CASTSYNC”)

In addition to its ultra-low latency delivery system, SportsCastr is developing what it calls “CastSync” technology that will allow viewers to synchronize the commentary streams with the game feed they are watching. This feature is critical as even with a low-latency architecture, latency speeds differ based the source of the game feed. For example, a game being watched on broadcast television will contain different latency than the same game being watched online or via an OTT platform.

AS A FIRST-SCREEN EXPERIENCE

While the second-screen experience will always be important of SportsCastr’s utility, we view the integration of live-game feeds layered with SportsCastr’s technology and User Interface (“first-screen-experience”) as an important milestone for both FanChain and the platform itself. We plan to achieve the first screen-experience in three ways:

OTT/CABLE AUTHENTICATION

As cable broadcast television aims to stay relevant in a shifting landscape, more and more networks are incorporating social activity, such as tweets, video submissions and online voting, directly into their programming. Via commercial partnerships, SportsCastr’s platform can integrate with the authentication systems of existing OTT platforms. In this scenario, a subscriber of a third-party OTT platform or cable network can link their subscription to their SportsCastr account. After doing so, the user would be able to view the live sports games included with their premium subscription within the SportsCastr platform, and would be able to access SportsCastr’s features and user interface (“UI”) overlaid directly on top of the live game feed.

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9 VentureBeat (2017) Study shows live mobile sports apps are lagging behind real-time sports TV broadcasts http://bit.ly/2qqSmT9
DISTRIBUTION OF LIVE SPORTING EVENTS

We aim to make partnerships with rights-holders (e.g. teams, leagues, networks) to acquire rights, or receive permission, to distribute certain sporting events. In this scenario, live sporting events will either be offered to users free-of-charge or unlocked using Tix or FanChain tokens, and the game or match footage will be available on the SportsCastr.com website and mobile app.

SPORTSCASTR SDK

SportsCastr is developing an SDK that will allow its technology layer to be integrated into existing OTT platforms, such as Amazon or Netflix. This will allow third-parties to layer the ability for their subscribers to choose from a selection of broadcasters.

HOW SPORTSCASTR USES FANCHAIN

As the FanChain token is the fuel that powers SportsCastr’s digital economy and user-rewards program, SportsCastr will act as a powerful on-ramp for new FanChain token adopters. SportsCastr will incentivize and reward its users — both content creators and engaged viewers —through a two-currency system. This two-currency system involves an In-App Currency, “Tix,” that mimics currencies commonly used in social games (e.g. FarmVille, Clash of Clans) and FanChain tokens, which are tokens built on the Ethereum blockchain.

Users will be able to purchase “Tix” via an IAP through the Apple iTunes App Store and Google Play Store (when SportsCastr for Android is released). Users can spend their Tix on sports-themed Digital Goods (Phase I) and
Channel Subscriptions and PPV events (Phase II). At any time, FanChain token holders may transfer FanChain tokens to the SportsCastr platform to exchange them for Tix via an integrated FanWallet.

SportsCastr itself will also reward its most engaged and prominent users with FanChain tokens from the Community Growth Pool, based on the consistency and quality of their contributions within the SportsCastr community. Other gamified elements including leaderboards and monthly prizes will keep both content creators and viewers incentivized to engage with and contribute to the community.

**INTEGRATED FANWALLET**

All users of the SportsCastr platform will be exposed to an easy-to-use, highly-secure integrated FanWallet. The wallet will allow users to send and receive FanChain tokens, convert FanChain tokens to Tix, and track their in-app earnings and purchases.
DIGITAL GOODS ECONOMY

Phase I of SportsCastr’s digital goods economy will allow viewers to reward broadcasters with digital tips in the form of sports-branded emojis and stickers. Fans can use these digital goods to tip their favorite users throughout a broadcast, earning shout-outs in return. Viewers who send the greatest value of digital goods climb the fan leaderboard for that broadcaster, earning notoriety and in-turn garnering attention for their own streams.

This cheering strategy has shown great success within other live video platforms, including Live.Me, Twitch and YouNow (which is currently approaching $6MM per quarter in digital gift purchases, as of Q2 2017.10)

LIMITED EDITION DIGITAL GOODS (DIGITAL SCARCITY)

Utilizing blockchain technology to create digital scarcity, certain limited edition digital goods will be made available to our users that they will be able to earn on SportsCastr. These limited edition digital goods may be traded among users in exchange for FanChain tokens (or Tix) and may grant additional benefits to the owners.

CHANNEL SUBSCRIPTIONS

Viewers can purchase premium subscriptions to the channels of their favorite content producers. This unlocks special features and access. For example, subscribers may be able to:

- Appear visually differentiated during chat and throughout the channel
- Access content that the channel owner has flagged viewable by subscribers-only
- Gain access to semi-private chatting with broadcaster and other “back-stage-access” such as newsletters

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**PAY-PER-VIEW**

Viewers can unlock PPV streams and other paywalled content. This premium content may include live sporting events, private chats or behind the scenes footage.

**SPORTSCASTR’S CRYPTO-ECONOMIC MODEL**

SportsCastr’s crypto-economic model is designed to grow and support a thriving FanChain ecosystem. This is achieved through maintaining a Community Growth Pool and by offering partners incentives to utilize SportsCastr (and Mints) using the “Partner Incentive Pool.”

**COMMUNITY GROWTH POOL ("CGP")**

A portion of the tokens (10%) will be reserved for the Community Growth Pool. The Community Growth Pool will encourage early adoption of SportsCastr, Mints and the FanChain token. The CGP will be released 33% each year and will be fully distributed by year three. Distribution of the CGP is designed to incentivize content producers and engaged users. The majority of the CGP will be distributed algorithmically, with a portion reserved for leaderboard prizes, user-incentives and community competitions. The algorithmic portion will initially be calculated on a daily basis based on SportsCastr’s CGP Rewards Algorithm. SportsCastr’s algorithm — $f(x) = \frac{\text{user activity}}{\text{total activity}}$ — will factor in the below KPIs:

**CONTENT PRODUCERS**

- MINUTES BROADCAST
- LIVE VIEWERS
- REPLAYS
- GIFTS RECEIVED
- TIPS RECEIVED
- SHARES
- CHAT ACTIVITY

**ENGAGED USERS**

- MINUTES WATCHED
- TIPPING
- LIKING
- SHARING
- CHAT ACTIVITY
The result of the CGP is that early adopters - both content producers and content consumers - will earn FanChain tokens regardless of if they receive digital goods or attract premium subscribers to their channels. As other Mints join FanChain’s ecosystem within the initial three (3) years, the algorithm and rewards pool may be adjusted to accommodate use-cases of the different platforms.

PARTNER INCENTIVE POOL (“PIP”)
A portion of the FanChain tokens (10%) will be reserved in the Partner Incentive Pool. The goal of the PIP is to ensure a successful ICO, sustain token health, and reward major partners, including teams, leagues and rights-holders and media companies to utilize SportsCastr, become a Mint, offer rewards to FanChain token holders, and/or to integrate into the FanChain ecosystem. The PIP will be fully distributed by the end of year three. At the end of year three, any remaining tokens in the PIP will be transferred to the CGP. Example uses of the PIP include:

- Secure marketing, PR and community management partners during the ICO phase
- Acquisition of live-sporting-events on SportsCastr (available for viewing using Tix or FanChain tokens)
- Incentivizing large partners to accept FanChain, to become a Mint, or integrate FanPay
- Promoting the adoption of the SportsCastr SDK into partner OTT platforms
- Underwriting the development of third-party FanChain software to enhance the ecosystem
- Attracting influencers (athletes, celebrities) to use SportsCastr and generate FanChain tokens from viewers
- Securing sponsorship opportunities to promote and market SportsCastr and FanChain
- Exchange listings for FanChain
- Premium content creation
- Offering rewards to FanChain token holders on FanPrizes

BOUNTY AND REWARDS
We have structured our bounty rewards and distribution to assist in growth during the ICO and formative years of the ecosystem. A portion of the tokens (3%) will be reserved to reward evangelistic users who promote FanChain, both before and after the ICO. One percent of the pool will be reserved for marketing of the ICO; with an additional 2% being issued by year three to support awareness of future enhancements and partnerships.
COMPANY TIMELINE AND MILESTONES

- **SEPTEMBER 2016**
  - Development commenced

- **APRIL 2017**
  - Alpha released

- **JUNE 2017**
  - CEO speaks at Sports Business Journal’s Thought Leaders Conference

- **JUNE 2017**
  - Beta I released

- **JULY 2017**
  - CEO presents at Intel Sport’s Annual Sports Technology Day

- **JULY 2017**
  - Presenting Partner of Carrino & Capstraw Broadcast Bootcamp
AUGUST 2017

USA Today Sport Media Group uses SportsCastr to cover Mayweather versus McGregor fight live on its MMA site MMAJunkie.com

SEPTEMBER 2017

TheShadowLeague uses SportsCastr to cover Canelo fight from T-Mobile Arena

OCTOBER 2017

USA Today Sports Media Group uses SportsCastr to cover UFC 216 live on its MMA site MMAJunkie.com

FEBRUARY 2018

Beta II released

MARCH 2018

Peter Vessenes’ New Alchemy Joins Advisory Group

APRIL 2018

Beta III released
**APRIL 2018**

- CryptoOracle Joins Advisory Group

**APRIL 2018**

- Beta IV brings Augmented Reality to SportsCastr

**MAY 2018**

- Michael Terpin’s TransformPR Joins Advisory Group

**JUNE 2018**

- Official announcement of FanChain by SportsCastr

**JUNE 2018**

- SportsCastr official streaming partner of FGCArena eSports tournament

**JUNE 2018**

- FanChain deployed to Ethereum blockchain
JUNE 2018

SportsCastr presents FanChain at TokenMatch London

JUNE 2018

FanChain partners with Qryptos

JULY 2018

SportsCastr sponsors leading sports broadcast bootcamp

JULY 2018

NFL Players Association Acquires Minority Stake in SportsCastr
2018/2019 ROADMAP*

**MAR 30, 2018**
FanChain DApp/token development complete

**MAY 2018**
Token security audit by Hosho complete

**JUNE 2018**
FanChain announced

**JUNE 2018**
Bounties Open with Bounty0x

**Q1 2019**
FanWallet for iOS/Android launches

**Q1 2019**
FanExchange launches

**Q4 2018/Q1 2019**
FanChain added to exchanges

**Q4 2018**
Web based FanWallet launches

**Q1 2019**
SportsCastr channel subscriptions powered by FanChain launches

**Q2 2019**
FanPrizes.com launches, powered by FanChain

**Q2 2019**
SportsCastr pay-per-view powered by FanChain launches

**Q2 2019**
Mint DApp/API launches

**Q3/Q4 2019**
SportsCastr SDK launches

**Q2/Q3 2019**
SportsCastr for Android launches

*Final roadmap is dependent on timing of close of ICO and other market conditions.
An updated roadmap will be released upon close of ICO.
**TOKEN SUMMARY**

**TOKEN NAME:** FanChain  
**TICKER:** FANZ  
**TOKEN TYPE:** ERC20 with ERC721-style characteristics  
**PAYMENTS ACCEPTED:** ETH  
**MAXIMUM TOKENS SOLD IN ICO:** 330MM  
**MAXIMUM TOKENS MINTED:** 600MM  
**TOKEN DISTRIBUTION:** TBD  
**DECIMALS:** 4  
**TOKEN LOCK-UP DATE:** TBD

**TOKEN ALLOCATION & DISTRIBUTION**

- **MAXIMUM TOKENS SOLD TO PUBLIC:** 330MM (Including private and pre-sales)  
- **CGP:** 60MM Distributed Over 3 Years  
- **PIP:** 60MM Distributed Over 3 Years  
- **BOUNTIES:** 18MM Distributed Over 3 Years  
- **COMPANY RESERVES:** 120MM (Includes founders, team, advisors and future hires)  
- **BUFFER:** 12MM
USE OF FUNDS

Proceeds from the ICO will be used to develop the SportsCastr FanChain ecosystem including acquiring media rights to broadcast live sporting events, premium content production, rewards for token holders (FanPrizes), platform development, operating expenses, marketing and legal.

The final breakdown of fund allocation will ultimately be determined by final amount raised, timing and other market and regulatory conditions.

**USE OF FUNDS**

- **OPERATING**: 30%
- **MARKETING**: 20%
- **BROADCAST RIGHTS/LICENSEING**: 20%
- **CONTENT PRODUCTION**: 10%
- **LEGAL**: 5%
- **FANPRIZES**: 5%
- **BUFFER**: 5%
- **ACQUISITIONS**: 5%
FanChain is developed in-house by SportsCastr and we have assembled a world-class team of executives, developers and strategic advisors, including some of the most well-known names in sports and technology.

**MANAGEMENT TEAM**

**KEVIN APRIL  CEO**
April co-founded SportsBlog.com where he worked with the NBA, WNBA, Retired NBA Players Associations & NFL Player Engagement. He spearheaded the first Players-Only app for the NBPA and other Players Associations.

**PETER AZUOLAS  CTO**
Azuolas co-founded SportsBlog.com with Kevin and was the interim CTO for SOTL, official NFL Players licensee. Prior to that, he founded Mining Monitor, one of the first multi-miner monitoring platform for Bitcoin miners.

**DREW MCCALLA  LEAD IOS ENGINEER**
McCalla is a Penn State University grad who has been coding for nearly 10 years. He most recently worked at Johnson & Johnson and focuses on enterprise-grade code, emerging technology and usability.

**DAKOTA BERG  LEAD DESIGNER**
Berg is a multidisciplinary designer that has won multiple awards for his iconic branding, illustration and UI work. He has worked with brands of all sizes and various top design agencies including BHW1 and Klündt Hosmer.

**NICK SCHUPAK  VP COMMUNITY**
Schupak graduated from Syracuse University and has been focused on building online and passion-based communities for nearly 10 years — both as an entrepreneur and as the manager of New York City based venues.
**SPORTSCASTR ADVISORS**

**DAVID STERN  NBA COMMISSIONER EMERITUS**
Stern is credited for building the NBA into what it is today and was inducted in the Naismith and FIBA Halls of Fame. He is a Senior Advisor at Greycroft Venture Capital and is on the Board of Trustees at Columbia University.

**STEVE SMITH  NBA TV SPORTSCASTER**
Smith played for 14 years in the NBA and is currently a basketball analyst for Turner Sports on NBA TV. He is a Naismith Hall of Fame Trustee and was inducted into the World Sports Humanitarian Hall of Fame for his charitable pursuits.

**VERNON DAVIS  NFL PLAYER & ENTREPRENEUR**
Davis has played in the NFL for 12 years and is currently a TE for the Washington Redskins. In addition to being an athlete, actor and entrepreneur, he is a brand ambassador for leading companies including Old Spice, Levi’s and MuscleTech.

**CHUCK BAKER  CO-CHAIR, OMM**
Baker is an award-winning sports lawyer who has represented buyers and sellers of NFL, NBA, MLB, NHL and MLS teams. He has been listed as leader in his field by the Sports Business Journal and other industry publications.

**JIM BOEHEIM  HEAD COACH, SYRACUSE**
Boeheim is a legendary coach who has guided Syracuse to 9 Season Championships. He has served as Assistant Coach in the Olympics, FIBA and more. He also served as Chairman of USA Basketball and founded the Jim and Juli Boeheim Foundation.
IdeaQuest is a global sports marketing agency that works with some of the largest brands and athletes, including Shaquille O’Neal, Dale Earnhardt Jr and Kevin Durant (On behalf of America Family Insurance), Heineken USA, WWE, Bellator, and many more. They recently spearheaded a 9-Figure naming rights deal with Johnsons Control and The Pro Football Hall of Fame.

SGI Merchant Banking, founded in 2001, have a cumulative track record of success as innovative strategic partners and investors in sports, media and technology. SGI MB have acted as SportsCastr’s primary investors in addition to providing strategic support and corporate development resources.

The National Football League Player Association (NFLPA) is the union for professional football players in the National Football League. Established in 1956, the NFLPA has a long history of assuring proper recognition and representation of players’ interests.

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GLOSSARY OF TERMS

DAPP
DApp is a decentralized application. A DApp has its backend code running on a decentralized peer-to-peer network.

ERC20
ERC20 is the smart-contract standard used for tokens built on the Ethereum blockchain. It is fungible, meaning all tokens are the same.

ERC721
A relatively new Ethereum standard that allows for NFTs (non-fungible tokens). ERC721 smart contracts allows for tradable assets that are unique from each other.

USER GENERATED CONTENT (“UGC”)
UGC is any content, including live-streams, blog posts, social conversation, photos, vlogs, or videos that are created by individual users of a social network or platform.

MINTS
Mints are approved partners (sports-related media publishers, social networks, OTT platforms, leagues, apps or UGC tools) that have the ability to distribute stamped FanChain tokens to its users or fans (and modify or remove team and league stamps from FanChain tokens) via our DApp (or API).

FANCHAIN TOKEN
FanChain tokens are used to reward users in the FanChain ecosystem. They are ERC20 compliant. The FanChain token itself is unique, however, because it utilizes concepts from the ERC721 standard that allows for fungibility with non-fungible token characteristics.

STAMPED FANCHAIN TOKENS
FanChain tokens that contain meta-data that associates it with a specific team, league, or other entity. Only Mints can modify and stamp tokens during transfer.
**FANCHAIN ECOSYSTEM**

The FanChain ecosystem refers to the FanChain token, Mints, FanWallet, FanExchange, and FanPay.

**SPORTSCASTR**

SportsCastr is the creator and custodian of FanChain, the FanWallet, FanExchange, FanPrizes and develops the SportsCastr app, web platform and SDK. SportsCastr is the first Mint and will be the first platform to accept the FanChain token.

**THE FANEXCHANGE**

The FanExchange will be a web-based platform where FanChain token holders may trade Stamped FanChain tokens of one team for Stamped FanChain tokens of another team with other FanChain token holders.

**OTT**

OTT stands for “over-the-top,” the term used for the delivery of film and TV content via the internet, without requiring users to subscribe to a traditional cable or satellite pay-TV service.
RISK DISCLOSURES

Purchasing FanChain tokens involves a high degree of risk. Prospective purchasers should carefully consider the risks and uncertainties described below, together with all of the other information included in this whitepaper, before purchasing FanChain tokens. If any of the following risks are realized, in whole or in part, the FanChain Ecosystem and/or the value of the FanChain tokens could be materially adversely affected.

The risks and uncertainties described below may not be the only ones FanChain token holders face. Additional risks and uncertainties may also materially adversely affect the FanChain Ecosystem or the value of FanChain tokens. Prospective purchasers are urged to consult with their own investment, legal, tax and/or accounting advisors and/or other consultants prior to purchasing FanChain tokens.

RISK OF INSUFFICIENT INTEREST IN THE FANCHAIN ECOSYSTEM

The token sale may not reach its target sale amount and consequently SportsCastr may not have sufficient participation in the FanChain Ecosystem or funds to execute in whole or in part our business plan with respect to the FanChain Ecosystem.

RISKS ASSOCIATED WITH THE DEVELOPMENT, EXPANSION AND MAINTENANCE OF THE FANCHAIN ECOSYSTEM

A lack of sufficient resources and network size may limit the currently anticipated utility of the FanChain token and adversely affect its value and/or utility. Furthermore, despite our good faith efforts to develop, expand and maintain the FanChain Ecosystem, it is still possible that the FanChain Ecosystem will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the FanChain Ecosystem and the utility of the FanChain tokens.

The FanChain Ecosystem may undergo significant changes over time. Although we intend for the FanChain Ecosystem to have the features and specifications described in the FanChain whitepaper, changes to such features and specifications may be made for any number of reasons, any of which may mean that the FanChain Ecosystem does not meet the expectations of the FanChain token holders. There is no guarantee that other current or future solutions or technology will not render the FanChain Ecosystem and FanChain tokens obsolete. The purchaser acknowledges that any of its expectations regarding the form and functionality of the FanChain Ecosystem and/or FanChain tokens may not be met for any number of reasons.
RISK OF AN UNFAVORABLE FLUCTUATION OF CRYPTOCURRENCY VALUE
The proceeds from the sale of the FanChain tokens will be denominated in cryptocurrency, and may be converted into other cryptographic and fiat currencies. If the value of cryptocurrencies fluctuates unfavorably during or after the FanChain token sale, we may not be able to fund the development, expansion and maintenance of the FanChain Ecosystem or we may not be able to develop, expand and maintain the FanChain Ecosystem in the manner that we intended.

RISKS RELATED TO DIGITAL WALLETS
FanChain tokens will be stored in a wallet that must be accessed with a password selected by the purchaser or by maintaining a private key. A purchaser’s failure to maintain an accurate record of his or her password or private key may result in the loss of FanChain tokens. In addition, any errors or malfunctions caused by or otherwise related to a purchaser’s digital wallet, including the purchaser’ own failure to properly maintain or use such digital wallet, may also result in the loss of FanChain tokens.

RISKS RELATED TO TOKENS
FanChain tokens may be subject to expropriation and/or theft. Hackers or other malicious groups or organizations may attempt to interfere with the FanChain tokens in a variety of ways including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Furthermore, because the Ethereum platform rests on open source software, there is the risk that Ethereum Smart Contracts may contain intentional or unintentional bugs or weaknesses that may negatively affect the FanChain tokens or result in the loss of FanChain tokens or the loss of ability to access or control the FanChain tokens. In the event of such a software bug or weakness, there may be no remedy and holders of the FanChain tokens are not guaranteed any remedy, refund or compensation for any such loss.

RISKS ASSOCIATED WITH THE ETHEREUM BLOCKCHAIN
Because FanChain tokens and the FanChain Ecosystem are based on the Ethereum protocol, any malfunction, breakdown or abandonment of the Ethereum protocol may have a material adverse effect on the FanChain Ecosystem or the FanChain tokens. Moreover, advances in cryptography or other technical advances could present risks to the FanChain Ecosystem and the FanChain tokens, including their utility in the FanChain Ecosystem, by rendering ineffective the cryptographic consensus mechanism that underpins the Ethereum protocol.
Because the FanChain tokens confer no governance rights of any kind with respect to the FanChain Ecosystem or SportsCastr, all decisions involving our products or services within the FanChain Ecosystem or affecting SportsCastr will be made by us in our sole discretion, including, without limitation, decisions to discontinue our products or services in the FanChain Ecosystem, to create and sell more FanChain tokens for use within the FanChain Ecosystem, or to sell or liquidate SportsCastr. These decisions could adversely affect the FanChain Ecosystem and the utility of the FanChain tokens.

RISKS ARISING FROM TAXATION

The tax characterization of FanChain tokens is uncertain. Your purchase of FanChain tokens may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements. Prior to acquiring FanChain tokens, a prospective purchaser should consult with his/her/its own investment, legal, tax and/or accounting advisors and/or other consultants to determine the potential tax consequences of such a transaction.

The tax characterization of FanChain tokens is uncertain. Your purchase of FanChain tokens may result in adverse tax consequences to you, including withholding taxes, income taxes and tax reporting requirements. Prior to acquiring FanChain tokens, a prospective purchaser should consult with his/her/its own investment, legal, tax and/or accounting advisors and/or other consultants to determine the potential tax consequences of such a transaction.

RISKS ARISING FROM A LACK OF GOVERNANCE RIGHTS

Because the FanChain tokens confer no governance rights of any kind with respect to the FanChain Ecosystem or SportsCastr, all decisions involving our products or services within the FanChain Ecosystem or affecting SportsCastr will be made by us in our sole discretion, including, without limitation, decisions to discontinue our products or services in the FanChain Ecosystem, to create and sell more FanChain tokens for use within the FanChain Ecosystem, or to sell or liquidate SportsCastr. These decisions could adversely affect the FanChain Ecosystem and the utility of the FanChain tokens.

RISKS ASSOCIATED WITH UNCERTAIN REGULATIONS AND ENFORCEMENT ACTIONS RELATED TO DISTRIBUTED LEDGER TECHNOLOGY

We have structured the sale of FanChain tokens to comply with current applicable laws and regulations. Our continued operation of the FanChain Ecosystem may, however, be impacted by the adoption of restrictive laws, rules or regulations affecting the use or ownership of digital tokens and our operation of the FanChain Ecosystem. The regulatory status of FanChain tokens and other crypto tokens is unclear and/or unsettled in many jurisdictions. It is difficult to predict how or whether regulatory agencies may apply existing regulations with respect to such technology and its applications, including the FanChain Ecosystem and the FanChain tokens. It is also difficult to predict how or whether legislatures or regulatory agencies may implement changes to law and/or regulations affecting distributed ledger technology and its applications, including the FanChain Ecosystem and FanChain tokens. Regulatory actions could negatively impact the FanChain Ecosystem and the FanChain tokens in various ways. We could be forced to cease operations in one or more jurisdictions in the event that regulatory actions,
The U.S. Securities and Exchange Commission (SEC) and other regulators in jurisdictions throughout the world are closely scrutinizing initial coin offerings and have warned that an unregistered sale of crypto tokens can, depending on the circumstances, be an illegal public offering of securities or regulated financial instruments. In the final months of 2017, the SEC filed four enforcement actions against companies participating in these offerings. As noted by the SEC, the issuance of tokens represents a new paradigm that is very fact specific. The FanChain token is a utility token that will have a specific use within the FanChain Ecosystem. Due to the nature of the FanChain tokens, and guidance from regulators on this topic, we do not believe that the FanChain token should be deemed a “security” in any of the jurisdictions where FanChain token will be offered. However, if the FanChain tokens were deemed to be securities by a regulatory agency or court of law, SportsCastr would be required to comply with applicable laws and regulations, which might entail modifying, suspending or cancelling its business plans.

**RISK OF LITIGATION**

In addition to risks related to potential SEC enforcement action, we may also be subject to private suits brought by aggressive plaintiffs’ attorneys on behalf of investors. The explosion of interest in initial coin offerings and in “blockchain” technology has attracted the plaintiffs’ bar. In late 2017, plaintiffs’ attorneys filed the first private investor class action lawsuits involving these offerings, with more lawsuits subsequently filed or threatened.

While we believe and have taken steps to ensure that our FanChain tokens are not “securities” as defined by the Securities Act, this token offering may be scrutinized by both the SEC and aggressive plaintiffs’ attorneys if FanChain tokens are sold to U.S. purchasers. Any such litigation or regulatory action could result in substantial costs and diversion of resources, even if we are found not to be at fault, and could ultimately prevent us from developing and/or maintaining the FanChain Ecosystem.
RISKS RELATED TO OUR ABILITY TO PROTECT OUR INTELLECTUAL PROPERTY

Our failure to adequately protect our intellectual property rights could impair our ability to compete effectively or defend ourselves from litigation, which could harm our business, financial condition, and results of operations, and ultimately prevent us from developing and/or maintaining the FanChain Ecosystem.

Legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain and evolving. We cannot assure you that others will not develop or patent similar or superior technologies or solutions, or that our patents, trademarks and other intellectual property will not be challenged, invalidated or circumvented by others. Unauthorized copying or other misappropriation of our proprietary technologies could enable third parties to benefit from our technologies without paying us for doing so, which could harm our business and our ability to develop and maintain the FanChain Ecosystem. Monitoring unauthorized use of our intellectual property is difficult and costly.

RISKS RELATED TO OUR DEPENDENCE ON KEY EMPLOYEES

We depend on our executive officers and other key employees, including our design and technical personnel, and the loss of one or more of these employees or an inability to attract and retain highly skilled employees could adversely affect our ability to complete and expand the development of our the FanChain Ecosystem in a timely manner.

RISKS OF CHANGES TO GOVERNMENT REGULATIONS AFFECTING US

We are subject to government regulation, including financial, customer protection, import, export and economic sanctions laws and regulations that may expose us to liability and increase our costs, which could affect our ability to develop and/or maintain the FanChain Ecosystem.

RISKS OF FOREIGN OPERATIONS

Some portions of our operations might be located outside of the United States, which subjects us to additional risks, including increased complexity, data regulation, costs of managing international operations, geopolitical instability and uncertain legal and regulatory conditions in those countries, which could affect our ability to develop and/or maintain the FanChain Ecosystem.
A breach of our security systems may damage our reputation and adversely affect our business. Our security systems are designed to protect our customers’, suppliers’ and employees’ confidential information, as well as maintain the physical security of our facilities. We also may rely on a number of third-party cloud-based service providers of corporate infrastructure services relating to, among other things, human resources, electronic communication services and some finance and operational functions, hosting our FanChain Ecosystem for access, and use by our end-users. We are, of necessity, dependent on the security systems of these providers. Any security breaches or other unauthorized access by third parties to the systems of our cloud-based service providers or the existence of computer viruses in their data or software could expose us to a risk of information loss and misappropriation of confidential information. Accidental or willful security breaches or other unauthorized access by third parties to our information systems or facilities, or the existence of computer viruses in our data or software, could expose us to a risk of information loss and misappropriation of proprietary and confidential information. Any theft or misuse of this information could result in, among other things, unfavorable publicity, damage to our reputation, difficulty in marketing our products, allegations by our customers that we have not performed our contractual obligations, litigation by affected parties and possible financial obligations for liabilities and damages related to the theft or misuse of this information, any of which could have an adverse effect on our business, our reputation and our relationships with our customers and suppliers. Since the techniques used to obtain unauthorized access or to sabotage systems change frequently and are often not recognized until after they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures.

RISKS RELATED TO A BREACH OF OUR SECURITY SYSTEMS

In the event of a major earthquake, hurricane or other catastrophic event such as fire, power loss, telecommunications failure, cyber-attack, war, terrorist attack or disease outbreak, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in our product development, breaches of data security, or loss of critical data, any of which could have an adverse effect on and affect our ability to develop and/or maintain the FanChain Ecosystem.

RISK OF CATASTROPHIC EVENTS

In the event of a major earthquake, hurricane or other catastrophic event such as fire, power loss, telecommunications failure, cyber-attack, war, terrorist attack or disease outbreak, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in our product development, breaches of data security, or loss of critical data, any of which could have an adverse effect on and affect our ability to develop and/or maintain the FanChain Ecosystem.
RISKS RELATED TO BLOCKCHAIN MIGRATION

It is possible that SportsCastr may decide to migrate the FanChain token from the Ethereum blockchain to another blockchain network. In the event of a migration, the ERC20 version of FanChain token may lose some or all value but would be redeemable for an equivalent number of FanChain token on the new blockchain. Such a migration may also affect the value of the new FanChain token and impact services in the FanChain ecosystem.

OTHER RISKS

Cryptocurrencies and cryptographic tokens are novel and are based on new and unproven technology. In addition to the risks set forth herein, there are risks that SportsCastr cannot anticipate. Risks may further materialize as unanticipated combinations or variation of the risks set forth above.