GAUSS

WHITEPAPER

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INTRODUCING GAUSS: THE SAFEST BLOCKCHAIN BY DESIGN
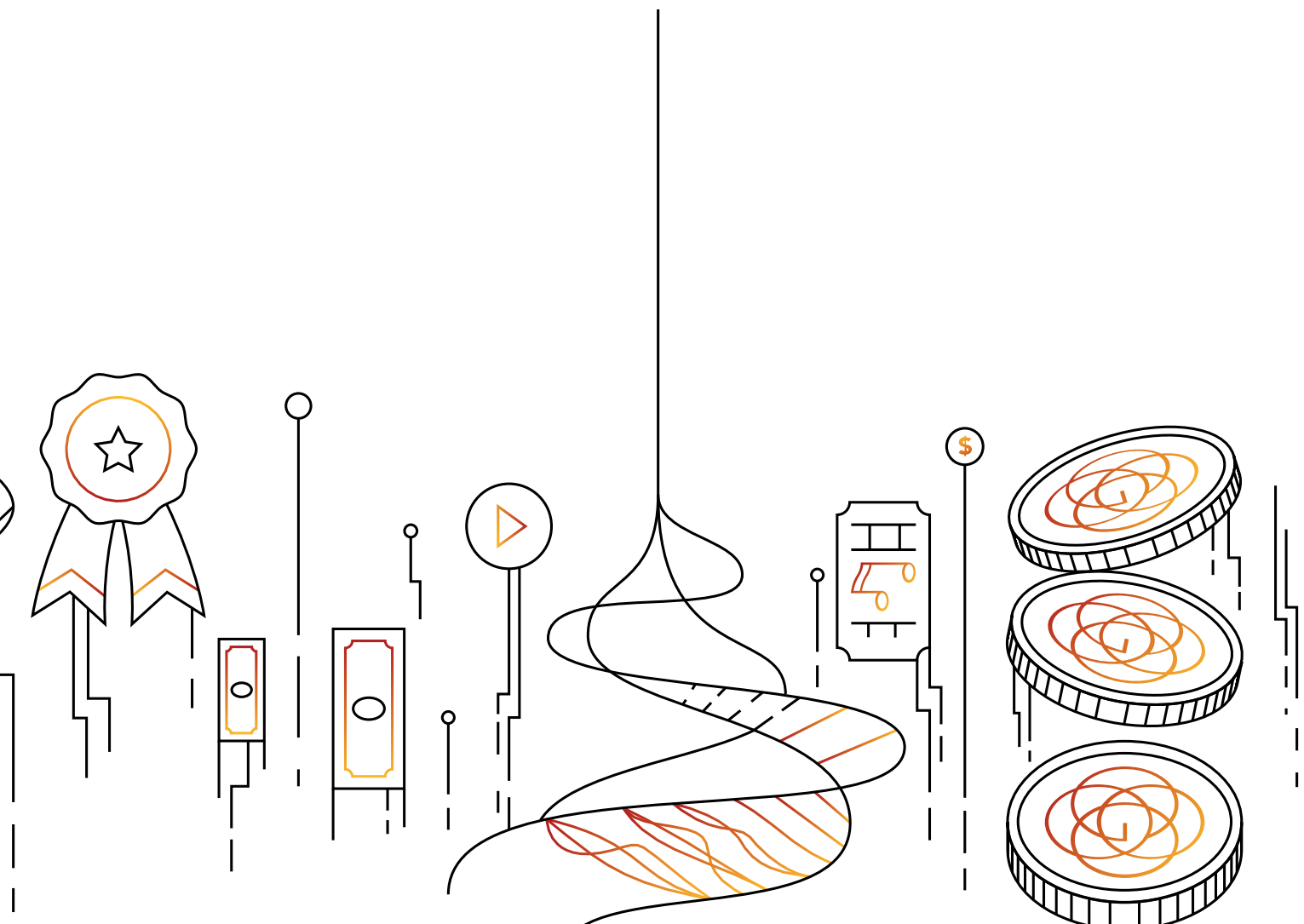
BLOCKCHAIN PROVIDERS NEED TO DO BETTER

Recently, cryptocurrency and blockchains have achieved widespread recognition. It is estimated that over 300 million people worldwide use crypto[1] and 10.2% of global internet users own at least one cryptocurrency.[2] CNBC reported in June 2022 that more than 19,000 cryptocurrencies and several dozen blockchains currently exist.[3] The percentage of Americans who own crypto (56%)[4] is almost equal to the number of people in the U.S. who own stock (58%).[5] However, sentiments are widely varied. Some see cryptocurrency as a creator of wealth and stability in their community. Others see it as incomprehensible or lack the understanding to actively and safely trade. Many people still see crypto as exceedingly risky, and are unwilling to participate due to concerns about accessibility, transparency, or the lack of asset utility.

At present, virtually all blockchain ecosystems are fraught with scams and extreme volatility. This has resulted in widespread skepticism, casting doubt on the cryptosphere as a whole. Recently, a group of human rights advocates from 20 countries wrote an open letter calling for responsible crypto policy.[6] Even though the issues at hand have been widely acknowledged, the solutions proposed are lacking, slow to implement, or ambiguous at best. Even if laws were passed in specific countries, widespread blockchain regulations would be difficult (if not impossible) to enforce at a global level. Though the situation may seem bleak, there is an answer. It must be up to blockchain providers to find better ways to moderate their ecosystems and enforce ethical practices, rather than waiting for a regulatory force to step in. These solutions may seem lofty when you look at the existing infrastructure in this sector. For those that have directed the growth of blockchain technology, completely overhauling their systems would be an expensive and dramatic undertaking. This is why a new solution is being introduced:

The Gauss Ecosystem[7] is a curated[8] layer-1 blockchain designed to change the global perception of blockchain technology. Gauss recognizes the importance of cryptocurrency as it exists today and its untapped potential and addresses three prevalent issues with crypto:

○ A LACK OF WIDESPREAD TOKEN ADOPTION

○ PERVASIVE FRAUD

○ INAUTHENTIC ENGAGEMENT BETWEEN USERS AND BRANDS

1 Source: https://finbold.com/exclusive-learnoverse-interview/
2 Source: https://finbold.com/10-of-the-global-population-owns-some-form-of-cryptocurrency-thailand-leads/
3 Source: https://www.cnbc.com/2022/06/03/cryptocurrency-industry-focus-regulation-stablecoins-market-crash.html
4 Source: https://www.fool.com/the-ascent/research/study-americans-cryptocurrency/
5 Source: https://news.gallup.com/poll/266807/percentage-americans-owns-stock.aspx
6 Source: https://www.financialinclusion.tech/
7 Our platform and ecosystem where all our partners' branded tokens will be exchanged.
8 All projects on the blockchain are thoroughly vetted through a curation process.

SOLVING A LACK OF TOKEN ADOPTION

Consumer markets are evolving at breakneck speed. Brands are left chasing after the latest trends in an attempt to retain their supporters. By the time changes can be made in branding or marketing strategies, brands often find themselves left with a financial deficit and passed over by the wave they intended to ride.

Over the last decade, several companies have tried to fully integrate into the cryptosphere. Uniquely branded NFTs have become more prevalent, but the same can't be said for customizable assets. To date, numerous crypto projects have stalled due to the process of incorporating new blockchains into different wallets, exchanges, and apps. For established brands, the setbacks can be even steeper.

The Gauss Ecosystem is designed specifically to help brands of all sizes enter the cryptosphere without the need for the in-house infrastructure currently required to launch a branded token.

The exact business model that Gauss is using hasn't been attempted by others. Though a direct comparison isn't applicable, the data from existing markets illustrates how much revenue is available to migrate towards the Gauss Ecosystem all while helping to attract mainstream consumers. The graphic below displays the current global and domestic markets for Cryptocurrency, Reward Incentive Programs, and Advertising.
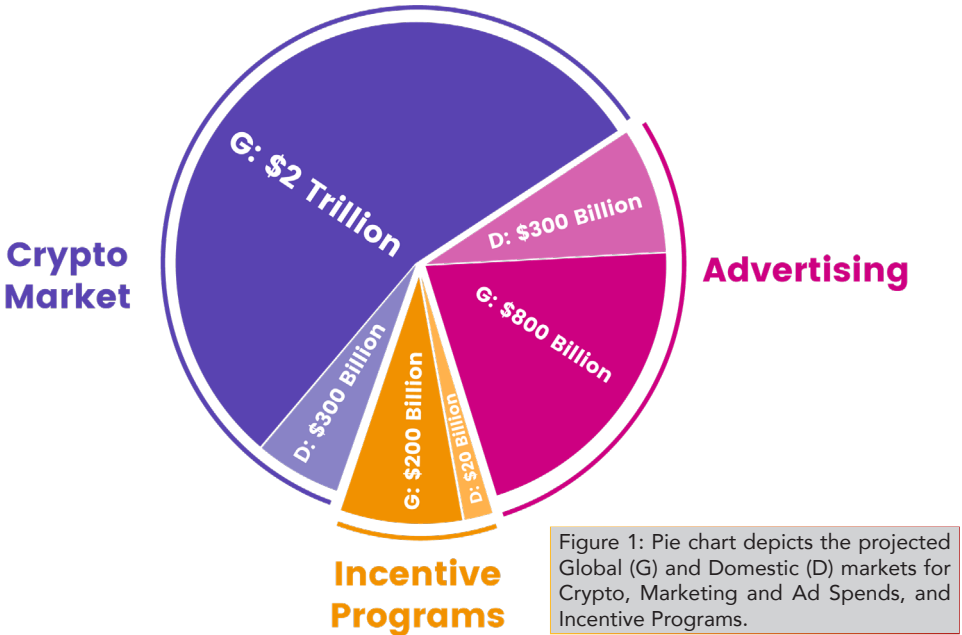

Crypto Market
G: $2 Trillion
D: $300 Billion

Advertising
D: $300 Billion
G: $800 Billion

Incentive Programs
G: $200 Billion
D: $20 Billion

Figure 1: Pie chart depicts the projected Global (G) and Domestic (D) markets for Crypto, Marketing and Ad Spends, and Incentive Programs.

Figure 1: Pie Chart Depicting Global (G) and Domestic (D) Markets for: Cryptocurrency, Reward Incentive Programs, and Advertising.

"The best marketing doesn't feel like marketing."
— Tom Fishburne[9]

CRYPTO MARKET ACCESS & TRANSPARENCY

For established entities, adopting cryptocurrency is a complex undertaking with many finding it intimidating to navigate. Gauss helps brands adopt blockchain technologies, enabling market access to those currently locked out of participation with this new industry. Whether access is being blocked by the financial burden of having to hire in-house experts or because of the complex process of token creation, Gauss will work with its partners to cultivate a safe platform that is straightforward to use and transparent for all end users. To accomplish this, Gauss will continue to establish tools to enforce transparency across the network that help users better understand how the Gauss Ecosystem operates.

INCENTIVE PROGRAMS & MARKET IMPROVEMENTS

The incentive and rewards market has become convoluted and frustrating for end users. To hold incentives or rewards for ones favorite products, it's necessary to create multiple accounts across many brands. Gauss streamlines this process and allows brands to create incentive-based tokens that their users can keep inside the Gauss Ecosystem. Users won't be forced to sign up on individual platforms to access rewards, nor will they have to track down their passwords or sift through endless emails for member numbers, points, or special access codes.

REIMAGINING CONNECTIONS WITH ONE'S AUDIENCE

The Gauss Ecosystem was designed to fill the void growing between brands and their primary audience. Attention spans have taken a nosedive, making it harder for brands to engage with their most loyal customers. Having a tangible asset that encourages your audience to "buy into" your brand and its success can exponentially increase outreach and supporter engagement. Gauss works with you to develop customized assets that fit your objectives and brand voice, cultivating a deeper connection between end users and their favorite brands.

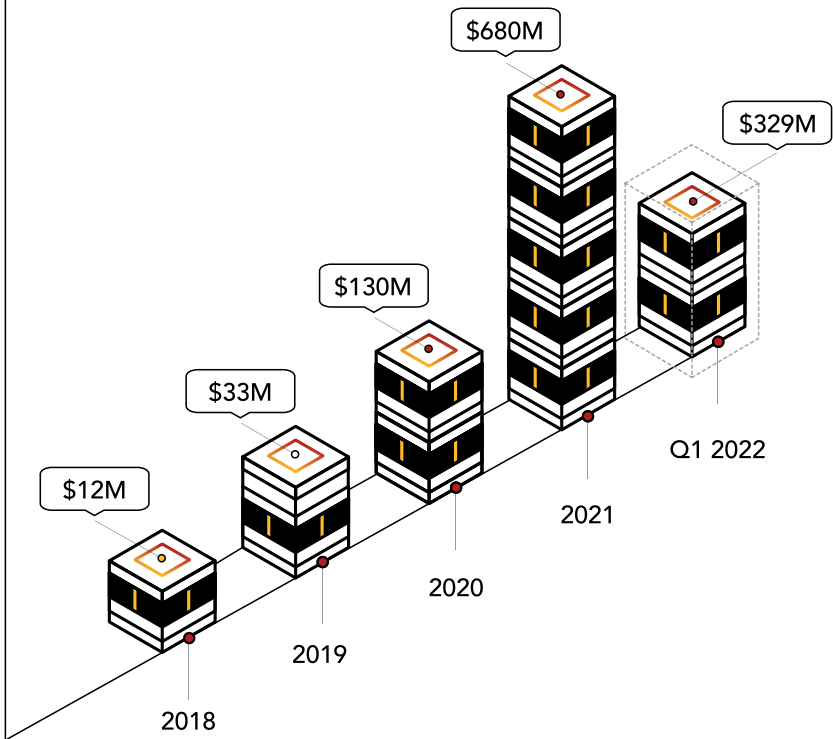## Reported cryptocurrency fraud losses by year
January 2018 - March 2022

Figure 2: The figure above is based on fraud reports to the FTC's Consumer Sentinel Network.

According to the United States Federal Trade Commission from the beginning of 2021 until now, more than 46,000 individuals have reported losing money in a crypto scam. The total amount of money lost is calculated to be over $1 billion with the average person losing $2,600[10]. Due to the lack of regulations and proactive oversight currently within crypto, scammers are using every opportunity they can to take advantage of people. These scams are often directed towards new users that are looking for ways to enter into crypto, but lack the familiarity with crypto needed to detect bad actors. A recent study showed that 9%[11] of respondents held a form of crypto, but didn't understand how they work at all.

Gauss is taking the guesswork out of trading digital assets. Participants can always rest assured that they're swapping for what they want- not a spoofed version.

CURATION & VETTING

PROTECTING USERS

Gauss is approaching blockchain from an intentional perspective. The Internet and Web 2.0 were purely commercial, focused only on generating income regardless of the outcomes for users. Gauss's goal is to revolutionize Web 3.0 by providing a safe space for brands and users to learn and adopt Web 3.0 technology.

The lack of vetting on mainstream blockchains has led to a wild west kind of environment. To date, every user is required to do a large amount of due diligence to ensure they're swapping their assets for those they're intending to buy. On-top of weeding out bad actor through our curation process, Gauss will also provide informational videos, how-to guides, and relevant project documentation to ensure users are never left drifting without guidance on how to navigate the ecosystem.

A GLIMPSE INTO THE CURATION PROCESS

Gauss's curation and vetting process consists of multiple steps, with internal and third-party resources, including strategic partnerships[13] for KYB.[14] It is Gauss's goal to set the gold standard for vetting and curation in the crypto space by thoroughly inspecting every project or brand that enters into the ecosystem.

NEW & ESTABLISHED CRYPTO NATIVE PROJECTS

All projects launching within the Gauss Ecosystem will be thoroughly vetted and consciously selected, based on an array of criteria. Though the processes for brand new projects and those looking to migrate to Gauss will vary slightly, Gauss's curation & vetting process for all projects consists of multiple steps:

○ APPLICATION

○ INTERNAL REVIEW

○ THIRD-PARTY KYB

○ LEGAL REVIEW

○ FINAL APPROVAL

12 Permissioned Blockchain: Partially decentralized, permissions to deploy contracts within the blockchain are controlled by a gatekeeper that ensures access is only given to certain entities that pass the requirements set by an organization's goals or bylaws.
13 Those who work with us on curation and vetting processes, KYB, token economics review, legal review, etc. Also those who assist projects launching with Gauss by helping with marketing, legal, development, or shoring up areas a project may be weak to set them up for success.
14 Know Your Business

After curation, Gauss will offer to connect accepted partners with third-party resources (legal, marketing, development) as needed. Partners launching with Gauss may also gain access to liquidity provided by Gauss, grants from Gauss, partnerships/promotional deals with other Gauss partners, and more as the ecosystem continues to evolve.

BRANDS

The highly selective nature of Gauss's curated ecosystem extends to businesses and brands across all sectors. Processes for brands to launch with Gauss will not be the same as crypto-native projects. Though all applicants may not be an excellent fit to work with Gauss, consideration to their pitch and project design will be offered in the selection process.

To be truly successful in this space, all participating brands must desire to authentically engage with and add value to their communities, and should not solely aim to capitalize on them.
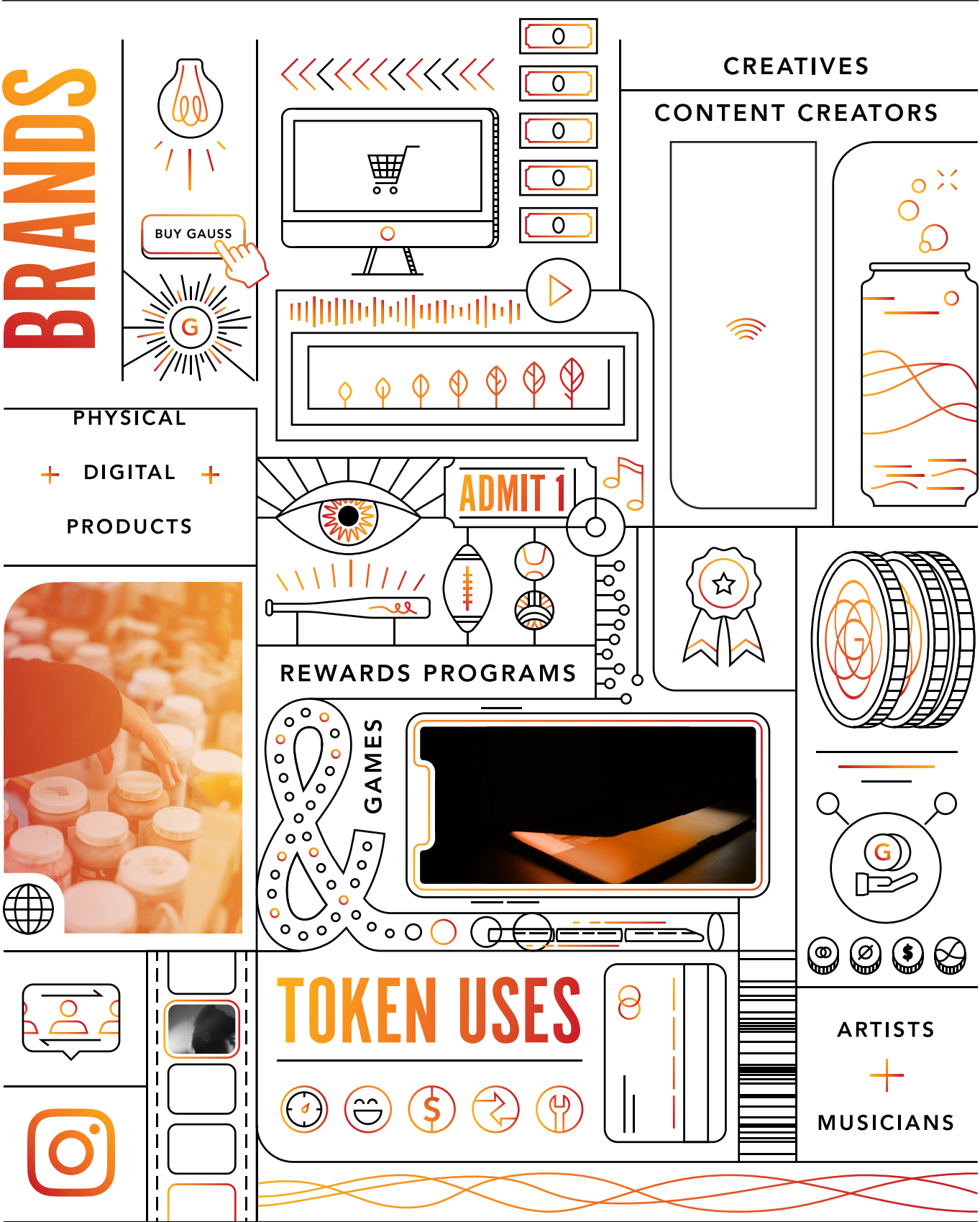
TOKEN
CREATION

Creating brand-specific assets will be a collaborative effort. Gauss will work with our partners to design branded tokens tailored to fit their needs, while also encouraging creative thinking about how to best leverage their token. Gauss will ensure certain fundamentals are upheld across all partners' tokens for the health of the overall ecosystem. However, ultimate ownership will be in the hands of our partners. This allows for a great deal of freedom. Partners will be able to use their own branded token for contests, reward programs, ecommerce, fundraising, and many other use cases. (These are further described on the following page.)

After a token is minted, Gauss will work in tandem with its partners by building on, promoting, and growing their token's visibility post-launch. Partnerships will not be short-term interactions. Gauss is committed to the long haul, and will apply the expertise needed to support partners by working towards their latest goals and strategies. Gauss is dedicated to building strong, lasting relationships with its partners and the Gauss Community.
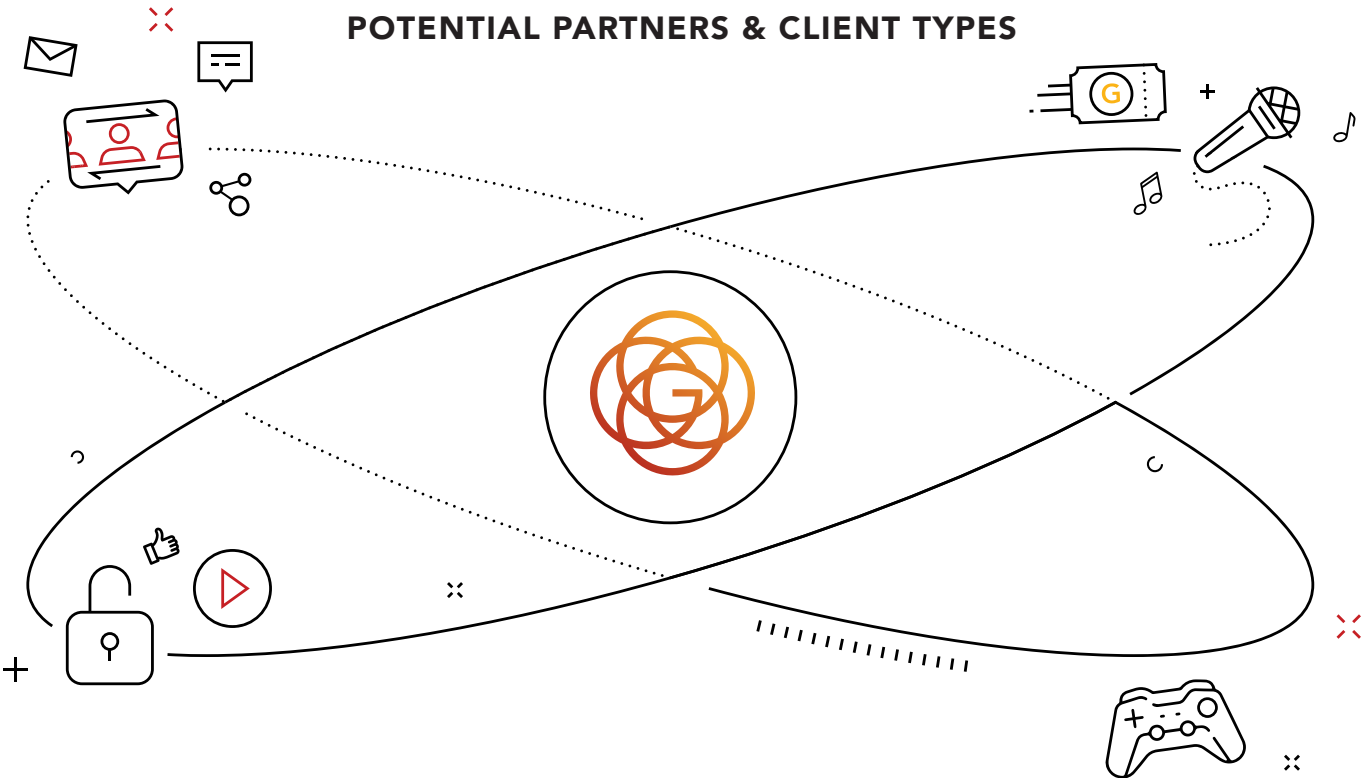
BRANDS

BUY GAUSS

G

PHYSICAL + DIGITAL + PRODUCTS

CREATIVES

CONTENT CREATORS

ADMIT 1

REWARDS PROGRAMS

GAMES

G

TOKEN USES

ARTISTS + MUSICIANS

TOKEN ECONOMICS CUSTOMIZED FOR BRANDS

At Gauss, we don't believe in "one size fits all" when it comes to token design. Your brand deserves personalized features that fit your goals, audience, and voice. To accomplish this, we provide customization for each asset we create. The result is more control over what your brand offers to its community, and more opportunity to separate your brand from competitors.

POTENTIAL PARTNERS & CLIENT TYPES

BASIC TOKEN

Create exclusively branded tokens that can be traded for GANG or used in an online store.These are tailored directly to each brand, giving them a unique asset on the Gauss Blockchain.

TOKENIZED DIGITAL TICKETING

Make experiences richer and more personalized. Create beautiful, collectible NFT tickets that also come with perks and incentives. Each ticket can be verified for authenticity and ownership preventing fraudulent ticket sales and scams for purchasers. This also provides new revenue opportunities during and after an event.

MEMBERSHIP OR SUBSCRIPTION TOKEN

Tier-based rewards or exclusive access based on token ownership. One can create incentives for members to promote their brand and increase membership NFT value. These perks can create brand evangelists. NFT memberships can be also be traded in the Gauss Ecosystem.

REWARD OR LOYALTY TOKENS

In 2021, a high-end cosmetics brand[15] ran a competition for loyalty program members. Winners got one of three limited-edition NFTs which entitled them to receive a free product each year for a decade. To enter, people shared stories on Instagram, TikTok and Twitter. This campaign incentivized existing loyalty program members to talk about the brand online and also encouraged more people to sign up for the brand's loyalty program. Gauss can help your brand run campaigns and bake rewards into your assets. This allows for greater outreach and brand exposure.
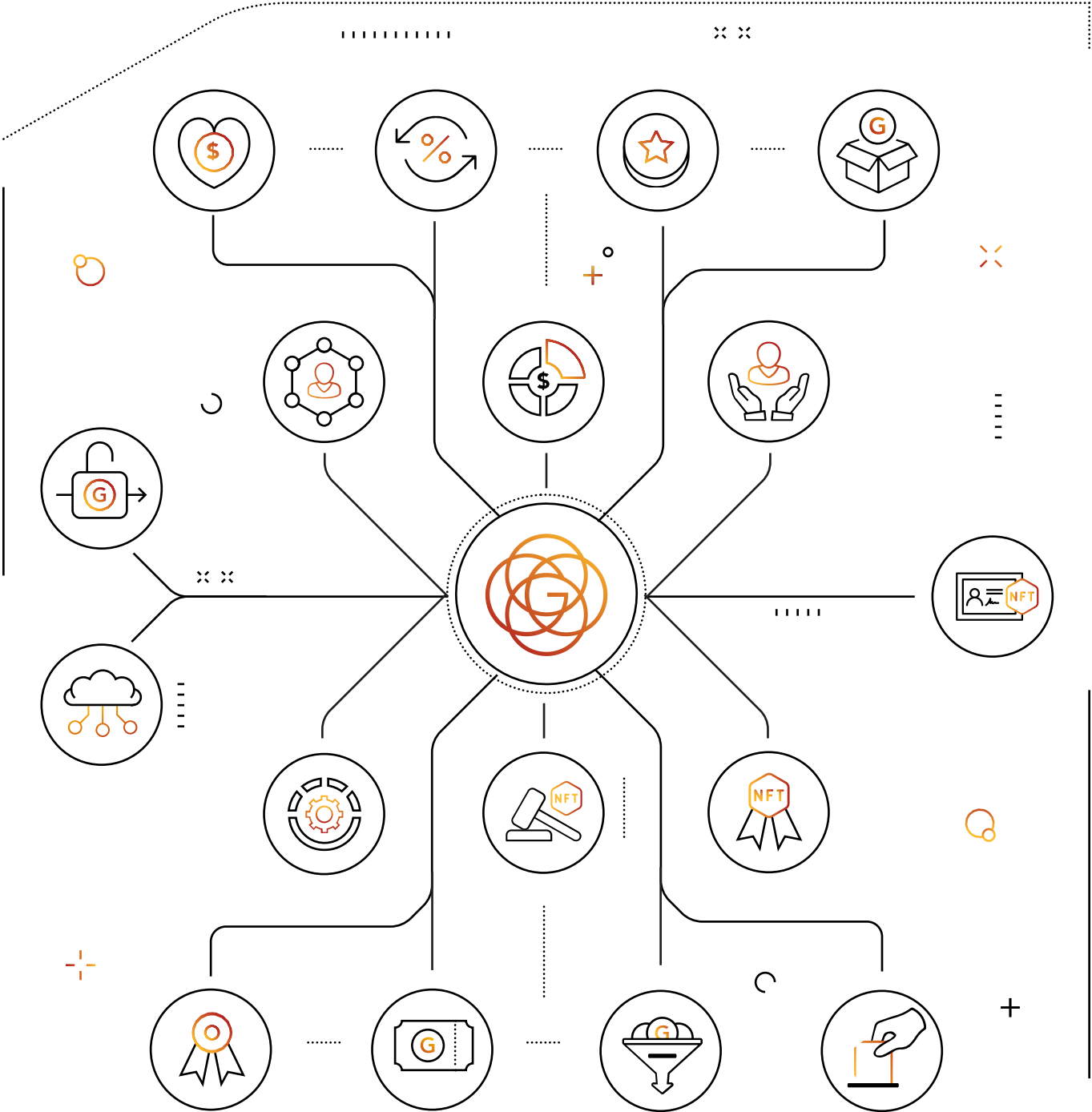
15 "Clinique's first NFT ties to loyalty and products as uses expand," Vogue, https://www.voguebusiness.com/technology/cliniques-first-nft-ties-to-loyalty-and-products-as-uses-expand

USE CASES

REFLECTIONS, REDISTRIBUTIONS, & OTHER AUTOMATIC HOLDER REWARDS

CONTESTS & GIVEAWAYS

SPECIAL ACCESS TOKENS

CUSTOMER LOYALTY PROGRAMS

NEW REVENUE STREAMS

REVENUE SPLIT & ROYALTIES

CHARITABLE CONTRIBUTIONS OF REVENUE

COMMUNITY D.A.O.

VOTING & GOVERNANCE

ESCROW TOKEN

TOKEN LOCKING

PLATFORM INTEGRATIONS

TOKENIZED EVENT TICKETS

CUSTOMIZABLE GROWTH METHODS

NFT ASSETS SALES

LIMITED-EDITION NFTS
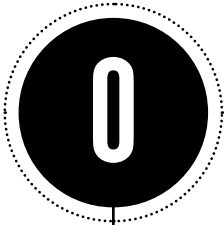
CONTESTS AND NFT GIVEAWAYS

WHATEVER YOU CAN IMAGINE

ROADMAP
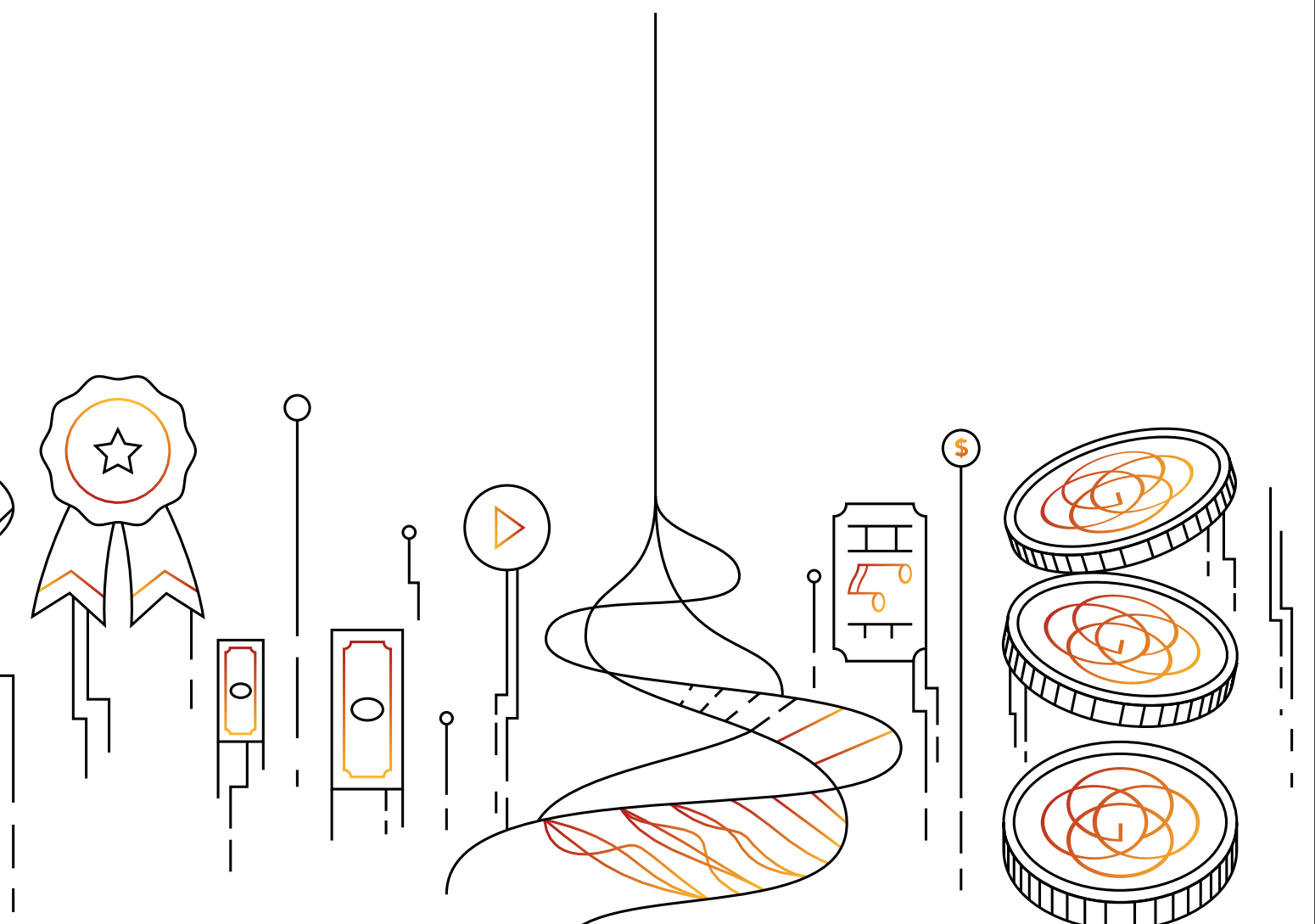
PHASE 0

FOUNDATION

- TEAM FOUNDATION
- BRANDING
- ECOSYSTEM CONCEPTUALIZATION

PHASE 1

DEVELOPMENT

Gauss Ecosystem 1.0 + Alpha Testnet

- GAUSS CHAIN
- SWAP
- MARKETPLACE
- EXPLORER

Legal

- RETAIN ATTORNEYS
- CORPORATE CLEANUP
- EQUITY FUNDRAISING PREP
- DUE DILIGENCE

PHASE 2

PRE-LAUNCH

Social Media
Early Partners + Negotiations
Marketing Strategy + Planning
Capital Raise
Gauss Ecosystem 1.0

- V1.0 TESTING & ITERATION
- V1.0 POLISH & FINISHING TOUCHES
- V1.0 AUDITS
- V1.0 TESTNET LAUNCH

PHASE

3

LAUNCH

Public Launch: Q4 2022
Marketing: Rollout
Early Partners: Launch
Team Expansion

PHASE

4

POST-LAUNCH

Gauss Ecosystem 2.0

○ V2.0 DEVELOPMENT

Marketing

○ MARKETING & TALENT AGENCY AFFILIATES

○ B2B CAMPAIGN

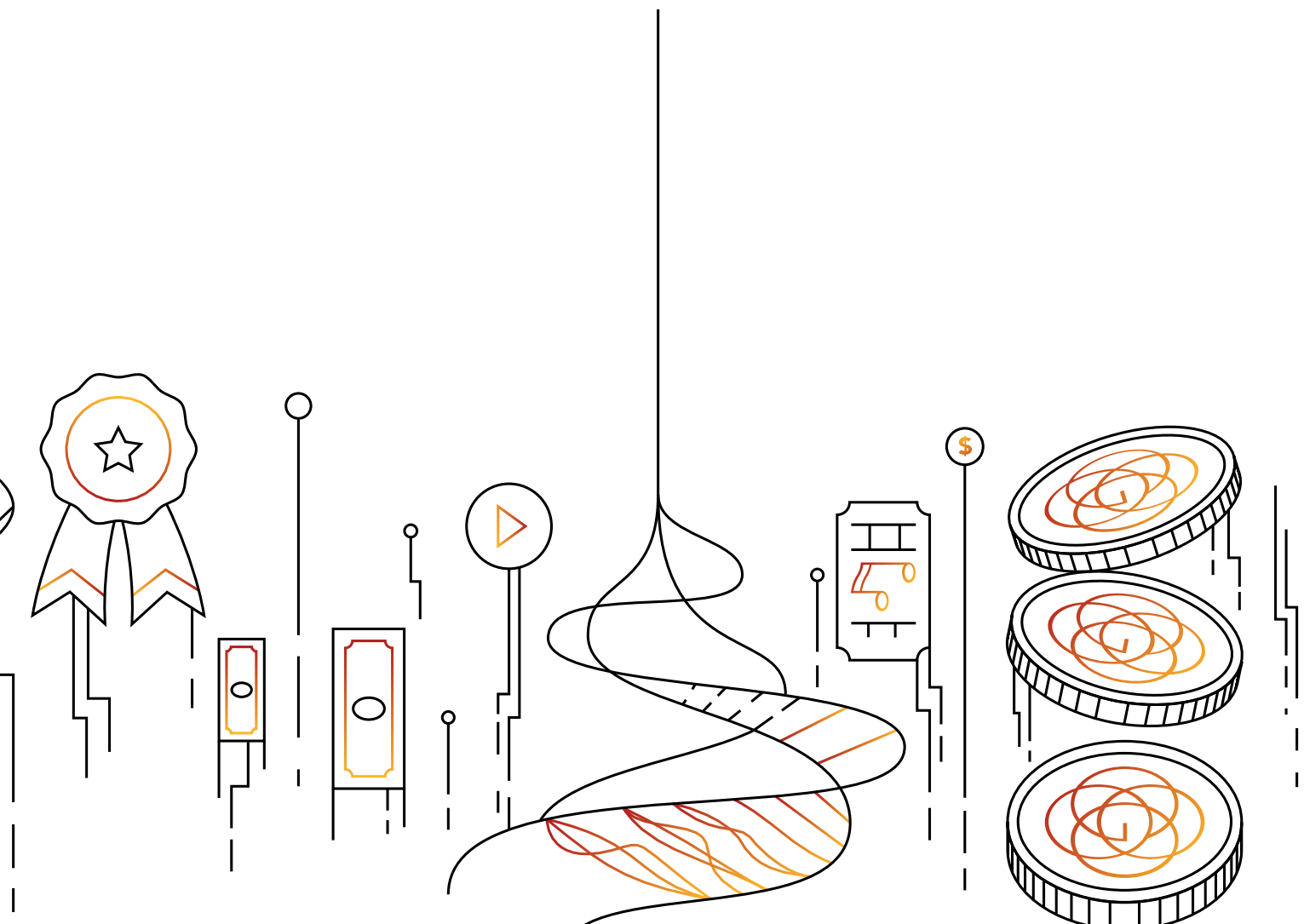○ B2C CAMPAIGN

Partners

○ INTRODUCTIONS TO GAUSS

○ NEGOTIATIONS

○ VETTING PROCESSES

○ ONBOARDING

○ PRODUCT & CAMPAIGN DEVELOPMENT

○ LAUNCH

Gaming

○ DAO DEVELOPMENT

○ GRANT PROGRAM

TECHNICAL BACKGROUND AND AND BLOCKCHAIN DEVELOPMENT

OPEN SOURCE: THE BUILDING BLOCKS OF INNOVATION

The Gauss Ecosystem will use open source building blocks for Gauss 1.0 and will continue to adopt and create more in the future. Open source technology is paramount to collaborative innovation. Many of the technologies that people use today were born from the open source community. Without it, most prominent technologies would either be locked behind patents or never developed at all. Though Gauss will evolve and develop outside of what is available at any given time, we are committed to contributing back to the community which provided us this foundation.

WHY ANOTHER BLOCKCHAIN?

Developing our own blockchain was the best way to accomplish our core goal of serving our partners and Gauss Ecosystem users. Our mission goes beyond launching tokens for partnered brands. We are maintaining a secure and thriving ecosystem. We believe this can only be achieved by creating our own blockchain vs. launching as a layer-2 on an existing chain.

Our network consists of various side chains and parachains, and will continue to grow to meet the evolving needs of our partners. The most prolific use cases for these expansive, interoperable environments will be blockchain gaming and a standalone chain for future NFTs.

Cross-chain interoperability outside the Gauss ecosystem is an important focus and is why our ecosystem is EVM-compatible.[18] Over time, the barriers between blockchains will diminish and users will have a more seamless experience across networks.

Bridges[19] and off-chain custodians[20] are early examples of this. But they also represent one of the largest threat vectors in Web 3.0. At launch, Gauss will not offer native bridges. This is a delicate area that would be best handled by a suitable partner.

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17 Source: https://cleeve-chua.medium.com/innovation-is-the-key-to-success-e88a63d0d955

18 EVM = Ethereum Virtual Machine. EVM compatibility reduces barriers to entry for application developers to deploy smart contracts on new layer-1 blockchains. EVM compatibility is essential for forming cross-chain bridges, allowing funds to easily be transferred from one network to another.

19 A bridge allows tokens to move from one blockchain to another.

20 Off-chain custodians are third-party entities that store crypto assets. They are often regulated financial services companies. Custodians play an important role in achieving widespread adoption of crypto and other Web3 assets. (Learn more: https://cryptonews.com/custodians-facilitating-adoption).

GAUSS 1.0: BUILT WITH EFFICIENCY AND A STRONG INFRASTRUCTURE TO LAUNCH RAPIDLY

The Gauss Ecosystem 1.0 is built on a permissioned, EVM-compatible blockchain. At launch, we are utilizing the QBFT consensus algorithm (made by Hyperledger), a Proof of Authority (PoA) protocol. PoA protocols are a type of Proof of Stake (PoS) protocol. They give the ecosystem authority to permit or deny validator nodes and prevent unapproved smart contract deployment.

Each node will be owned and operated by Gauss and our highly-trusted partners. Only these trusted nodes are "validators." Each node in the pool takes turns voting to add or remove blocks, while the other nodes sign the new block to validate it.

QBFT is designed to be an enterprise-ready solution built on the IBFT 2.0 algorithm. These models offer immediate finality. Meaning there are no forks, and all valid blocks get included in the chain. This is one of the more secure blockchain options. It requires control over two-thirds of the validator pool to change, add, delete, or otherwise corrupt[21] data. It also allows for a permissioned network, with granular permissions based on an account or node. These permissions allow us to prevent absolutely anyone from deploying smart contracts unless they are pre-approved, eliminating potential bad actors from our ecosystem.

Building upon our blockchain, we are launching Noble Swap[22]. This is a native token swap that allows users to exchange and stake any tokens in the Gauss Ecosystem. Noble Swap has a built-in NFT marketplace, so users can mint and trade all forms of NFTs. Lastly, we are also launching a native blockchain explorer running on its own archival node. An explorer is paramount to any publicly-used blockchain. It provides a place for users to follow transactions in real-time, creating a necessary level of transparency for our community.

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21 An example of corrupting data would be a developer manually making malicious changes to a contract or diverting funds. They'd have to own two-thirds of the total nodes on the blockchain in order to make a harmful change. This will not be possible on the Gauss blockchain.

22 The Gauss Swap where eligible tokenized assets within the ecosystem can be exchanged.

> "I have had my results for a long time: but I do not yet know how I am to arrive at them." — Carl Friedrich Gauss[23]

SAME-SIDE NETWORK EFFECTS

ECONOMIES OF SCOPE

COMMUNITY

ENGAGEMENT

USERS

VALUE & UTILITY

VALUE

BRANDS

UTILITY

GAUSS ECOSYSTEM

REWARDS

VALUE

LIQUIDITY & VALIDATION

THIRD PARTY DEVELOPERS

VALIDATORS

SAME-SIDE NETWORK EFFECTS
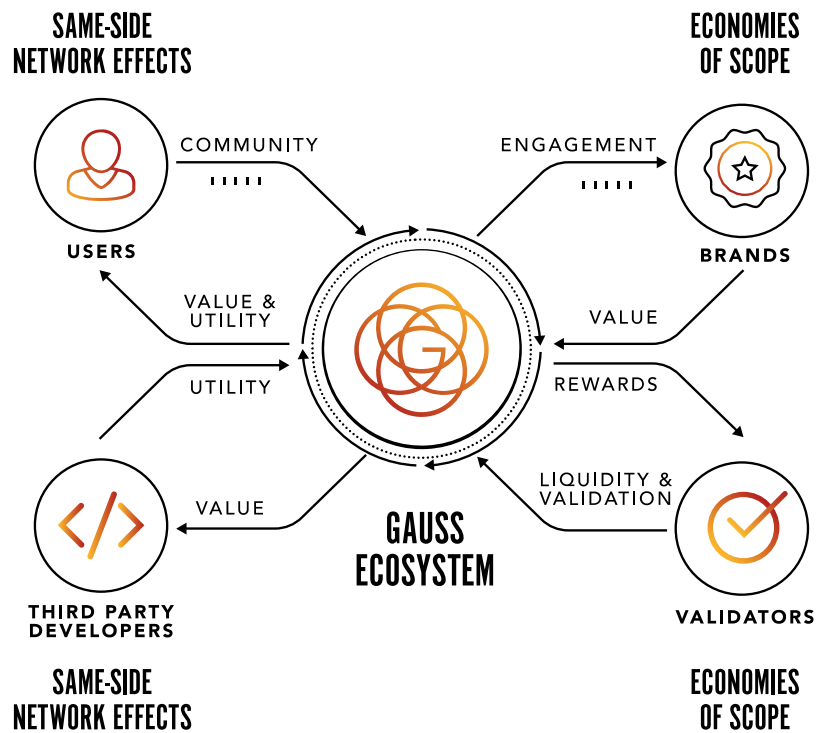
ECONOMIES OF SCOPE

Figure 3: Gauss Ecosystem Chart

GAUSS 2.0: ADDED FUNCTIONALITY FOR A BETTER USER EXPERIENCE

We are building the Gauss 2.0 to launch rapidly by focusing on developing a strong infrastructure from the start. Gauss will continue to evolve over time via adding functionality, expanding use cases, improving user experiences, creating a secure onboarding/launch processes for brands, and ensuring the integrity of our ecosystem.

Access, scalability, and longevity of the Gauss Ecosystem are key concerns. We will continually test and explore new ways to maintain a fast, reliable blockchain ecosystem. These methods may include our total number of validators, shards, larger block sizes, zk-rollups, and batched transactions. Our focus will be on improving latency, maintaining sufficient TPS, and ensuring a high level of integrity.

NOBLE SWAP 2.0

A new swap and marketplace will be necessary due to changes in Gauss post-launch. This is likely to be one of the last 2.0 components we will launch because the development of Noble Swap 2.0 will rely heavily on other projects that are completed. We will announce a timeline to fully phase out the 1.0 swap after 2.0 launches.

NFT STORAGE & HOSTING

We will explore blockchain-based solutions to permanently house NFTs created in the Gauss Ecosystem. Possibilities include using Arweave, IPFS, a similar third-party service, or another chain in the Gauss Ecosystem. To ensure the long-term survival of Gauss, it is imperative such information be stored on-chain.

NFT PROTOCOLS

At present, most NFTs are fairly static digital assets built using protocols[24] that have limited utility and functionality. We will create protocols that readily allow for more functionality and expanded use cases with in-game assets (mentioned below in Token Development Kit). Some of the proposed, or underutilized, protocols have a fraction of the functionality we are building toward. Each new protocol we develop will be optimized as part of the total set of Gauss NFT protocols. Initially, these will launch via BSL. After a period of time, we intend to make these available as well-tested and proven open source EIPs.

TOKEN DEVELOPMENT KIT (TDK)

Along with our protocols, we will create a Token Development Kit (TDK) for use by developers within the Gauss Ecosystem. This will ensure a high degree of quality and promote best practices. It will also support our goal of allowing cross-project utilization of tokenized assets. For example, developers will be able to select different assets and make them portable across multiple games and projects. This will allow users to take an in-game item (like a sword) from one game to another in the Gauss Ecosystem.

GAMING DAO

We will assist with the launch of a DAO[25] inside Gauss. The DAO will attract, manage, and engage with blockchain and Web 3.0 games. This will ensure the longevity of games in the Gauss Ecosystem, so they remain playable for our community.

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24 Base functionality of a NFT.
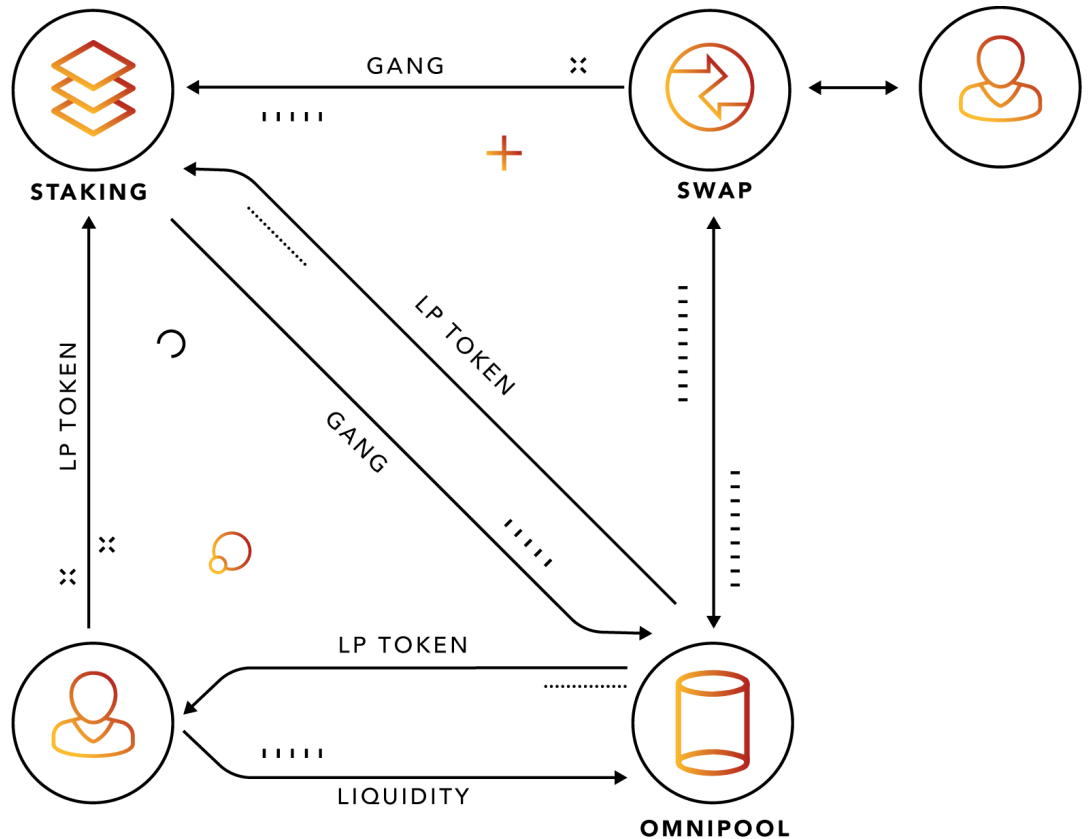25 Decentralized Autonomous Organizations

Figure 4: Gauss Omnipool Chart

OMNIPOOL

Most current liquidity pools exist as networks of smaller paired-asset pools; XYK model, or x*y=k (as Vitalik Buterin initially proposed[26]). Gauss will evolve to use a single multi-asset liquidity pool, or omnipool. An omnipool acts as a shared liquidity ocean – a galaxy of liquidity. This removes the need to have paired assets, so transactions can be made more easily.

In many ways, the XYK model is better than the bid/ask (ledger book) system traditionally used to exchange assets. However, it leads to highly fragmented liquidity. This creates shallow liquidity pools, which can cause outsized price impact from asset swaps.
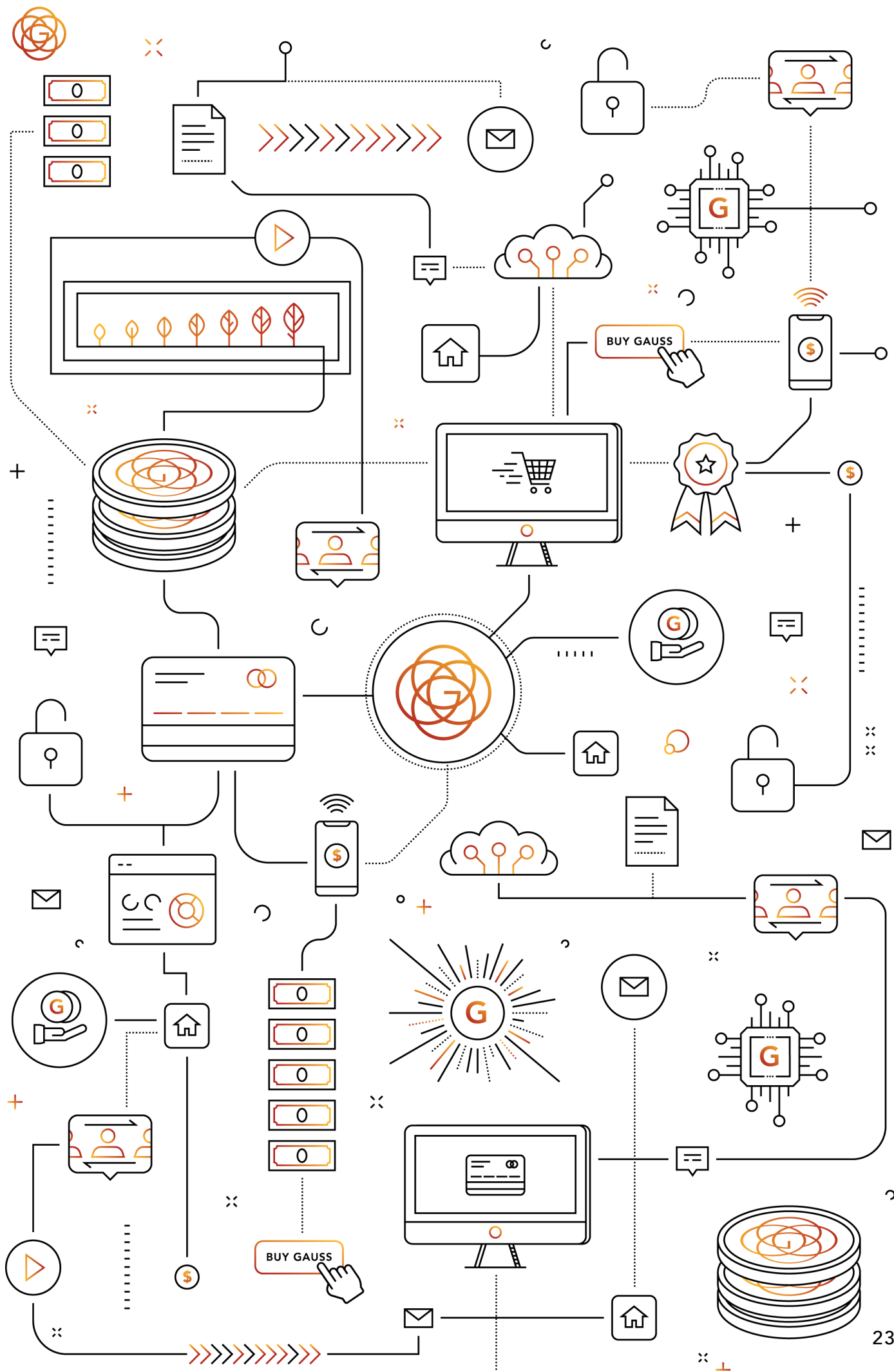
An omnipool solution will provide deep liquidity value across the Gauss Ecosystem. It will also improve swaps between tokens in the omnipool and add to the overall stability of Gauss. Because it is a curated ecosystem, Gauss is able to prevent toxic assets from being launched and dumped into the pool, thus maintaining liquidity.

HydraDX[27] and Token Engineering[28] have already done a great deal of work on omnipools. We look forward to testing, iterating from, and building upon this work. We would encourage anyone interested in this concept to delve deeper into their articles and videos.
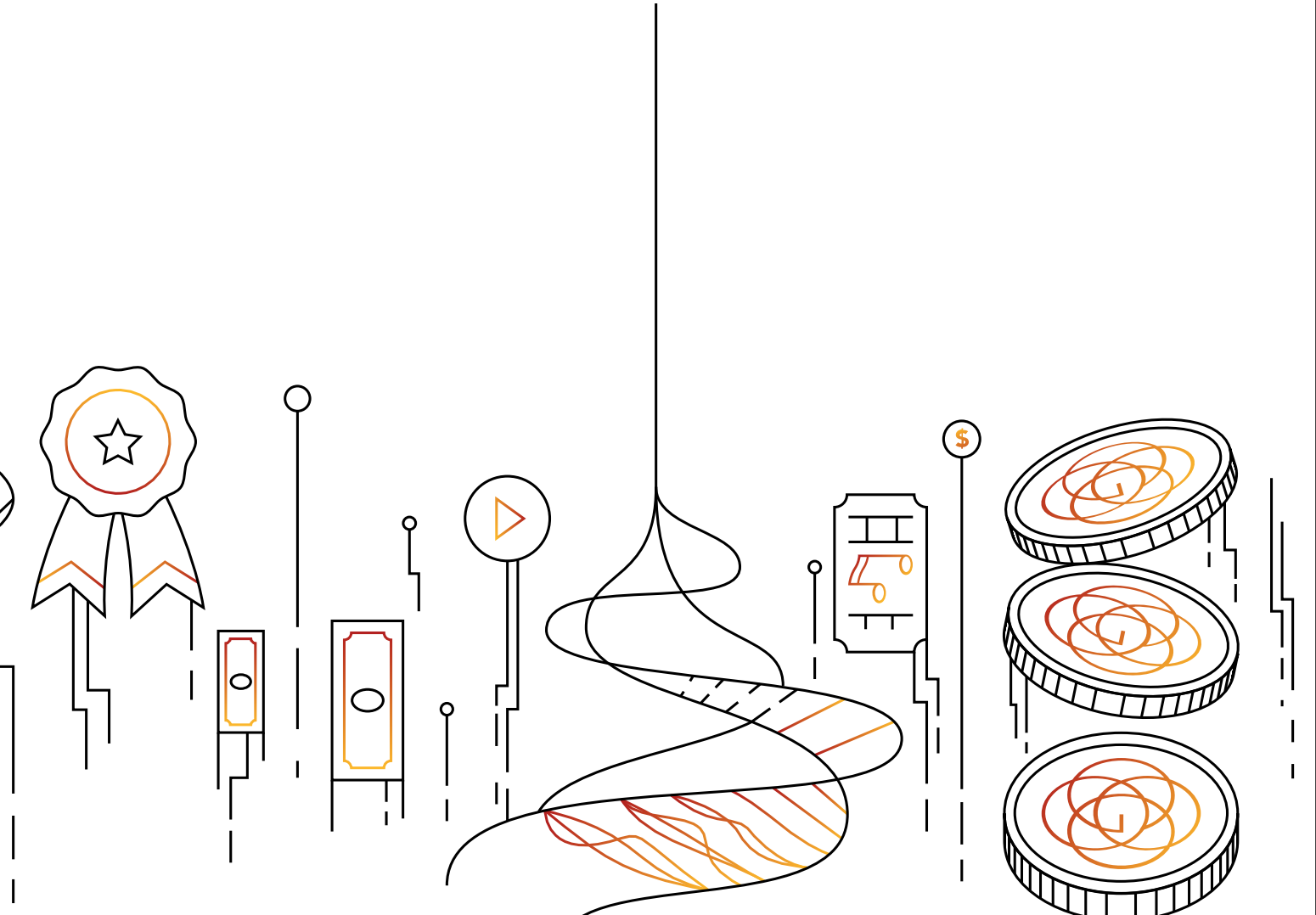
26 Source: https://www.reddit.com/r/ethereum/comments/55m04x/

27 Source: https://hydradx.io/

28 Source: https://tokenengineeringcommunity.github.io/website/

TOKEN ECONOMICS

250,000,000

55%
COMMUNITY & LIQUIDITY

30%
COMPANY & TREASURY

15%
CORE TEAM

Community Allocation **45%**

Liquidity Pool **10%**

Charitable Fund **6%**

Marketing **6%**

Operations & Development **6%**

Incentives **5%**

Reserved **7%**

Founders **10%**

Advisors & Others **5%**
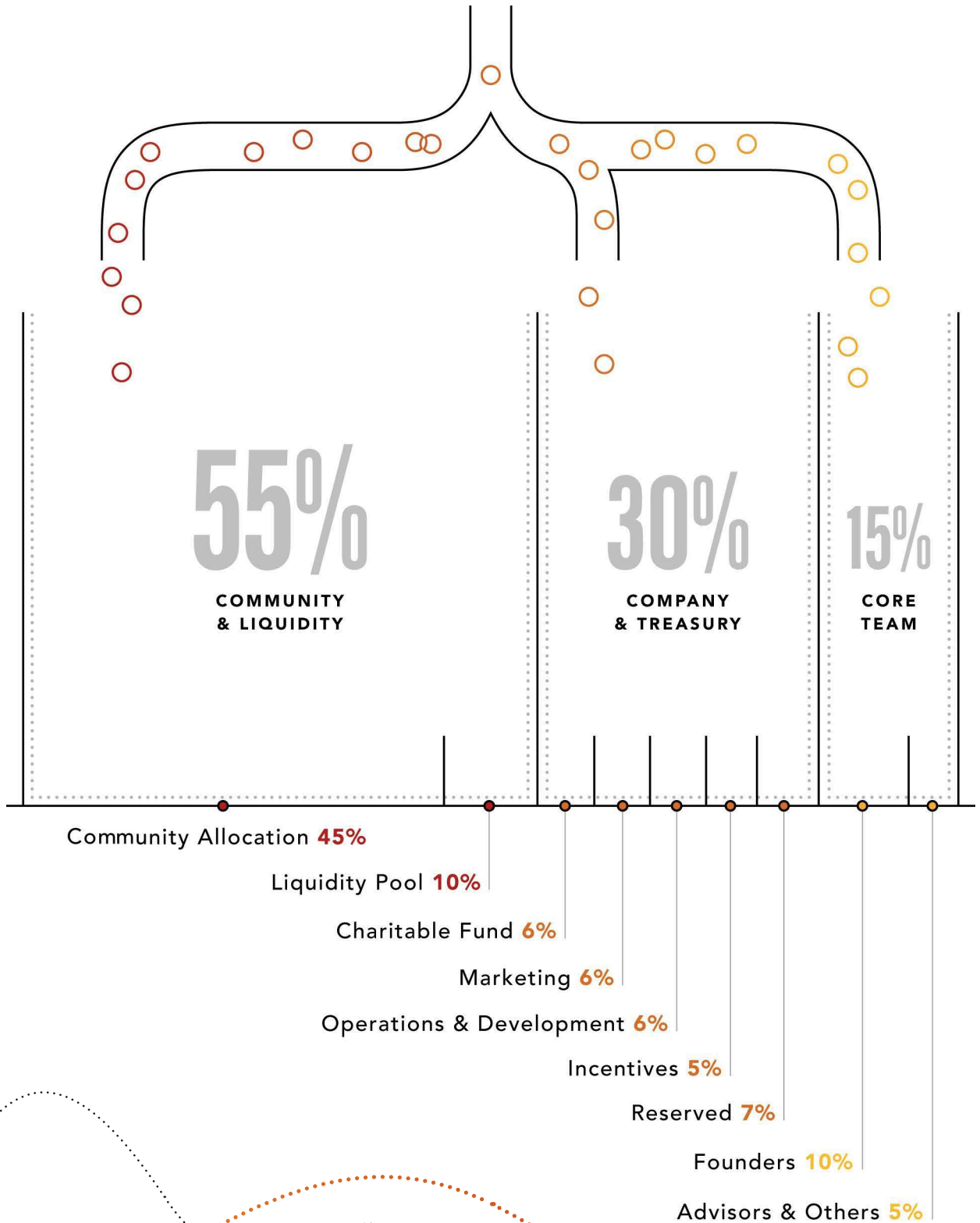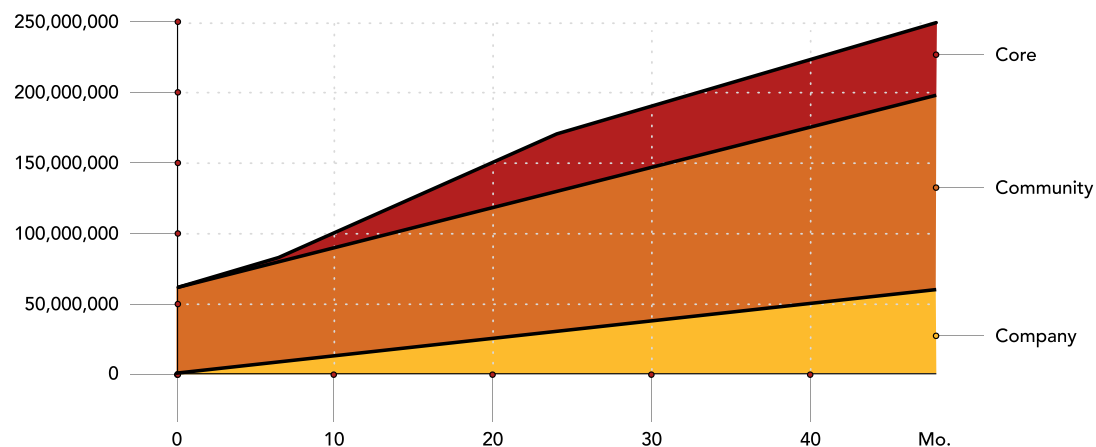
GANG TOKEN ECONOMICS: DESIGNED TO ENSURE TRUST AND TRANSPARENCY

Economic, incentive, and mechanism design are crucial elements of any crypto project. They define how tokens are distributed. Gauss is resolute in protecting our ecosystem for our community, brand partners, and their audiences. These protections ensure the continued success and growth of Gauss and our partners over the long term.

Gauss is committed to transparency and open communication. Every token in our total supply and company wallets will be accounted for online, with full disclosure. This also applies to every other aspect of our finances. Transparency is the foundation of how we will conduct business. This is even more important when it comes to token economics. Every token under Gauss administration will be transparently managed, along with publicly published reporting. Any questions will be thoroughly answered by the Gauss team. Nothing will be obscured. Any missing details in early documentation result from accidental exclusion. There is no malicious intent. Discrepancies, if discovered, will be corrected promptly. Trust is critical for Gauss and our community.

We will fully mint the total supply of GANG[29] upon launch. Tokens will then be distributed to multiple wallets for different purposes. We will disclose each wallet and smart contract address, with annotations to show how they will be used. These tokens will have time locked schedules via smart contract. They will unlock based on the published release schedule.

Gauss will receive 30% of the initial supply of GANG,

which will be divided across funds for marketing, operations and development, charitable donations, incentives, and a reserve. All minted tokens will eventually end up in circulation. When the community and company allocations are distributed, roughly 85% of all GANG will be in circulation.

Our primary revenue stream will come from transaction fees. These fees are broken down into four types: redistribution, liquidity, charitable fund, and company funds. All revenue generated from transaction fees will ensure the Gauss Ecosystem is sustainable and allow us to achieve our long-term goals.

TOKEN LOCKING SCHEDULE

All GANG allocations will be released over a four year period. After the end of this period, we anticipate that most tokens will be in circulation, either in our community members' wallets or in liquidity pools. Founders' distributions will vest over a two-year period after launch. There will be a four-month cliff post-launch, at 5% per month for twenty (20) months. The reserved pool will be used for future employees. These tokens will also be vested using scheduled token locks.

REFLECTIONS: REWARDING THE GAUSS COMMUNITY

Many Web 3.0 projects use reflection (redistribution) mechanisms in their token economics. They are used almost exclusively for promotional reasons. Similarly, a number of projects use hyperinflation and token burning to generate hype.

Gauss will incorporate a reflection system for several reasons. The first – and most important – is to reward our community as it grows. The second reason is to explore the reflection function and study the way it influences behavior in a live ecosystem. After two years, we will aggregate the data from observing the reflection mechanism and publish a paper to share our findings.

Reflection minimizes volatility by incentivizing members of the Gauss Ecosystem to maintain a balance of GANG. The system places a higher weighted value for smaller holders, encouraging more people to participate in the ecosystem.

To accomplish this, the reflection pool (r) is split into two parts and distributed based on individual holders' wallet balances (x). This happens multiple times per day. One part of the reflection pool is disbursed directly proportional to x, relative to its portion of all x (c). The rest of the pool is dispersed based on the square of each wallet (y), relative to its portion of all y (s).

$$\left\{ y=\sqrt{x}, \ \frac{x}{\sum\limits_{n=0}^{\infty} x^n} \times 0.5r + \frac{y}{\sum\limits_{n=0}^{\infty} y^n} \times 0.5 \right\}$$
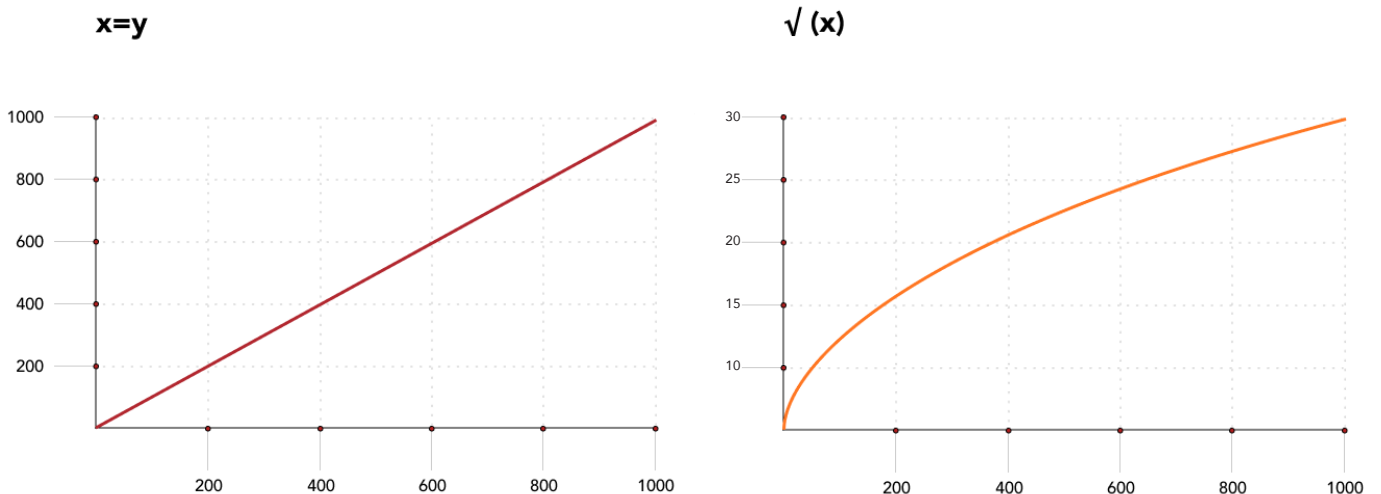
x=y

√ (x)

Figure 6: Reflection Pool

To illustrate, imagine an apple pie. Let's say the pie has ten slices, and there are nine people at the table. Each person gets a slice – this represents their wallet. The remaining slice is the reflection pool. Each person's slice of pie (x) is an arbitrarily different size, but taken together they would still represent nine of the ten slices (c).

The tenth slice is cut in half. The first half is handed out according to how large each person's first slice is; $(x/c)*0.5r$. The second half is distributed based on the square of each person's first slice, adding more 'weight' to smaller slices; $(y/s)*0.5r$.

We want to distribute the tenth slice (r) in a manner that provides a bit more pie to each person who has a smaller slice than they would receive if it were split proportionally to the size of their first slice. This way, when a new person joins the Gauss Ecosystem, they are incentivized with reflections even though they may not have significant holdings. Rewards are distributed more evenly, rather than simply accruing to whoever has the largest wallet.

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## CHARITABLE ALLOCATIONS: GRANTS, SCHOLARSHIPS, & FINANCIAL ASSISTANCE

To support community growth, entrepreneurs, and creators, 6% of our total supply of GANG will be used to create a charitable fund. This fund will be directed through a not-for-profit organization (NFPO) outside of Gauss. A separate whitepaper will be launched on the fund and NFPO before the launch of Gauss 2.0. This fund will be headed by Lauren Williams our CSO and will provide grants, scholarships, co-ops, and other forms of financial assistance to aspiring entrepreneurs, artists, researchers, and other community members. The same level of transparency provided in the Gauss Ecosystem will also be reflected in the charity fund and the NFPO. The goal this NFPO is to help build a better future for generations to come. A portion of fees will be added to this pool, creating a sustainable source of revenue to support its growth and overall impact.

Outside of the 6% of our total supply of GANG alloted to the charity fund, future pools may be established to help support other projects and partners that are actively innovating within Web 3.0.

THE GAUSS
TEAM
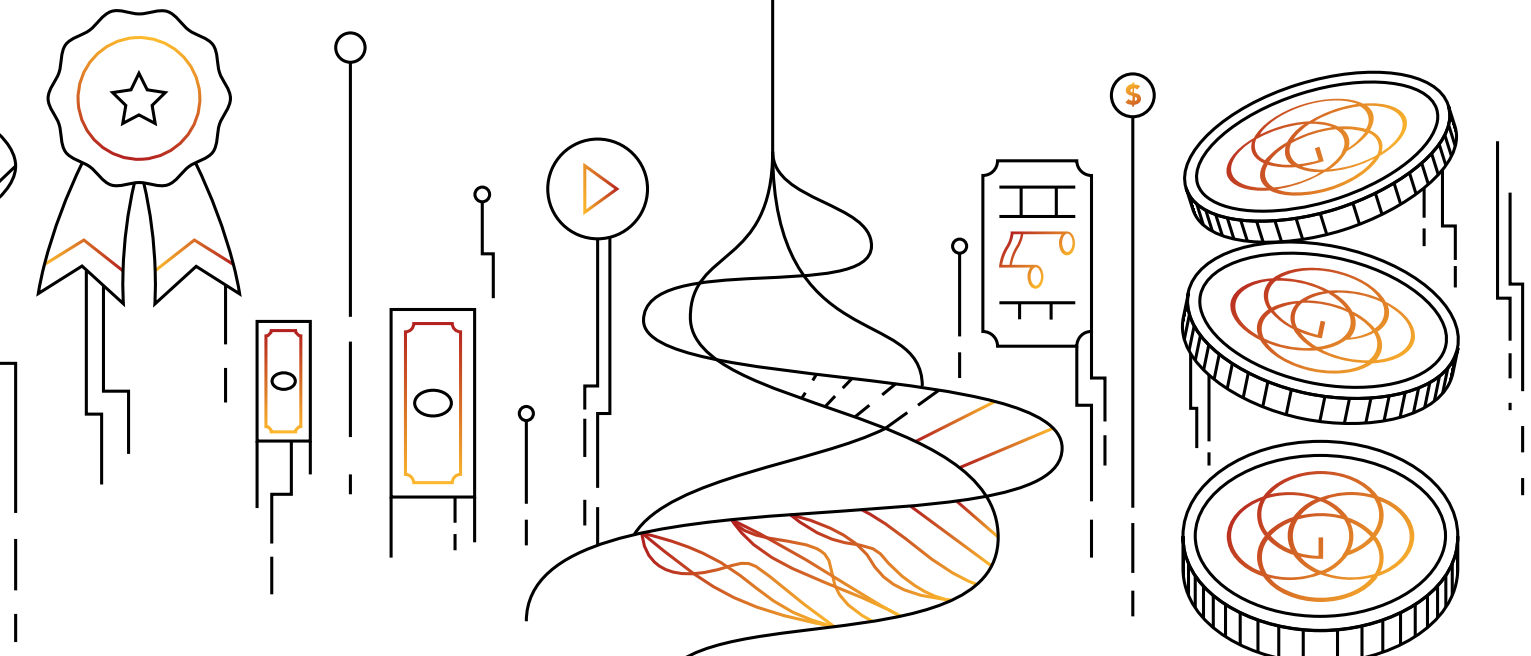
GAUSS FOUNDERS

GARY PAULL, JR.
CHIEF EXECUTIVE OFFICER

PATRICK ROONEY
CHIEF FINANCIAL OFFICER

AUSTIN McCALL
CHIEF TECHNICAL OFFICER

LAUREN WILLIAMS
CHIEF SCIENCE OFFICER

A NOTE FROM THE GAUSS TEAM

This project would not be possible without our partners and community. We are committed to building more than just a business – our community is our primary focus. One of the goals of Gauss is to create authentic relationships between brand partners and their audiences through an actively engaged community.

We are dedicated to ensuring that our partners and users feel connected to Gauss and what we're building. As the Gauss Ecosystem continues to evolve, we will work together to bring a transparent, sustainable, and trustworthy blockchain into being for everyone's benefit.

DISCLAIMER
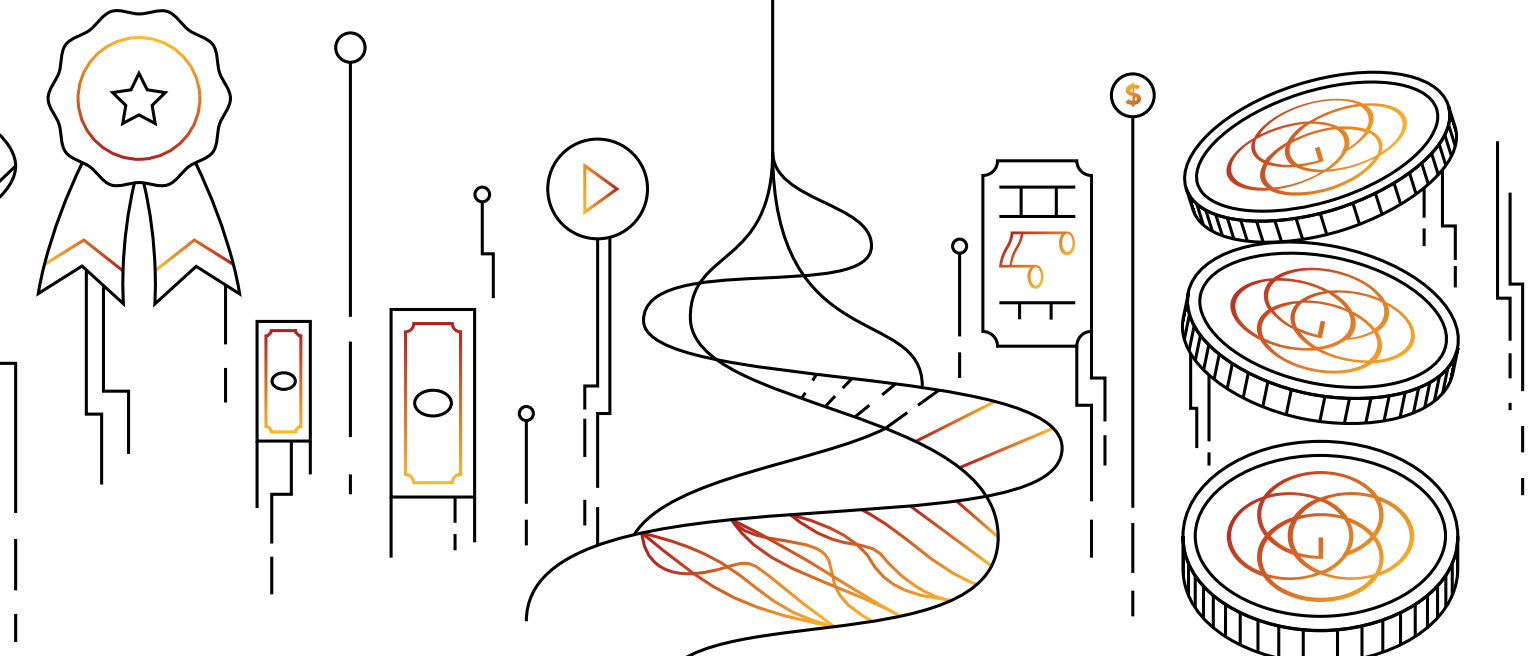
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The information in this Gauss (the "Company") brochure is intended for general informational purposes only. The information herein may not be exhaustive and does not imply any element of a contractual relationship. There is no assurance as to the accuracy or completeness of such information and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information. The finalized agreement between the Company and the contracting party will supersede all related information here.

This document provides a summary of the main features of the Company. It contains general concepts and has been prepared without taking into account any purchaser's objectives or financial situation. Purchasers should read the document carefully and assess whether the information is appropriate for them in respect of their objectives or financial situation.

This document does not purport to contain all the information that a prospective purchaser may require. In all cases, interested parties should conduct their own due diligence and analysis of the Company and the data contained in this document.

The Company does not make any representation or warranty as to the accuracy or completeness of the information contained in this document. Furthermore, the Company shall not have any liability to any party resulting from the reliance upon this document in determining to participate.

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The Company makes no representation about the underlying value of the tokens being offered. Prospective purchasers must make their own assessment about whether the price of the tokens being offered represents fair value at the time of purchase.

PURCHASER WARNING

Participation in a token offering carries high risks. It is highly speculative and before participating in any project about which information is given, prospective purchasers are strongly advised to seek appropriate professional advice. The information contained in this document has been prepared by, or on behalf of, the Company. The Company has not yet undertaken an independent review of the information contained in this version of its document.

PROMINENT STATEMENTS

The information contained in this document about the proposed opportunities are not intended to be the only information on which a decision is to be made and is not a substitute for a disclosure document, or any other notice that may be required under law. More detailed information than is presented solely within this document may be preferred or needed to make a participation decision.

FUTURE STATEMENTS

Except for historical information, there may be matters in this document that are forward-looking statements. Such statements are only forecasts, plans, or intended outcomes and are subject to inherent risks and uncertainty. Forward-looking statements, which are based on assumptions and estimates and describe the Company's future plans, strategies, and expectations are generally identifiable by the use of the words 'anticipate', 'will', 'believe', 'estimate', 'plan', 'expect', 'intend', 'seek', or similar expressions.

Purchasers are cautioned not to place undue reliance on forward-looking statements. By its nature, forward-looking information, both general and specific, involves numerous assumptions, inherent risks, and uncertainties that contribute to the possibility that those predictions, forecasts, projections and other forward-looking statements will not occur. Those risks and uncertainties include factors and risks specific to the industry in which the Company operates as well as general economic conditions. Actual performance or events may be materially different from those expressed or implied in those statements, or those made by inference.

All forward-looking statements attributable to the Company or persons acting on behalf of the Company are expressly qualified in their entirety by the cautionary statements in this section. Except as expressly required by law, the Company

undertakes no obligation to publicly update or revise any forward-looking statements provided in this document whether as a result of new information, future events or otherwise, or the risks affecting this information.

None of the Company, its officers, or any person named in this document with their consent, or any person involved in the preparation of this document, makes any representation or warranty, express or implied, as to the accuracy or likelihood of fulfillment of any forward-looking statement except to the extent required by law. The forward-looking statements reflect the views held only as at the date of this document.

VALUE RISKS

Tokens issued by the Company may drop substantially in value, or may remain illiquid for long periods of time or indefinitely. The Company cannot guarantee an active secondary market for the exchange of tokens purchased in the token sale. Not all disclosures or statements may be made in this disclaimer section. Purchasers should review the token sale agreement in its entirety and seek the professional advice of legal counsel and investment professionals.

GANG may change in value based on a number of factors that are outside the Company's control. There is no guarantee or expectation that GANG will increase in value, provide a return, or have sufficient adoption and liquidity on exchanges. Owning these tokens does not constitute a share of equity or ownership in the company. Regulatory circumstances may require that token mechanics be changed or altered.

GANG does not have any express or implied value, rights, uses, purpose, attributes, functionalities, or features including, without limitation, any uses, purpose, attributes, functionalities, or features on any platform. The Company reserves the right to refuse or cancel GANG at any time at its sole discretion.

NOT A SECURITY

It is important to note that any tokens issued on Company's platform are not intended to be securities, and this document is not a prospectus, offering document, or a solicitation for investment in a share or equity offering. Tokens issued on the Company's platforms, as referenced in this document, do not confer any type of ownership or debt within the Gauss Ecosystem. The Company will not guarantee any value, secondary market, or commitments to the value of such tokens. Token buyers and holders shall participate in each economy at their sole risk.