

WearU Whitepaper

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Welcome to WearU

Jewelry has been present since the dawn of humanity. For thousands of years different cultures have worn jewelry of many shapes and forms -and materials- to express their identity, and as a means to communicate. WearU is the evolution of this expression, where digital art is the new material, for this technological day and age.

Right now NFTs and the Metaverse are blooming, with a volume of \$10.7 billion in sales in Q3 2021 only, and 34 million digital art pieces sold so far.

--Of those **none** can be used in the real world--

WearU intends to be the *first bridge between physical and digital art* in the fashion world. It is at the same time a piece of Augmented Reality jewelry and an NFT, broadcasted by an open hardware brooch using light modulation.

WearU is a decentralized, open-source, peer-to-peer, and wearable-only blockchain solution that enables users to create, store, and share their own digital art.

WearU has the goal to create a Marketplace for Augmented Reality NFT Jewels, backed by a utility token.

To achieve this we will:

- Create an Open Hardware brooch that holds NFT jewels, and can broadcast them via light modulation using an RGB Led.
- Create an App that translates the light modulation to Augmented Reality (AR) art pieces
 - This App will have a camera and a video player view, and will be able show the AR art pieces both in live and streamed events.
 - It will also allow to auction the NFT jewels
- Create a jewel Marketplace website
- Create a utility token, Jewel (JWL) token, to drive the community's economy
- Establish the WearU DAO, a Decentralized Autonomous Organization governed by WearU (WU) token holders.

WearU is thought for artists, influencers, collectors and wearers. As such a community member is anyone who wears, streams or holds a WearU (WU) token; and the community shall always remain flexible to redefine and reinterpret itself.

Summary of key facts

Following is a list of some key facts about WearU:

- WearU intends to be the first bridge between physical and digital art in the fashion world
 - WearU uses a Hardware device that holds NFT Jewels and authenticates ownership
 - The WearU device broadcasts a given digital Jewel by means of an RGB Led
 - The WearU App translates the light signal into a specific NFT jewel
 - The WearU App will let everyone experience the digital art pieces in Augmented Reality, both in live and streamed events
 - The WearU App will also allow to stream live events and to auction the NFT Jewel
- WearU is thought for Artists, Influencers, Collectors and Wearers
- The WearU Marketplace website will let anyone mint, buy and sell the digital art pieces.
- The Jewel (JWL) token will derive its utility from several purposes:
 - Payments on the WearU marketplace
 - Loyalty, by means of **wear to earn**: users will be rewarded for wearing the NFT
- WearU will accept popular stablecoins for payments, thus shielding users from the high volatility of unstable currencies and tokens
- WearU fees are initially set to be 3% for primary sales and 1% for secondary sales
 - WearU is committed to full transparency for its fees
 - Fee distribution seeks to engage and provide value to all stakeholders, giving communities a fundamental participatory role in growth
- WearU DAO will control the community treasury and growth fund and will be governed by WearU (WU) token holders.
- WearU uses the Ethereum/Polygon Blockchain platform

Context

Trends and opportunities

2021 has without a doubt been the year of the non-fungible token. With sales totalling \$10.7 billion for Q3 2021 — up to eight times the amount of the previous quarter — across 33,985,609 sales.

This meteoric rise of NFTs can be attributed to various factors: due to the Coronavirus pandemic, many revenue generating activities for artists disappeared, and [a record amount of time is being spent on the internet](#).

The global pandemic changed the way we use the internet. NFTs change the default ownership of a digital IP from the platform to the creator, in a climate where [62% of artists are currently unemployed](#). Before the pandemic, visual artists had very few, heavily intermediated ways of generating revenue from their art; creating commissioned art, bringing illustrations to a corporate environment, side jobs, and/or wealthy parents. The pandemic created a fertile environment for obsessively online and out-of-work artists to monetize their work, NFT platforms arising and including the technical requirements to support developing NFT standards.

In contrast, the global traditional art market's volume of transactions has steadily decreased through the pandemic. In 2018, the global art market was valued at over 67 billion U.S. dollars and is currently valued at [50.06 billion USD](#). The 2019 Art Basel and UBS Global Art Market Report, states that [92% of millennial collectors reported having bought art online](#), yet the report failed to include NFT art sales.

Millennials now make up nearly half (49%) of all collectors globally and were also the most active consignors, with 71% of millennial collectors saying they'd resold works from their collections, compared to just one-third of boomer collectors. As online art sales skyrocket, along with bonding-curve based NFTs and ERC-1155 based digital art, these new works create an alluring asset class for Millennials looking to speculate and resell art for profit.

The platform largely facilitating this revolution is OpenSea, an NFT marketplace where users can buy and sell pieces from almost any NFT collection out there. In the record breaking month of August, the platform accounted for \$3.16 billion of the total \$3.25 billion in NFT sales volume. Nifty Gateway, SuperRare, Foundation, and Hic et Nunc are other leaders in the NFT marketplace space, but they hold a comparatively small minority with OpenSea accounting for 97% of marketplace volume over the past quarter.

All this could also be measured/observed from the Web3 point of view. Starting with Centennials and their love for gamification, who look to be the first Web3 consumer target. After stablecoins, collateralized lending and borrowing protocols, NFTs and gaming, Web3 represents an expansive ecosystem of new ways for creators and communities to monetize, as well as new models for internet-native communities to collaborate.

Web3 being still nascent, there are currently several competing Layer 2 networks built to offload smart contract execution, as usual, aimed to improve speed and reduce transaction costs.

Also worthy of note are influencers, whose relevance has been growing exponentially almost since the beginning of social networks. With the arrival of the pandemic, athletes and

musicians also started using streaming platforms. And in turn managed to make them a more popular source of income and entertainment (as an example, Twitch had a 45% growth during the year 2020).

The streaming experience changed for the viewer as well. Who now no longer just watches an ad-supported video, but also interacts and talks to people while they broadcast.

This new way of creating, consuming and sharing content requires a new business model, which brings us back to Web3. The adoption of cryptocurrencies is the catalyst of the Web3 era, which hopes to fulfill the promise of *breaking from centralized business models of the Web 2.0*, set to extract value at the expense of consumers and small businesses, based on advertisement and other well known practices such as abuses related to user data/privacy. The business models of the Web3 era, in contrast, are often organized around decentralized autonomous organizations (DAOs) that seek to engage and provide value to all stakeholders, giving communities a fundamental participatory role in growth.

Challenges

In this unique moment, the paradigm shift seems all but imminent: the force of decentralization is awakening new digital worlds (*metaverses*) as well as a new consensus system, based on incentives that motivate collaboration and participation (DAO).

In addition to the blockchain *scalability and interoperability* challenges that come with this, there are also other underlying challenges, such as *the creation of new pipelines and services, the fair distribution of profit between all parties, and user experience*.

In the case of content generators and crypto-art we also identify the following challenges:

- **Introduce the *Wear-to-earn* model:** where users can receive rewards for wearing the art pieces, either in the physical world or in the metaverse. Influencers, in turn, add value to the NFT by wearing them during their streaming sessions.
- **Become a bridge between the physical and digital art world:** by means of a hardware device, shaped as a brooch, that will allow an art piece from the digital world to be worn in the physical one.
- **Create a new Web3 business model:** develop a new way of monetization for content generators and their communities that is not based on advertising, but on adding value both through personal branding and by simply wearing the art pieces.
- **Build a fair profit distribution system** for all participants: for artists, influencers, collectors, followers, contributors, holders and developers, through the distribution of fees in platform transactions, the rewards system and the governance system.
- **Provide a gateway to Web3** for traditional companies: alleviate FOMO (Fear Of Missing Out) for “traditional”, web2.0 and physical world businesses. WearU intends to provide a

way to “not miss out” on this new paradigm shift, the generation of new audiences and the relationship with the new generations.

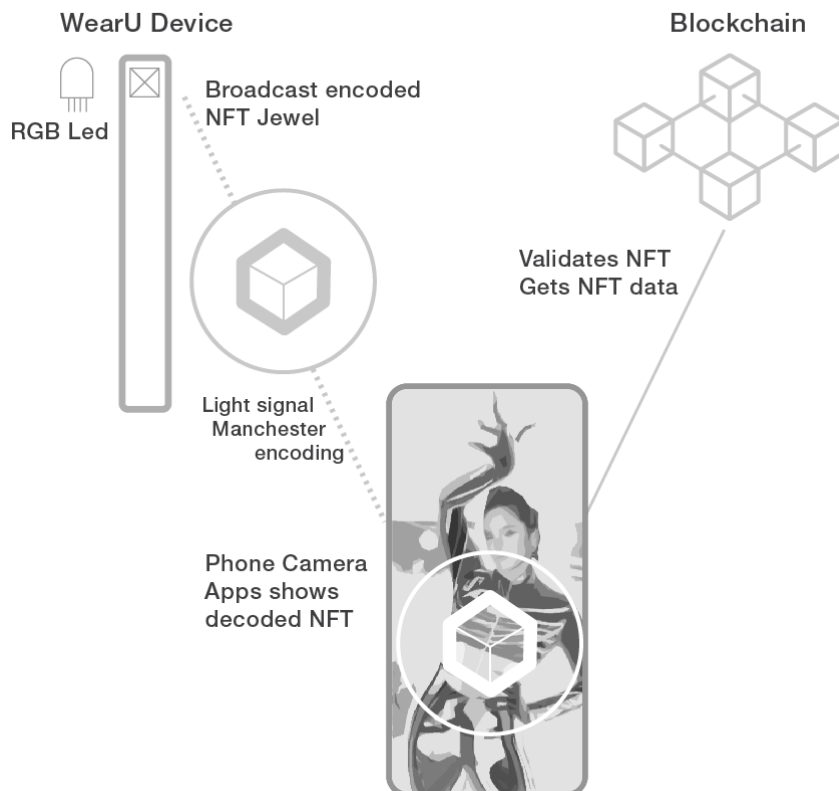
The WearU solution

WearU is building a decentralized, community-owned and governed Augmented Reality jewelry marketplace. Each Jewel will be an NFT, that uses a hardware device for broadcast via light modulation. The device can be used as a brooch and doubles as a second factor auth (a little short of a hardware wallet) helping the community secure their digital assets. Plus, it must be involved to authorize token transfer.

We adhere to the Open source / Open hardware philosophy. Our device is based on Arduino and both source and schematics will be available to the Maker community or anyone who wants to build it.

The WearU network will facilitate virtual jewelry creation, advertising and auctioning, enabling biddings to be placed using popular Stablecoins to prevent problems related to high volatility as well as to facilitate onboarding.

Following is diagram on how the Digital Jewel is displayed on the mobile app:



What are you looking at:

- WearU uses a Hardware device that holds an NFT jewel
- The WearU device broadcasts a given digital jewel by means of an RGB Led
- The WearU App translates the RGB Led signal into a NFT jewel hash
- The WearU App queries the blockchain to validate the NFT jewel and gets the NFT data
- The WearU App shows the digital art piece in Augmented Reality
- The WearU App also allows to stream live events and to auction the NFT jewel

Open Hardware device

We are working on an Open Hardware broadcasting device, that can be used as a brooch, to hold one or many NFT jewels; and a communications protocol to broadcast them using light modulation.

The Firmware uses the Arduino toolchain and supports Esp8266 modules.

Device features:

- Broadcasts a given digital Jewel by means of an RGB Led
- **Wear-to-earn:** Tracks NFT jewel usage
- **Hardware Security Vault**
 - Can hold one or more NFT jewels
 - Provides Second Factor transaction approval
 - Secures NFT ownership
 - Provides On-stream and live-event NFT authentication

We plan to also produce a set of premium devices which may also include:

- A Blue tick for identity confirmation / KYC
- Blue tick user registration as notable owners on a NFT history

The light protocol:

The light protocol consists of an RGB Led, modulating ownership information, which allows multiple device tracking on frame. It involves the following steps:

1. Led modulation (physical layer)
2. Reed solomon ECC (error correction codes)
3. Datagram format
4. Crypto payload

The data sent can be used as a method to provide proof of NFT viewing; as well as viewer statistics tracking. They also serve, as already mentioned, as a second factor authentication.

WearU App

We are developing an App and Web client that can display the *digital art* pieces in Augmented Reality, both in live and streamed events. They will allow live stream video and will also enable auctioning the NFT Jewels.

App features:

- Translates the light modulation to Augmented Reality (AR) art pieces
- Has a camera and a video player view, and can display the AR art pieces both in live and streamed events.
- Multiple devices/art pieces can be shown on the same frame
- Provides an interface to auction NFT jewels as well as bid for them

The **digital art**:

The digital art shown on the App has the following features:

- The system supports rendering 2d, 3d, and generative art
- It also offers Multi-material support, for realistic lighting, lightmaps and AI processing
- Art can be reactive to stream elements like audio, speech or automation triggers

WearU Smart Contracts

We are developing several Smart Contracts for WearU. Which will be used to:

- Create new Jewels, *Auction Jewels*, Transfer a Jewel -either totally or partially, and query for existing Jewel information.
- Payments on the Marketplace and loyalty rewards
- Governance (for holders).

About **Auctions**:

Auctions support the following features:

- Real time on stream NFT auctions
- Support for different auction types: fixed price, fixed-time and best offer
- Support for minting reduced number of copies, or minting time sharing rights for the NFT.

Marketplace website

We are working on a Marketplace website where the community can buy and sell virtual jewelry as well as mint new NFTs. It will also provide a Wallet and a way to interact with other wallets through *Wallet Connect*.

Marketplace features:

- Can create, store, mint buy and sell new NFT jewels
- Provides NFT jewel listing, search and indexing options
- Can show a NFT jewel history
- Provides a wallet

- Interacts with other Wallets by means of Wallet Connect

Use Cases

The previously mentioned elements may be better explained while thinking of the different users of the WearU network:

- *As an artist* you can mint your own virtual jewelry collections and advertise them on the WearU marketplace.
- *As an influencer* you can get a premium device from wearu.io or from an associated maker, buy an NFT collection on the marketplace, wear your NFTs on your stream to increase their value and auction them live on stream.
- *As a collector* you can acquire valuable art from trending influencers and artists, and sell your curated collections on the wearU marketplace or other established marketplaces.
- *As a wearer* you can get a device -or build your own- and use the app to join Streamed Live Auctions of your favorite influencers. Where you can buy unique digital art and wear it at social events.

Tokenomics

Jewel Token - JWL

The JWL Token (JWL) is the native token of the WearU platform, powering its self-driving economy.

Users can obtain JWL tokens by buying them on the marketplace or by getting rewards. JWL token emission will be done using a ERC-20 smart contract, and conducted according to demand on the WearU platform. Users will be able to exchange JWL tokens for stablecoins to cash out.

Token utility is derived from the following:

- Payments: Users can pay any transaction on the platform with a JWL token.
- Loyalty: WearU encourages community participation by rewarding activities of various types within the WearU economy, creating opportunities for members to be rewarded in JWL for their time and effort.

The loyalty activities are:

- Onboarding Initiatives
- Airdrops
- Growth Actions

Onboarding Initiatives

The primary ways to receive JWL for loyalty at the very beginning are simple:

- By joining the WearU community as an early bird
- By helping the community grow by referring others to WearU

A total of 25,000,000 JWL will be distributed through these onboarding programs. The distributed JWL will be sourced entirely from the Growth Fund and will amount to:

Early Bird call: to incentivize rapid growth in the numbers of community members during the early stages of WearU, the first influencers, artists, collectors and wearers to join will receive JWL rewards in accordance with the following:

- For the first 50,000 **influencers**, the amount of JWL will depend on the number of followers
- For the first 50,000 **artists**, the amount of JWL will depend on the number of NFT collections minted on the platform
- The first 200,000 **Collectors or Wearers** to join the platform will also receive JWL

A total of 15,000,000 JWL will be allocated to the first 300,000 community members -or until the end of the amount assigned, whichever happens first- through the *Early Bird Call*.

Referrals: Community members will be rewarded for referring new users to WearU who complete:

- The purchase of the device
- Mint/buy/sell an NFT on the WeraU platform

For every successful referral, the referrer will receive 50 JWL. The referral reward per community member is capped at 100 JWL. The purpose of capping the reward is to promote a wider allocation of WU across the community.

This referral program will have a budget of 10,000,000 JWL and will cease when the budget is depleted. Between 50,000 to 200,000 community members will be rewarded through this program, and 200,000 new community members will join WearU through this program if it is fully utilized.

The rewards will be paid on WearU platform wallet.

Airdrops

WearU will consider airdrops of JWL to other communities that have a high synergy potential with WearU. Such airdrops will be funded by the Growth Fund.

So far, the following airdrops are planned:

- 10,000,000 JWL will be airdropped to:
 - Users and holders who have been loyal and frequent users of the OpenSea, SuperRare, Foundation and SolSea platforms.
 - Premium Supporters: Influencer and Artist early adopters chosen by WearU

The distributed WU will be sourced entirely from the Growth Fund and will amount to:

Growth Actions

To promote the growth of the WearU community, the WearU DAO will be launching a series of *GameFi Growth Actions* funded by the Growth Fund. Members who participate in these actions will be rewarded with JWL tokens.

At least 65,000,000 JWL will be allocated to community members through Growth Actions.

The WU tokens earned through Growth Actions will have a vesting schedule that is based on growth milestones achieved by the WearU community, and the vesting schedule may vary with the action.

Growth actions will end as soon as one of the following two conditions is satisfied:

- The whole budget is used
- The market cap of JWL reaches US\$1,000,000,000

If growth actions end due to the market cap condition, it will be replaced by similar new growth actions with the remaining budget and updated reward and vesting details.

Wear-to-earn rewards: JWL tokens will be used to reward jewel use -every time a given jewel is viewed through the App, during a given period of time (TBD). The rewards will be distributed according to the number of viewers.

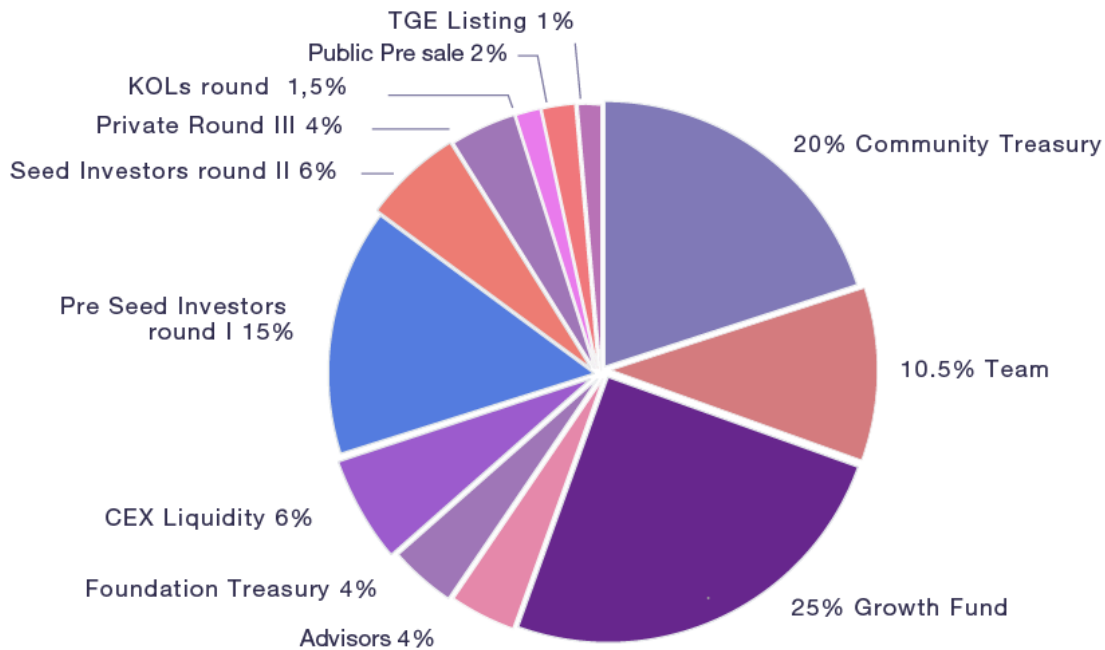
WearU token - WU

The WU token is an ERC-20 governance token for the WearU Ecosystem. WU holders will use the token for:

- *Governance.* The WearU community has chosen to structure and govern itself as a *Decentralized Autonomous Organization (DAO)*. In order to participate, submit proposals, vote on submitted proposals and, ultimately, have a say on decisions that will influence the future of WearU, WU token holders must assign WU.
- *Holder rewards.* Every time we charge fees on the platform, rewards will be paid in stablecoin to token holders who are in staking position. Funds can be accessed immediately.
According to the Fee Structure 3% of the transaction fee will be distributed throughout WU holders.

Token Allocation

The supply is initially allocated as shown in the following chart:



Core Team. Granted to the core contributors at WearU Foundation who have played a vital role in developing the WearU platform.

This allocation ensures incentives are aligned between the core team and the wider community, providing a mechanism for participation in future governance and helping guarantee the long-term success of the platform.

Foundation Treasury. The Foundation is an independent entity that has its own funding (the Foundation Treasury) and uses it to foster the development of WearU's platform and ecosystem through grants, acquisitions and other actions to benefit from value-adding opportunities.

Advisors, Partners & Stakeholders. Reserved for strategic partners and future contributors to the WearU network. These tokens will be overseen by WearU Foundation and used as an incentive for onboarding of key contributors and to expand the presence and awareness of WearU.

WU allocated from this pool will be granted to those who helped bring the WearU network to launch and to future employees.

Pre-Seed Private Strategic VC Round I. This allocation allows our investors to participate in future governance if they so choose.

Seed Private Round II. This allocation allows our investors to participate in future governance if they so choose.

Private Round III. Reserved for the strategy actors for the TGE event. This allocation allows the investors to participate in future governance if they so choose.

KOLs Round. Reserved for the strategy actors for the TGE event. This allocation allows the investors to participate in future governance if they so choose.

Launchpads Public Pre-sale. Reserved to the ecosystem pre-sale before the TGE event. This allocation allows the investors to participate in future governance if they so choose.

CEX Liquidity. Reserved to liquidity on the CEX's

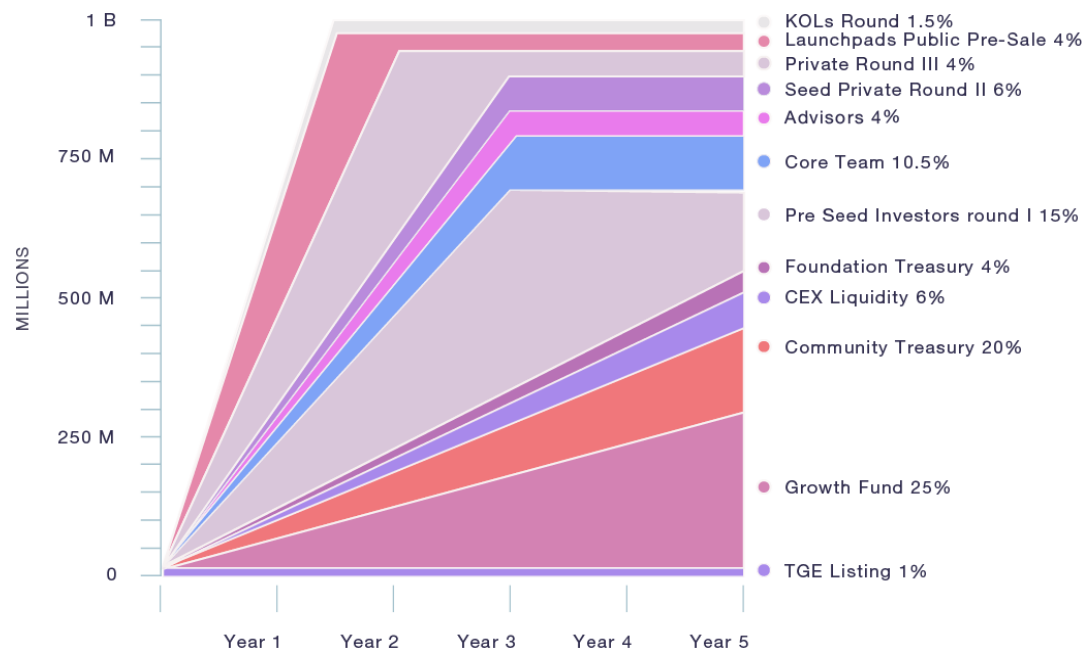
TGE Listing. *Token Generation Event* will be the event to launch the WU economy in the ecosystem.

Community Treasury. Retained by the Community Treasury that will be owned and operated by WU holders.

The Community Treasury will initially be custodied by a Representative Council -described in detail in a separate [WearU DAO paper](#) (to be available shortly). WU tokens held in the DAO Treasury are eligible to be used in accordance with governance.

Growth Fund. It will be used for growth initiatives and ecosystem development

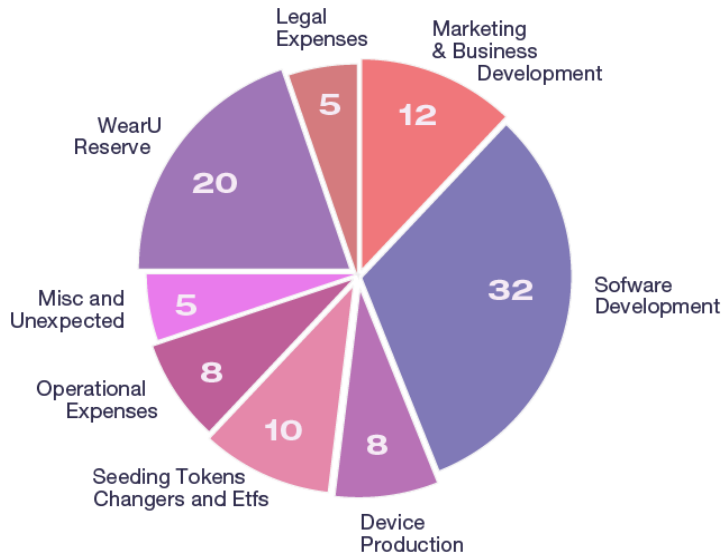
Token supply unlock



Category	Allocation	Vesting Schedule
Core Team	10.5%	1 year cliff (starting on TGE), then 60 months linear vesting
Foundation Treasury	4%	1 year cliff. Release as needed. Treasury is available to execute by the WearU Foundation
Advisors, Partners and Stakeholders	4%	Subject to vesting schedules on a case by case basis in accordance with the terms of their respective service agreements, but will have a minimum of 6 months vesting whenever allocated
Pre-Seed Private Strategic VC Round I	15%	1 year cliff (starting on funding date), then 36 months linear vesting
Seed Private Round II	6%	Linear release for 36 months
Private Round III	4%	Linear release for 24 months
KOLs Round	1.5%	Linear release for 18 months
Launchpads Public Pre-sale	2%	10% will be available at the time of the TGE, the remaining 90% will be linearly vested in 6 months
TGE listing	1%	No vesting
Community Treasury	20%	10% Community Treasury is available at launch while the balance will vest over the course of 4 years
Growth Fund	25%	10% Community Treasury is available at launch while the balance will vest over the course of 4 years
CEX Liquidity	7%	Locked. Release as needed

Use of proceeds

The funds received will be spent as follows:



Fee Structure

WearU is committed to fee transparency, precision and simplicity, as detailed below:



Initial Artist sale

- 85% Artist
- 15% Community Treasury
- +3% Network fee



Influencer Primary Sale

- 85% Influencer
- 10% Artist
- 5% Community Treasury
- +3% Network fee



All secondary sales

- 90% Curator/ Wearer
- 9% Influencer
- 1% Artist
- +2% Network fee

All payments (transactions and fees) on the platform will be made with the JWL token. Users can always cash out in stablecoins.

WearU DAO

The WearU community has chosen to structure and govern itself as a decentralized autonomous organization. To achieve this goal, WearU is developing its constitution and governance framework. The WearU DAO will have a Representative Council, with members elected by WU holders every epoch. Initially, as the WearU DAO's governance features are not live yet, the WearU DAO Representative Council will be elected by early contributors, partners, advisors and team members. More details about the WearU DAO's governance are available at the [WearU DAO paper](#) (to be available shortly).

The WearU DAO controls two funds:

Growth Fund

As per the Token Allocation, the Growth Fund contains 25% of the entire WU supply which are to be used for growth initiatives such as:

- Growth Actions
- Airdrops
- Ecosystem Development Actions

The WearU DAO will be used for new onboarding incentives, growth actions, airdrops or other growth initiatives. The WU tokens delivered on these initiatives will be unlocked according to the platform revenue, to ensure the sustainability of the whole WearU ecosystem.

Community Treasury

The Community Treasury has an initial allocation of 25% of the maximum supply of WU and receives all effective fees collected according to [WearU Fee structure](#). The WearU DAO defines how the assets in the Community Treasury are to be managed, used and granted.

The Community Treasury co-funds, together with the Foundation, the Core Team.

The WearU DAO will design processes to use the Community Treasury to fund projects from community members for the benefit of the WearU community and ecosystem.

WearU Foundation

The Foundation is an independent entity that has its own funding (the Foundation Reserve) and uses it to foster the development of WearU's platform and ecosystem through grants, acquisitions and other actions to benefit from value-adding opportunities. The Foundation Reserve has an allocation of 4% of the maximum supply of WU tokens.

Roadmap

Roadmap items listed above will be prioritized, added or removed in response to changes in the market and taking into account feedback and proposals by the community via the WearU DAO

Q2 2022

- Device prototype & AR app.
- Pre-Seed Private Strategy VC Round I

Q3 2022

- Beta version deploy on Ethereum/Polygon network
- MVP version Device & APP
- Wait list Artist & Influencers: pre-sale device

Q4 2022

- Invite-only Launch and global campaign
- Seed Private Round II

Q1 2022

- Private Round III & KOLs
- Launchpads Public Pre-sale

Q2 2023

- TGE listing
- Open Launch : open access
- Fee payments for bakers

Q3 2023

- DAO Governance

Team

We have a strong expertise in a variety of fields including Blockchain, Defi, Art, Cybersecurity and Immersive Technologies among others. Our long trajectory developing Start Up companies has led us to an early interest and involvement in the fertile world of Decentralized Technologies.

Gaby Genovese. Co-founder & CEO. Gaby is a Defi Technology Specialist, she also worked in Research & Innovation at IOVlabs, she has been involved in the Crypto ecosystem since 2015.

Diego Tiscornia. Co-founder & CTO. Diego is a Security Specialist with a background in Applied Math. He wore the CTO hat for several startups, especially in the Gaming sector. Apart from being a Crypto enthusiast, he is experienced in HA distributed systems.

Tali Wasserman. Co-founder & Chief Artist Officer. Tali has been involved in the Art & Jewelry Industry for over 20 years. She Founded *Estudio Joyas* in Argentina and helped organize the 1st AR Jewelry Exhibition in LATAM in 2018.

Ariel Futoransky. Advisor. Ariel is a Security and Crypto Specialist. He has founded several companies related to Security as well as the Crypto ecosystem. Among them Core Security (Acquired by K1), and BitTrap of which he is the CTO.

Jonatan Altszul. Advisor. Jonatan is co-founder along with Ariel of both Core Security and BitTrap. He currently is the CEO of Bittrap.

Santiago Siri. Advisor. Santiago is Founder of Democracy Earth (Proof of Humanity + Universal Income on Ethereum). Executive Director of DAO Education. Network Party Founder. Partner of Bitex.la