# White Paper Up Chain

How Up Chain is changing the rules of the game in the investment market Up Chain is a blockchain project that is revolutionizing the way startups receive investment and search investors in promising projects in various industries.

This innovative approach to the investment process not only ensures transparency and security, but also

makes it more accessible to a wider audience, including novice investors.

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#### 1. Our main advantages:

#### 1.1 How are copyright and uniqueness of projects on Up Chain guaranteed? 1.2

Information about each registered startup and its owners is stored in the Up Chain blockchain, which Absolutely anyone can check it. This, in turn, allows you to prove your unique right to your intellectual property, namely the idea of a startup (uniqueness is confirmed if there is no evidence that this idea was invented by someone earlier).

1.2 How are financing conditions set?

Each startup, when creating a proposal for investment in its startup, indicates the required amount investment, indicates under what conditions the investment will take place (annual percentage of APR payment occur every day, example: \$10,000 investment at 20% / 365 = \$5.47 per day) or sale of shares.

#### 1.3 How does automated advertising work on the platform?

Advertising on the "Up Chain" platform is designed to balance between large and small projects. The main goal is creating advertising to promote all content one by one, in addition to the percentage of advertising little-known projects will be slightly increased in order to encourage potential investors to become familiar with promising projects. Which way? Recommendations for investors will be offered depending on The interests of the investor himself.

#### 1.4 How will funds be withdrawn from the platform and will there be any restrictions?

The platform is aimed at promptly transferring funds to the project in order to facilitate the speedy implementation of the startup's goals.

Withdrawals will be available in blockchain coins (UPC). It will also be possible to withdraw to any crypto wallet (supporting this currency) or exchange for any available cryptocurrency on the platform with subsequent withdrawal from the platform.

#### 1.5 How will Up Chain ensure reliability control over the fulfillment of obligations?

An agreement will be concluded with each startup during registration. Next will be checking the startup for reliability and performance. When the verification is successfully completed, the project will be entitled to place its proposal to raise funds. Moreover, on each personal project page you will see the history of fundraising, which will be

serve to increase the startup's rating. The rating will depend on timely interest payments and will will be determined by voting among investors of this project (for fair voting there will be a permanent monitoring).

Also, each investor will have to undergo the KYC procedure in order to prevent possible fraud.

#### 1.6 What exchange bridge will be used on the platform?

The platform will develop its own special bridge for transferring cryptocurrency from different networks. The Up Chain Bridge will include the maximum number of various networks in order to simplify financial transactions for clients.

#### 1.7 Will it help sites scale projects?

The possibility of launching subsequent fundraising rounds will be implemented in order to help startups overcome the barrier and

possible problems during expansion.

# **1.8** How will the Up Chain platform make it possible to search for new people and all sorts of useful contacts among projects and investors?

The platform will provide an opportunity to communicate and discuss important topics in the field of finance and cryptocurrency. Besides,

a rating system for startups will be created in the service and the so-called "Top" will be selected every week

startups that will be represented in a wider audience of platform users.

#### 1.9 Will there be any fees added to the platform?

The resource positions itself as a platform with zero commissions. In return, every startup on the site will have to make a one-time payment upon registration in the form of a 5% share of shares startup. The commission is planned to be taken only for gas.

#### 1.10 Is it possible to use DApps on Up Chain?

Each startup can launch DApps (Decentralized Applications) on our blockchain platform and implement it into their business along with the startup's cryptocurrency.

#### 1.11 In which countries will the platform work?

Worldwide coverage. The Up Chain project aims to work in all countries where possible based on local laws and any prohibitions on work in a given country.

#### 2. How much investment is required?

# What will the investor receive in return for the investment? For what purposes are investments required?

**1)** The required investment amount is up to \$200,000 for a 5% share in the company.

**2)** Relocation of the company founder to the country where the company was opened + financial support.

3) Renting premises for an office and a server room, purchasing server equipment.

4) Purchase of all necessary equipment.

**5)** Hiring employees in the form of programmers (Python developers with experience in blockchain technology, Full-stack developers with skills in React.js, Node.js and NoSql).

6) Further payment of salaries to employees.

#### 3. Plans:

**1/2)** Receiving an investment of up to \$200,000 and founding a company.

**3)** Rent an office with a server room for blockchain.

**4)** Purchase of equipment for a server room and launch of the Up Chain blockchain.

5) Start of creating the platform.

6) Testnet

7) Mainnet

#### 4. Startup market analysis and short solution to the problem from Up Chain

#### Sharp decline in the formation of new startups

Analyzing crunchbase.com data on 27,000 software companies founded between 2020 and July 2023 in the US, Israel and the European Union, a consistent and alarming decline in the number of new startups is evident. From 2020 to 2023, it is estimated that the number of new startups created in the US will decline by approximately 86%, falling from 6,424 to 1,046. Similarly, Israel is on track to decline by approximately 89%, from 333 to 34 startups. In the EU, the number is trending downwards as of midyear, from 5,147 to 640 start-ups, reflecting a decline of around 87%.

#### Possible reasons for the decline in the formation of startups

Economic downturn, political unrest and early capital shortages:

The COVID outbreak in 2020 was likely responsible for the decline in new startups in 2020 and 2021. Economic downturn - especially in 2022 and 2023 - coupled with the war in Ukraine. Investors are also having difficulty raising new funds and are slowing down their investments. The number of funding rounds in the US fell from 8,147 in 2022 to approximately 6,050 in 2023, representing a decline of approximately 26%. Similarly, Israel saw a decrease in the number of funding rounds from 415 funding rounds in 2022 to approximately 284 in 2023, reflecting a decline of approximately 32%. These chains of events have reduced the availability of capital for new startups, hindering their formation and growth.

# Why is Up Chain unique in this situation?

Up Chain in its model combines the crypto market and investing in startups.

The total capitalization of the global cryptocurrency market by January 24, 2023 exceeded \$1 trillion.

## 5. Contact and Media

WebSite: <u>https://up-chain.github.io/Home</u> Medium: <u>https://medium.com/@UpChain</u> X (Twitter): <u>https://x.com/upchainfounder</u> Email: <u>north.it.group23@gmail.com</u> Telegram: <u>https://t.me/upchain\_founder</u>