

**balehu**

**BALEHU** WHITEPAPERS

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## INSPIRATION

AS THE INTERNET BECOMES MORE ABOUT VALUE THAN INFORMATION, PRIVACY AND SECURITY IS AT THE FOREFRONT OF IMPORTANCE.

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Removing the intermediary in commerce transactions on the Internet will provide transparency and surveillance through a traceable public record of all transactions. Through blockchain technology, Balehu is enhancing the connection and communication between small, local merchants and consumers by creating an online ecosystem called the Balehu Community. By providing a collection of real-time software solutions, Balehu enables the exchange of goods and services while removing redundant third parties.

Don and Alex Tapscott<sup>1</sup>, authors of **REALIZING THE POTENTIAL OF BLOCKCHAIN**, stated,

“The internet is entering a second era that’s based on blockchain. The last few decades brought us the Internet of information. We are now witnessing the rise of the Internet of value. Where the first era was sparked by a convergence of computing and communications technologies, this second era will be powered by a clever combination of cryptography, mathematics, software engineering and behavioral economics. It is blockchain technology, also called distributed ledger technology. Like the Internet before it, the blockchain promises to upend business models and disrupt industries. It is pushing us to challenge how we have structured society, defined value and rewarded participation.”

## BALEHU COMMUNITY

The Balehu Community simplifies the way people communicate. The power of on-demand information technology is changing the way merchants and consumers communicate with each other for goods and services. Balehu is a community made up of backers, merchants, contributors and members. **BACKERS** are users of Balehus decentralized blockchain technology and smart contracts, which consist of investors, sponsors, advocates and promoters. **MERCHANTS** are the business end-users that will utilize a software application to manage their marketing activities. **CONTRIBUTORS** will be able to leverage Balehus’ codebase, which will be available as an open source project that can be used to power new communities, projects and add capabilities to existing ones.

Members are free-subscribing patrons that will connect with merchants to find local events, deals and other activities in real-time.

## **BALEHU DELIVERS...BIZ, BOT & BUCKS**

**BALEHU UNDERSTANDS THAT SMALL, LOCAL BUSINESSES HAVE REAL CHALLENGES WHEN IT COMES TO MARKETING THEIR PRODUCTS AND SERVICES, DUE TO THE FAST-PACED MOBILE ENVIRONMENT, AS WELL AS BUDGET, LABOR AND TIME CONSTRAINTS.**

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The existing channels for local businesses to communicate with prospective customers are inefficient and don't serve a business' best interest. Social media, low-volume websites, and deal- or review-oriented sites are the prevailing options. Very few offer real-time marketing options, which provide the opportunity for businesses to instantly communicate what they offer, and when they're offering it.

Within the Balehu Community, local merchants will have access to a simple, yet intelligent marketing and social media software solution called **BALEHUBIZ**. BalehuBiz will provide a robust software application for B2C businesses to reach local patrons by incorporating a marketing solution to easily manage their promotional efforts. This online business software application will offer simple tools to engage, track, analyze and retain local consumers through social media management, digital ad creation, customizable loyalty rewards and a consumer integration manager.

In addition to BalehuBiz, members or patrons will use a mobile app to easily discover and engage local businesses of like interests called **BALEHUBOT**. The BalehuBot is a digital concierge that customizes their experience by targeting local engagements, pricing deals, and activities in real-time through backend actionable intelligence. Within the BalehuBot, consumers will have access to loyalty rewards via a digital wallet, which can be used at any participating merchant.

Lastly, **BALEHUBUCKS** is a digital cryptographic token that is earned by participating in the Balehu Community. Members can use BalehuBucks as a means of payment, which can be spent or cashed out, if available on an exchange. BalehuBucks will give merchants a method to retain loyal customers while allowing them to collaborate and cross- media market effortlessly. BalehuBucks help eliminate inefficient monetary transactions, promote free trade and create fresh demand with every transaction through the decentralized blockchain network. Ultimately, BalehuBucks will enable a frictionless community where merchants and consumers can communicate, collaborate and interact with ease.

BalehuBucks are distributed through the **BALEHUBUCKS REWARD ENGINE**. Balehu Community Members and Balehu Inc operate the BalehuBucks Reward Engine. Initially, to protect the interest of all stakeholders, Balehu Inc will operate the BalehuBucks Reward Engine. As the community begins to grow, participating merchants, contributors and members alike will be able to participate in voting for how to operate the Balehu Rewards Engine. Each member's voting power will be based on BalehuBucks earned and spent in the Balehu Community.

## BALEHU...IN SUMMARY

The Balehu Community is innovating the way stakeholders engage in everyday interactions with each other. With BalehuBiz and BalehuBot, merchants attract and retain consumers with simple online marketing tools, made possible with actionable intelligence, while consumers find interesting business engagements and real-time deals.

Through our initial coin offering, **BALEHU WILL BE INTRODUCING A REVOLUTIONARY BLOCKCHAIN-BASED LOYALTY REWARDS PROGRAM**. With the goal of 'gamifying' Loyalty Rewards, BalehuBucks will be awarded to users for each transaction and participation through the BalehuBucks Reward Engine.

Using Blockchain technology, Balehu will restore and reward local commerce. With the introduction of the ethereum-based token BalehuBucks, and the BalehuBucks Reward Engine, tokens are issued to participating users that are transferable within the Balehu Community. Merchants and consumers can earn, collect and retain rewards based on their participation in The Balehu Community.

## A COMMUNITY OF BALEHUS

BALEHU IS CREATING AN ECOSYSTEM THAT MAINTAINS UNITY BETWEEN A LOCAL SELLER AND BUYER; IT CONNECTS LOCAL MERCHANTS AND PATRONS THROUGH SIMPLE AND AFFORDABLE TECHNOLOGY.

By integrating ground-breaking technology, Balehu is marrying the merchant to the consumer through easy discovery. By eliminating the need to juggle multiple online platforms, local merchants can reach patrons through a straightforward marketing application. With BalehuBiz, consumers can discover these overlooked local businesses through a single, transparent concierge mobile app, BalehuBot. As these Balehus become united, a digital cryptocurrency and rewards system, BalehuBucks, is needed to maintain that relationship by sustaining monetary transactions, reducing on-boarding friction, and fostering loyalty.

## BALEHUBUCKS ...ITS PURPOSE



Balehu is introducing an open source cryptographic token, named **BALEHUBUCKS**. This cryptocurrency is earned through participation and can be used to make purchases at participating merchants. The initial offering of BalehuBucks will be made available during the Pre-ICO and ICO. However, most BalehuBucks

are reserved for participation within the Balehu Community and will be issued by BalehuBucks Reward Engine. In the future Balehu intends to make BalehuBucks available for purchase on various exchanges, however, there is no guaranty that BalehuBucks will ever be available on an exchange. Purchasing and participation information is provided at [BALEHUBUCKS.COM](http://BALEHUBUCKS.COM).

BalehuBucks is of fixed supply. However, **ONLY A SMALL PORTION OF BALEHUBUCKS SUPPLY WILL BECOME LIQUID SOON**, as described in detail below. BalehuBucks will be distributed through BalehuBucks Reward Engine only to active users of the Balehu Community. Like other cryptocurrencies, units of BalehuBucks are mutually interchangeable and transferable. BalehuBucks can be traded externally on cryptocurrency exchanges, and can be transferred among fellow Balehu Community Members.

## BALEHUBUCKS ...ITS IMPLEMENTATION

**BALEHUBUCKS WILL BE ISSUED ON THE ETHEREUM BLOCKCHAIN AS AN ERC-20 TOKEN.** The ethereum blockchain is currently the industry standard for issuing custom digital assets and smart contracts, allowing for advanced features and an active ecosystem. The ERC20 token interface allows for the deployment of a standard token that is compatible with the existing infrastructure of the ethereum ecosystem, such as development tools, wallets, and exchanges. These advanced features and active ecosystem make ethereum a natural fit for BalehuBucks.

## BALEHUBUCKS ...ITS BENEFITS

- 1. DECENTRALIZED TOKEN:** Decentralized tokens take power away from large banks and institutions and puts it in the hands of the people. It allows a member of Balehu Community to create a marketplace without the need of a central location, and enables buyers and sellers to connect directly, thus eliminating unnecessary liaisons and upcharges on everyday goods and services. The decentralized nature of BalehuBucks gives full control to the token holder and the community. The introduction of BalehuBucks is intended to add value to all participants in the Balehu Community.
- 2. USEFUL TOKEN:** BalehuBucks is the engine that fuels the Balehu Community. Members of the Balehu Community will be able to use BalehuBucks to redeem for goods and services at participating Balehu Merchants, and can also be sent or received by other members. Token holders will be able to send and receive tokens between participating users and may be able to trade them externally on cryptocurrency exchanges.
- 3. AVOID CREDIT CARD PROCESSING FEES:** With the flexibility to pay for a purchase in part or whole with BalehuBucks, merchants enjoy a reduction in credit card processing fees. Balehu Merchants can expect no hidden charges and will be charged only a nominal 1% transactional fee.
- 4. REPLACE CREDIT CARD TRANSACTIONS:** Realizing the benefits of BalehuBucks, merchants are encouraged to recommend use of BalehuBucks as a form of payment. Nearly 55% of the 27 million small business owners in the United States do not accept credit cards as a form of payment<sup>2</sup>. For merchants that do not accept credit cards as a form of payment, BalehuBucks makes cashless purchases possible.

5. **ADDITIONAL BENEFITS:** BalehuBucks encourages impulsive purchases, which account for 30-70% of traditional sales<sup>3</sup>. Roughly 90% of customers will purchase an item they did not initially intend to purchase. In the case of Balehu Merchants, a purchase by a customer who has BalehuBucks available for use has a 40-70% chance of using their available BalehuBucks to make that purchase. Research conducted over a three-year period shows that 80% of millennials participate in loyalty reward programs. Among millennials, 45% will utilize coupons and loyalty points available, which represents a huge opportunity for Balehu Merchants since nearly 52% of millennials prefer to use their mobile devices to take advantage of loyalty rewards applications<sup>4</sup>. Considering that millennials represent the largest generation in United States history at 92 million strong and are entering peak purchasing years, the market will have to adapt to their needs. With expectations of instant access to merchant offers, specials and prices, BalehuBot allows users to easily browse current promotions.



## INITIAL PURCHASING OF **BALEHUBUCKS** TOKEN

IN 2017, INITIAL COIN OFFERINGS (ICO) RAISED MORE CAPITAL FOR ENTREPRENEURIAL PROJECTS THAN TRADITIONAL VENTURE CAPITAL (VC) SEED MONIES, AND WILL PASS TWO BILLION BY THE END OF THE YEAR<sup>5</sup>.

Unfortunately, many of these projects have yet to launch initial development and in some cases, may never be viable to the open market, creating a hurdle for ICO participants and the ICO industry as a whole.

Balehu has developed a platform currently in use by various merchants. We are implementing a decentralized token that will revolutionize rewards programs, social media management, and payment between local merchants and their customers. By incorporating BalehuBucks, we will be able to grow at a faster rate, while providing the Balehu Community with a suite of benefits far superior to anything currently available.

## **BALEHUBUCKS** ALLOCATION

### BALEHU INITIAL TOKEN DISTRIBUTION

To finance the BalehuBucks roadmap, Balehu will conduct a token distribution event that will sell two hundred million units out of a one billion-unit total supply of BalehuBucks. The proceeds of the token distribution event will be used to fund Balehu operations and to deploy BalehuBucks.

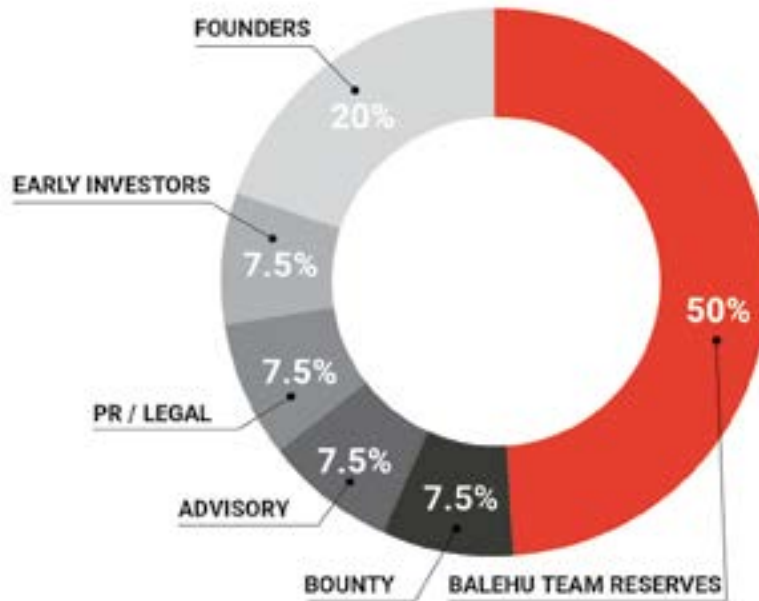
A portion of the funds raised in the token distribution will be used to execute additional feature development planned for the BalehuBucks integration into the Balehu Community. As of the conclusion of the sale, the distributed BalehuBucks will constitute the entirety of the available liquid supply. Any unsold BalehuBucks will be burnt.

PRE-ICO/ ICO

**199,125,100**

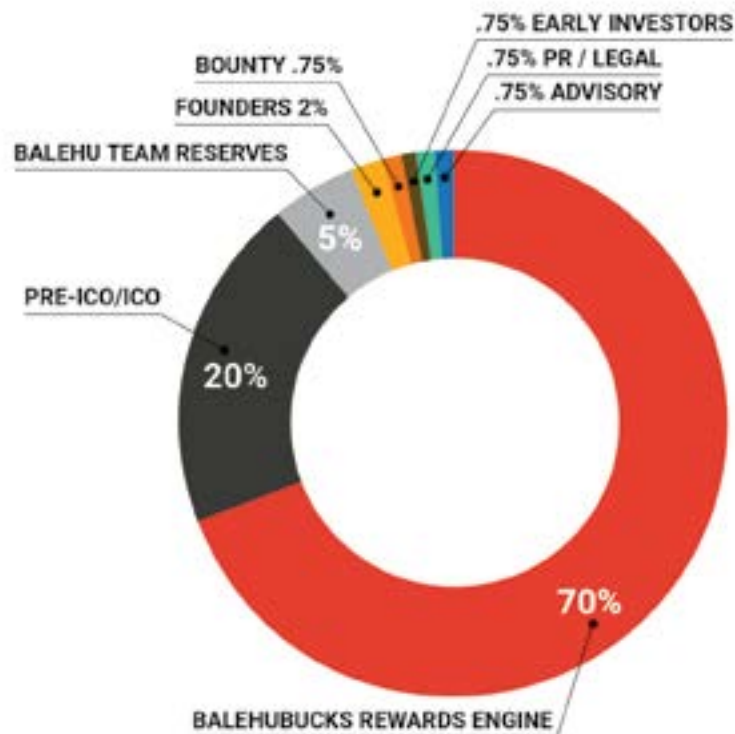
## BALEHU INC TOKEN DISTRIBUTION

Another one hundred million BalehuBucks will be pre-allocated to Balehu and subject to a long-term vesting schedule. A vesting contract is currently being implemented. In exchange, Balehu will provide startup resources, technology, and a covenant to integrate with the BalehuBucks cryptocurrency and brand.



## BALEHUBUCKS REWARD ENGINE

The current plan is for the BalehuBucks Reward Engine to distribute the remaining seven hundred million BalehuBucks over the course of the next 28 years.



INITIAL SUPPLY	# OF BBT ISSUED	INFLATION SCHEDULE
YEAR 1	20,000,000	6.7%
YEAR 2	25,000,000	7.8%
YEAR 3	27,500,000	8.0%
YEAR 4	27,500,000	7.4%
YEAR 5	25,000,000	6.3%
YEAR 6	25,000,000	5.9%
YEAR 7	25,000,000	5.6%
YEAR 8	25,000,000	5.3%
YEAR 9	25,000,000	5.0%
YEAR 10	25,000,000	4.8%
YEAR 11	25,000,000	4.5%
YEAR 12	25,000,000	4.3%
YEAR 13	25,000,000	4.2%
YEAR 14	25,000,000	4.0%
YEAR 15	25,000,000	3.8%
YEAR 16	25,000,000	3.7%
YEAR 17	25,000,000	3.6%
YEAR 18	25,000,000	3.4%
YEAR 19	25,000,000	3.3%
YEAR 20	25,000,000	3.2%
YEAR 21	25,000,000	3.1%
YEAR 22	25,000,000	3.0%
YEAR 23	25,000,000	2.9%
YEAR 24	25,000,000	2.9%
YEAR 25	25,000,000	2.8%
YEAR 26	25,000,000	2.7%
YEAR 27	25,000,000	2.6%
YEAR 28	25,000,000	2.6%
<b>TOTAL</b>	<b>700,000,000</b>	

## BALEHUBUCKS INITIAL TOKEN DATES AND DETAILS:

- » Purchase Pre-ICO (100% Bonus) BalehuBucks starts on December 1, 2017 and will last 8 weeks or when Pre-ICO is soldout, whichever happens first.
- » Purchase BalehuBucks at [www.BalehuBucks.com](http://www.BalehuBucks.com)
- » ICO starts on February 1, 2018 and will end with a hard cap of 78,000 ethereum raised or 8 weeks later on March 29, 2018.
- » Up to 199,125,100 BalehuBucks will be distributed during the initial coin offering.
- » The price for the initial token offering is set at the rate of one ethereum = 2,500 BalehuBucks.
- » Purchase BalehuBucks with ethereum.
- » Individuals can purchase up to 750 ethereum worth of BalehuBucks
- » If soft cap of 15,000 ethereum is not raised all money is refunded, however pre-ico is nonrefundable.
- » BalehuBucks will be available for trading within 2 weeks at the conclusion of the ICO.

## DISTRIBUTION OF FUNDS

### THE FUNDS, COLLECTED DURING PRE-TOKEN AND TOKEN OFFERING WILL BE DISTRIBUTED ACCORDINGLY:

#### **PR AND MARKETING ..... 35%**

The funds allocated for PR and marketing will be used to bring awareness to the Balehu brand of products. This includes social media marketing, email marketing, video and animated production, digital advertising, print advertising, and ongoing design. Balehu will sponsor local events and work with communities to help our mission of seamlessly connecting merchants and patrons.

#### **INFRASTRUCTURE AND COMMUNITY DEVELOPMENT ..... 25%**

The funds for infrastructure and community development will be used to develop the necessary technology for all participants of the Balehu Community. In addition we will have sales teams and community advocates in markets that Balehu is actively being used.

#### **OPERATIONAL EXPENSE (RENT, PAYROLL, ETC.) ..... 25%**

The funds allocated for operational expense will cover any physical technology needs like computers and hardware as well as rent, utilities, and office supplies. In addition, the Balehu Inc executive team will be paid from these funds.

#### **EDUCATIONAL PROGRAMS ..... 7%**

We are committed to educate the communities in which we want to be impactful in. This means hosting events, sponsoring meet-ups, and building resources that educate communities on the benefits of participating in decentralized networks.

#### **LEGAL FEES ..... 5%**

#### **INVESTMENT RETURN ON EARLY INVESTORS ..... 3%**

# THE BALEHUBIZ DIGITAL MARKETING SOLUTION

SMALL MERCHANTS OFTEN GET OVERLOOKED OR LEFT BEHIND BECAUSE THEY DO NOT HAVE THE RESOURCES TO LOCALLY PROMOTE THEIR BUSINESS LIKE MID TO LARGE ONES.

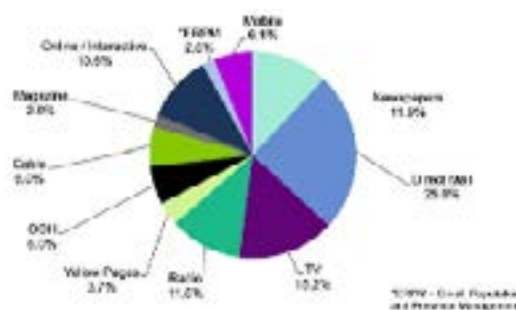
Social media, low-volume websites, and deal- or review-oriented sites are the prevailing options. Few offer the ability to announce real-time promotions, which provide businesses with instantaneous access to local customers.

Digital publishers, including newspapers, magazines, blogs, apps and websites have minimally-differentiated options for generating revenue, including existing advertising exchanges, Google ads, and in-house advertising. Local businesses have even fewer options. These channels include the walled garden at Facebook, Google ads, and local newspapers, but none allow a business to perform nimble advertising. Businesses find themselves turning to search optimization and social media experts, who provide dubious return on investment. BalehuBiz offers a simple marketing platform designed specifically for small, local merchants in order to save them time and money and better reach their local consumers.

Rather than relying on traditional methods of promotion, merchants will be able to reach loyal and potential customers daily, on an anti-spam database. Roughly 70% of email campaigns are deleted immediately. Should a merchant have an open rate of 25%, the waste for the merchant yields 75%. Furthermore, if a received email is not opened within 24 hours, only 1 percent of the audience will read the email.

The cumulative local advertising market is expected to be \$148.8 billion in 2017. We believe it responsible to consider our total addressable market to be drawn from Yellow Pages and newsprint. These markets are declining, yet still account for 15.6% of the local advertising industry, representing \$23.2 billion annually. We plan to capture two percent of that market over the next seven years, generating \$464,000,000 gross revenue annually.

2017 U.S. LOCAL MEDIA REVENUES: \$148.8 BILLION



**BALEHUBIZ: THE MARKETING MANAGEMENT  
ONLINE SOLUTION FOR SMALL, LOCAL BUSINESSES**

1. **SOCIAL MEDIA MANAGEMENT:** BalehuBiz makes it easy for participating merchants to post promotions or engagements to multiple social media platforms in a straightforward dashboard. BalehuBiz provides local merchants with the tools to manage, monitor and understand all aspects of their online presence. Balehu merchants are empowered with the ability to automatically send out promotional offers and discounts at predetermined times or instantaneously. Consumers will be eligible and made aware of these offers in real-time, while taking advantage of offers and discounts upon purchase at participating Balehu merchants.
  - » Effortlessly manage various social media accounts from one, easy-to-read dashboard
  - » Simple integration with Facebook, Twitter, and Instagram
  - » Schedule a post one time across multiple social media networks
  - » Control your promotions and content by target market, geographical location, and by time
  - » Ability to sell gift cards/real-time offers
  - » Drive brand awareness and mobile presence
  - » Promotions are automatically posted to local searches
  
2. **DATA ANALYTICS MANAGEMENT:** As part of the Social Media Management solution, BalehuBiz will provide analysis and reporting for merchants' digital presence. It will gather data from social platforms and merchant websites to help guide marketing strategy with a simple dashboard. The tool will show engagement stats such as 'likes' and 'shares on posts', 'replies' and 'comments', and clicks to your links and content. With this data analytics feature, merchants will easily see how Balehu is helping them meet their business goals.
  - » Merchants gain insights into their entire digital marketing funnel
  - » Complete analytics taken from website, blogging, SEO and social media presence
  - » Targeting the right content to the ideal prospect
  - » Collect keywords and phrases that your prospects are searching
  - » See what reward offers are working

3. **CUSTOMIZABLE LOYALTY REWARDS:** Merchants can use Balehu to create a customized token-based loyalty and incentive program to fit their needs. This program will allow merchants to reward their daily customers and attract new ones. Merchants no longer need to manage outdated and costly reward programs. Merchants can easily set program rules and monitor results quickly and hassle-free.

4. **BALEHUBUCKS FOR THE MERCHANT:** The Balehu Community thrives on active Balehu merchants and members connecting with one another, and as the community grows, BalehuBucks will scale in tandem. BalehuBucks are rewarded to early adopters and active members of the Balehu Community via the BalehuBucks Reward Engine. The members earn BalehuBucks for every transaction within the Community. Balehu merchants can earn additional BalehuBucks for using certain features and for referring users to the Balehu Community. Balehu will post and alert all Balehu Community members as to how they can earn BalehuBucks. Balehu has reserved 700,000,000 of the one billion BalehuBucks created to be distributed to the Balehu community. As a Balehu merchant, one can easily accept and exchange BalehuBucks. There are several ways merchants can use BalehuBucks:

- » Purchase additional Balehu features
- » Redeem at any participating Balehu merchant
- » Save in a Balehu wallet
- » Transfer to an exchange (if available)

5. **BALEHUBIZ BLOCKCHAIN:** Blockchain technology reduces friction and creates a more efficient ecosystem. This technology allows users to send and receive transactions instantly without relying on a central authority. Traditional financial institutions including Deutsche Bank, Barclays, Citigroup and even the NASDAQ and US Federal Reserve utilize blockchain technology to improve their processes. Digital asset management will leverage security properties of blockchain including:

- » Impossibility of counterfeit
  - Records cannot be manipulated, duplicated or forged on a blockchain ledger.
  - No third-party involvement in transactions.
- » Immutability – The blockchain protects against anomalous transactions or changes.
- » Disintermediation and ease of transfer
  - Real time settlement helps asset managers meet redemption requests easier, thus reducing liquidity risk.
  - Lowers the amount of cash that must be held.

- » Transparency and ease of auditing – Reconciliation costs are reduced due to blockchain technology's ability to track asset ownership on a shared record.
- » Reduced overhead related to transaction processing
  - Because transaction times are nearly instantaneous, related costs are ultimately reduced.
  - Blockchain technology creates leaner middle and back offices that will help asset managers to operate more efficiently and allows for automation.
  - Transaction costs are reduced for all participants in the blockchain economy.
- » Network effect created by the unified infrastructure for multiple types of tokens
- » Direct Savings – Blockchain technology eliminates the need to address settlement issues including the risk of mismatch between trade date and settlement date.
- » Indirect Savings
  - The capability of real time settlement greatly helps to reduce counterparty risk.
  - The cost of settlement for market participants is lower due to the elimination of clearing fund contributions to central counterparties.
  - Blockchain technology helps reduce the role of allocation and matching services which result in lower costs for custodians and broker dealers.
- » Increased Stability – Management of risk becomes more efficient in the reduction of counterparty risk due to timely settlement.



## **BALEHUBOT – THE CONSUMER’S CONCIERGE**

COINED IN 2005, CROWDSOURCING HAS BECOME A POPULAR WAY FOR INDIVIDUALS OR ORGANIZATIONS TO USE CONTRIBUTIONS FROM OTHER INTERNET USERS TO OBTAIN NEEDED SERVICES OR IDEAS.

While several crowdsourcing search engines are available to identify local merchants, consumers are generally under served beyond services like Trip Advisor, Yelp, AroundMe, Foursquare, etc., which provide brand-level awareness but are otherwise limited. According to BusinessWeek, Yelp has a complicated relationship with small businesses. Criticism of Yelp focuses on the legitimacy of reviews, public statements of Yelp manipulating and blocking reviews in order to increase ad spending, as well as concerns regarding the privacy of reviewers<sup>6</sup>. Several limitations and controversies exist with these crowdsourcing-type services:<sup>7,8</sup>

1. Impact of crowdsourcing on product quality and increasing management overhead
2. Entrepreneurs contribute less capital themselves
3. Increased number of funded ideas
4. The value and impact of the work received from the crowd
5. The ethical implications of low wages paid to “crowd workers”

Our target consumer is actively engaging with a smartphone. We are initially targeting post- college men and women, ages 21- 40, who have an income of over \$55,000, primarily within professional, dense, urban settings. These consumers are well educated, understand the value of local businesses and are curious to discover “here and now.” Additionally, several competing services, e.g., Hooked exist, and while not direct competitors today, are targeting college markets – towns like Boulder, CO, Chapel Hill, NC, Berkley, CA, etc. Our decision to focus on dense urban professional markets will allow both parties room to grow in a more affluent market.

## **BALEHUBOT – A CONCIERGE APP WITHOUT THE CROWDING**

Consumers or patrons will use a mobile app called **BALEHUBOT** to easily discover and engage local businesses of their like interests. The BalehuBot is a digital concierge that customizes their experience by targeting local engagements, pricing deals and activities

real-time through backend actionable intelligence. Within the BalehuBot, consumers will have access to loyalty rewards via a digital wallet, which can be used at any participating merchant. Users sign up quickly and easily by using the Balehu App or online at BalehuBucks.com. Balehu community members do not pay to use Balehu. Signup and start accumulating rewards from participating merchants while using BalehuBucks as a form of payment. Once a member of the Balehu community, users begin to experience a new form of engagement with the community around them.

- » Search real-time with local recommendations directly from the merchant, without public reviews
- » Privacy
- » Balehu Wallet
- » Easily earn and spend BalehuBucks at participating merchants
- » Transfer BalehuBucks to others
- » Exchange BalehuBucks
- » Manage all loyalty rewards from one place

## STRATEGIC PARTNERS

In today's hypercompetitive and interconnected market place, it has become increasingly difficult for businesses to reimagine their business within the confines of their own building. As an innovator moving into the blockchain space, Balehu has identified opportunities to create strategic partnerships that will create advantages through ad hoc collaboration, robust information exchange, superior knowledge capital, and aggressive business development efforts. While these collaborative efforts are beneficial to each company involved, the most valuable partnerships will be focused on creating a world-class user experience. Balehu has dedicated the time and resources to drive meaningful collaboration that will enhance innovation and allow us to capitalize on our top capabilities, functions, channels, and insights. Balehu is creating value by exploring relationships with traditional POS, altcoin processors, advertising providers, and other business-to-business service providers.

## CONCLUSION

Balehu's goal is to change the way people and merchants interact within their own communities. We envision that The Balehu Community will change the way these interactions are performed by both the customer bases and merchants they support. Allowing customers and merchants to take back control of their local commerce ecosystem is possible through the use of blockchain technologies. Together we will change and evolve communications to benefit all consumers and distributors.

## SPECIFICATION

### **SMART-CONTRACTS**

BalehuBucks are created according to the ERC-20 specifications of the ethereum blockchain.

### **SAFETY OF FUNDS**

Balehu employees and team members do not have access to user wallets. Balehu employees and team members do not have access to merchant wallets and cannot perform transferring actions.

### **CONFIDENTIALITY**

Transfers made by Balehu community members are recorded in the system and encrypted. User wallets are also encrypted on the platform and their association with user profiles is minimized for privacy. Only the developers of the Balehu platform can view wallets connected to Balehu Community Members in cases of dispute and access. All personal user data, including passwords, emails, and wallet IDs, is encrypted. This protects Balehu community members from hacking or information leaks.

### **USER'S PRIVACY**

At Balehu, your trust is very important to us. Personal user data is not available to other users or moderators working on the platform. We respect privacy and do not sell any information to third parties including advertising companies. In an effort to protect user's accounts, we strongly encourage the use of our two-factor authentication to access your account.

### **BALEHU WALLET**

All Balehu community members have a unique wallet that is created automatically. A Balehu community member may wish to keep their BalehuBucks on their Balehu Wallet or keep them off the network and be able to control their public and private keys.

### **BALEHU BACKER**

A Balehu backer is a member who supports the Balehu Community through the ownership of Balehu Bucks during Pre ICO and ICO.

### **BALEHU MERCHANT**

A Balehu merchant is a Balehu community member who uses BalehuBiz and promotes themselves through the Balehu community.

### **BALEHU COMMUNITY MEMBER**

A Balehu community member is anyone that participates in the Balehu ecosystem by way of backer, user or merchant.

## WITHIN BALEHU

### **MIKE BERSON** FOUNDER AND CEO

Mike Berson, founder of Balehu, is an experienced entrepreneur that is passionate about helping local businesses thrive. From a young age, Mike worked for the family business where he learned first hand the ins and outs of what it takes to operate a successful business. With the skill set to manage systems and teams, Mike has proven himself as a dynamic leader that is able to execute ideas into actionable plans. Mike is a true team player and leaves nothing to chance. His passion for helping local businesses succeed has allowed him to understand the barriers local businesses face and how to leverage simple technology to effectively connect with the local community. Mike is an entrepreneur at heart having started and launched several businesses of his own. He is inspired and motivated by the connections we have with the world around us and within ourselves.

### **FREDERICK TOWNES** CTO

From software development and architecture, to product strategy, leadership and operations, Frederick Townes thrives at the intersection of tech strategy and design. He's worked with organizations of all sizes on multiple continents, from The Coca-Cola Company, Staples and Mashable to Sony and Microsoft, developing and driving business models at scale. Frederick has also applied his technical experience as both developer and entrepreneur to transforming the real estate industry with Placester, advising early-stage startups, and speaking at digital marketing and technology events around the world. And most recently, Frederick brings his history and experience to Balehu, driving the direction and delivery of technology for the organization and the ICO process as our Chief Technology Officer (CTO).

### **STACY SANSONE** CHIEF STRATEGY OFFICER

Stacy Sansone is a well-seasoned consultant with experience in finance, banking and healthcare management. Stacy's ability to concisely understand financials and execute on project plans aimed at financial well-being, has enabled her to achieve successful outcomes for various clients. Her ability to effectively manage teams, budgets and timelines, while acting as a client facing professional, has aided in her success as a business consultant. She is committed to making every client interaction a successful one by focusing on the variables that will reap the largest financial and operational reward. Stacy's strong attention to detail and organization skills have allowed her to work smarter and more effectively. Her dedication to teams and timelines is one of Stacy's strong suites that have assisted in her tenure as a business consultant. Stacy is passionate about creating a better tomorrow and future for all earth's inhabitants.

## **DAVID KNOTT** SENIOR BLOCKCHAIN ADVISOR

David's life is off the chain. He wakes up every day filled with joy because he gets to sculpt Viper, a smart contract programming language and serve companies helping to evolve the budding blockchain ecosystem. When he's not coding, he's sprinting down the road less travelled with his dog Yoshi, trying to change the world for the better.

## **CHARLES KURTH** BUSINESS DEVELOPMENT

Charles Kurth takes a vision and makes it a reality through sound strategy development and an ability to find, develop and nurture meaningful strategic partnerships. Embracing the core values of integrity, innovation and hard work, Charles has built a reputation for incubating strong relationships and following through by creating profitable revenue-generating opportunities. His success stems from his ability to transform innovative ideas into immediate action. Charles stands at the forefront of the fast moving cryptocurrency industry as an active investor who brings the unique ability to create strategies and offer insight for successful growth. An entrepreneur himself, he has worked with start-up ventures to establish and maintain highly effective sales departments and processes. Charles is passionate about helping local businesses and understands the challenges and importance of finding and utilizing the right marketing solutions.

## **JESSICA NELSON** SENIOR DESIGNER

A graduate of Iowa State University with a Bachelors in Graphic Design, Jessica spent her early career at agencies in Chicago and Boulder. With a decade of experience designing brands, print, packaging, web, and environmental projects, she's game for just about anything. From high tech to food to the ski industry to fashion and everything in between. 3 years ago she started her own company, Rivet Designs, which specializes in branding and web design. She believes design goes hand in hand with a deep understanding of the people/company with which she's working.

## **KEVIN MEILINGER** DIRECTOR OF MARKETING

An award winning creative professional with more than 20 years in marketing leadership, Kevin has developed and managed successful marketing programs and teams throughout North America, Europe and Asia. He has spent the last several years fine tuning digital marketing and social networking strategies and tactics for B2B organizations--designed to provide significant visibility, user engagement and sustainable growth. Kevin earned his bachelor's degree from Metropolitan University and is a recipient of the International Television Association Silver Peak and Microsoft Marketing Excellence Awards. Kevin brings a wealth of start-up growth experience to Balehu, leveraging the latest content-driven marketing strategies and disciplines.

**ANDREA COLLATZ** SOCIAL MEDIA COORDINATOR

Andrea is a marketing professional with eight years of focused experience in social media marketing. She's passionate about helping companies better connect with their audience through targeted messaging that engages, informs, and inspires action. Experienced in creating and executing social media strategy, Andrea helps companies build an engaged audience of fans while growing awareness among potential customers. Andrea holds a BSBA in Marketing and an MBA from the University of Denver. When she's not busy tweeting, Andrea enjoys hiking with her dog Gus in the Colorado mountains.

**JONATHAN RODDERICK** ADVISOR

Armed with a Bachelor of Science degree in Economics from New York's Long Island University, Jonathan Roderick embarked on a career in the energy industry in Denver, Colorado, in the late 1970's. In 1992, Roderick with his business partner started an exploration company. In a relatively short period of time, Roderick and his partner grew their small company into a multi-million dollar success. Eventually leaving that company to his partner, Roderick moved to Boulder, Colorado, and became interested in the growing natural foods business there. He is currently an investor and sits on the Board of Directors of two growing start-ups, Pie In The Sky Bakery and Boulder Dough Company.

**TREVOR CROW** LEGAL ADVISOR

Trevor A. Crow is an attorney with the law firm of Otten, Johnson, Robinson, Neff & Ragonetti, P.C. He advises closely-held entities regarding securities, tax, and general business transactions. Trevor received his law degree and LL.M. in Taxation degree from the University of Denver College of Law.

**ZACHARY WEINER** ADVISOR

Zachary Weiner has acted as founder and incubator of several notable marketing organizations within the emerging technology and media landscape. He is the current acting CEO of Emerging Insider Communications; a boutique communications and content firm. Weiner is a contributor to Entrepreneur, Adweek, The Guardian and Tech.Co, while acting as a speaker across business and educational institutions.

**JOSE VIETEZ** ADVISOR

Jose Vieitez is a cofounder of Boomtown Accelerator in Boulder, helping early stage startups reach product market fit and become successful high-growth companies. Jose is a Stanford graduate with a background in Industrial Engineering and User Experience design. He worked at Google as a designer in the Google Offers department, and before that founded and sold a company in the loyalty/ coupon space. Jose also has an MBA and Masters degree in Computer Science from CU Boulder.

**ERIC NIEHOFF** DIGITAL MARKETING COORDINATOR

Eric graduated Cum Laude from Metropolitan State University of Denver with a Bachelor's Degree in Marketing. His primary marketing experience is entrepreneurial, but he has been working as a marketing consultant for the last 4 years for multiple startups and nonprofit organizations. He is also heavily involved in charity work including serving as a board member for a local nonprofit, Denver Gives, where he has been the primary graphic designer and marketing coordinator. He volunteers monthly with an organization called Impact that helps feed, clothe, and mentor the homeless population in Denver.

## BALEHU ROADMAP



### 2015

**JANUARY 1ST**

Began to analyze small merchant market.

**JUNE 1ST**

Created a real time, localized, ad-exchange providing merchants a channel to reach customers who are local and interested.



### 2016

**JUNE 21ST**

Demonstrate the necessity for “Right Here, Right Now” advertising, created consumer oriented products to help consumers discover “here and now.”



### 2017

**FEBRUARY 10TH**

Introduction to blockchain technology and its’ transforming qualities to all industries.

**JUNE 1ST**

Completed build out of social media management tool that allows merchants to post directly to social media.

**JUNE 20TH**

Integration of blockchain technology into Balehu’s mission to help local merchants engage with local customers.

**NOVEMBER 1ST**

Balehu ICO publicly announced.

**DECEMBER 1ST**

Pre-ICO



### 2018

**FEBRUARY 1ST- MARCH 29TH**

Balehu ICO

**APRIL 1ST**

Balehubucks available to buy and sell on exchange.

**MAY 1ST**

Relaunch Balehu with initial access to Balehu Community and ability to access and use Balehu Wallet.

**JUNE 1ST**

Launch Balehubucks Reward Engine.



## **DISCLAIMER**

### **LEGAL GOVERNANCE AND COMPLIANCE**

We shall continue to invest in proper legal and compliance expertise to ensure Balehu intelligence and technologies meet current regulatory rules and regulations of an Initial Coin Offering at the ICO-stage.

As set forth by our designated legal advisors, and based on the Howey Test, BalehuBucks are not deemed securities and do not need to be registered as such.

BalehuBucks is in stride with current legislative regulation and operations of ICO, digital tokens and crypto currencies, with a safeguard guarantee provided to registered users and contributors.

This document is for information purposes only, and is not an offer or a call to sell stocks or securities on the Balehu platform, or that of any other related or associated companies.

### **BALEHUBUCKS ARE NOT SECURITIES**

User acknowledges, understands, and agrees that Balehubuck's are not securities and are not registered with any government entity as a security, and shall not be considered as such. User acknowledges, understands, and agrees that ownership of BalehuBucks does not grant the user the right to receive profits, income, or other payments or returns produced from the acquisition, holding, management or disposal of, the exercise of, the redemption of, or the expiry of, any right, interest, title or benefit in the Balehu ICO or Balehu Community Platform or any other Balehu property, whole or in part. BalehuBucks do not represent an ownership interest in Balehu Inc. or any other entity.

### **NO GUARANTEES OF VALUE**

There is no guarantee that BalehuBucks will be trade able on any exchange. There is no guarantee of the value of tokens BalehuBucks tokens or whether that value will change over time. Unforeseen events, events in which the developers have no control, or force majeure circumstances may cause the value of BalehuBucks to be extremely volatile.

Users who purchase or earn BalehuBucks hereby acknowledge and represent that they are not acquiring such BalehuBucks with an expectation of profit or income. Users who purchase or earn BalehuBucks further acknowledge and represent that there may be no exchange or merchant that will accept BalehuBucks in exchange for goods, services, cash, or other cryptocurrencies.

As future values and acquisitions of cryptocurrencies and alternative coins cannot be guaranteed, it is recommended that each participant consider all risks as described in these papers and those associated with participation in the Balehu Community.

### **RISKS ASSOCIATED WITH ETHEREUM**

BalehuBucks will be issued on the Ethereum blockchain. Therefore, any failure or malfunctioning of the Ethereum protocol may lead to the trading network of fragmented BalehuBucks tokens.

### **REGULATORY UNCERTAINTY**

Blockchain technologies are subject to supervision and control by various regulatory bodies. Balehu may fall under one or more request or action on their part, including but not limited to restrictions imposed on the use or possession of digital tokens such as BalehuBucks, possibly limiting the functionality or repurchase of BalehuBucks tokens in the future.

### **BALEHUBUCK TOKENS ARE NOT AN INVESTMENT**

BalehuBucks tokens are not legally binding investments. In the case of unforeseen circumstances, the objectives stated in this document may be changed. Despite the fact that we intend to reach all goals described in this document, all persons and parties involved in the purchase of BalehuBucks tokens do so at their own risk.

### **QUANTUM COMPUTERS**

Technical innovations, like the development of quantum computers, may pose a threat to cryptocurrencies, including BalehuBucks tokens.

### **RISKS OF USING NEW TECHNOLOGIES**

BalehuBucks tokens are a new and relatively untested technology. In addition to the risks mentioned in this document, there are also additional unforeseen risks associated with this product. These risks may manifest themselves in various forms of risk in addition to those specified herein.

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# balehu

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