AVT Whitepaper

Value Proposition

AVT is a reward based NFT aggregator that will operate as a medium for P2P recruitment by tokenizing work performance. Every stakeholder (candidates and employers) will create an AVT, which will be made up of fractionalized NFTs. An AVT is a digital representation of the creator's measured performance in a tokenized form that allows for rewards to be generated for the creator and NFT holders alike. These will be made available to the community via purchase, referral, or reward. NFT ownership, which is essentially a stake in talent, will be enabled by introducing tokenization as a staple of the recruitment process. NFT values are dynamic in nature and are driven by the performance of an AVT; the better the performance, the better the reward for all the holders. This will radically change the way money flows in the employment space, with the workplace community being the most generously rewarded, not traditional third parties such as agencies, job boards, and advertisers.

All participants will create a digital representation of their tokenized performance platform called an AVT

Tokenizing work by creating AVT via fractionalization provides the community unlimited access and ownership to a world of workplace performance, and the opportunity to share in other's success. Workforce participants will now be able to develop income streams in addition to the traditional exchange of time and services for money, representing unparalleled disruption.

- ➢The value of the NFTs that make up an AVT value will be dynamically linked to performance, providing opportunities for reward.

- ➢Community members can own NFTs in AVT (candidate or employer) by way of referral, purchase, or reward. Rewards will be generated for the duration that the NFTs are held.

- ➢ Any community member can develop ongoing rewards through NFT ownership of workplace talent.

- ➢ Workers' earnings are no longer limited to simply trading time for money.

- ➢ Employers can generate substantial payroll offsets through NFT ownership and rewards.

Whilst the initial application of AVT will be in recruitment, the technology lends itself to various applications that we intend to develop which call for rewards-based P2P solutions. Utilizing state of the art technology and AI driven recruitment solutions underpinned by smart contracts, AVT will unlock the true potential of borderless recruitment. It will overcome current industry shortcomings and engineer tomorrow's solution, and in so doing create uncapped opportunities for the community

Big problems require big solutions. In taking on the challenge of developing a business model that addresses the many issues of the legacy system and the paradigm shift in the employment market, an inspired and engineered response was required. Such is the inventiveness of the solution, AVT business methods have now achieved patent pending status.

Inefficient Recruitment Market

The current recruitment and onboarding process is broken. Approximately 3.32 billion people are employed worldwide with an estimated value of USD$100 trillion, serviced by a USD$700 billion recruitment industry. The sheer quantum of recruitment required to service a market of this magnitude cannot be handled with systems that are cumbersome and overburdened with process. Legacy solutions support too many intermediary players, such as job boards, agencies, and advertisers. With so many unintegrated recruitment channels being utilized, the amount of fragmentation and counter party risk we see is hardly surprising. It creates operational friction, candidate segregation, and inferior outcomes. The employment market demands more efficiency in the shape of broader and seamless accessibility between employers and candidates. In the legacy system, when an employer is looking to on board someone the process is often proves convoluted, as depicted below

Process heavy mechanics generate an abundance of hidden costs. Severe fragmentation, candidate leakage, operational friction, and lost opportunity are not the only symptoms of engaging in legacy recruitment methodologies. Talent pools are often siloed, which is caused by a lack of integration by competing platforms who are financially motivated to maximize unique traffic flow. Silos, by definition, create unique applicant batches. The obvious issue is how do candidates and employers get paired seamlessly and accurately without being entangled in this dysfunctional network?

Further candidate slippage is caused by elongated recruitment processes; studies show the average time horizon for professional recruitment can be up to 42 days. This is detrimental particularly in tighter labor markets where the issue of speed is paramount. Inefficiencies often result in hiring mistakes. The US Department of Labor puts the cost of a bad hire at up to 30% of the employee's annual wage, meaning an employee on USD$100,000 will cost USD$30,000. Taken in isolation this might not seem like a huge cost, but for small and medium size businesses it is prohibitive. If the problem is endemic, it can be crippling to any size business. The direct costs are not the only aspect to be considered. Studies show 34% of CFOs claim that not only do bad hires cost them productivity, but managers allocate 17% of their time supervising under-performing employees. The opportunity cost implications given all the challenges are immense.

It is widely considered that these estimates are conservative. Recruiter Jörgen Sundberg, CEO of Link Humans, puts the cost of hiring and onboarding new employees at USD$240,000. According to CareerBuilder, almost three-quarters of companies who made a bad hire reported an average of USD$14,900 in wasted money, with 74% of employers stating they hired the wrong person for the job. Research by Gallup estimates that actively disengaged employees in the United States cost businesses anywhere from $450 billion to $550 billion in lost productivity each year. This is to say nothing of the spillover effects to other employees and overall business morale. Ultimately, bad hires are strongly correlated to poor recruitment practices.

Employment Trends

The employment space is evolving rapidly, yet it is being paired with processes that have not evolved proportionally with it. Employers' expectations have changed. Workers' expectations have changed. Technology is forcing a realignment of skilling, and remote working conditions are being embraced for reasons of convenience, productivity, and the employer's need to increase accessibility to larger talent pools. Added to this is the acceleration of new workforce possibilities and environments such as the metaverse, which legacy systems are ill-equipped to handle.

i) Employee Transience

Recruitment is made more difficult by the issue of transience; there is a current willingness of the workforce to explore more variety in the workplace. This is fuelled by considerations of work-life balance, better conditions, fulfilment, and a recognition that multi-year employment is no longer the accepted norm as was the case previously. Workers today are much more comfortable with taking a fluid approach to their careers. This can be seen in "The Great Resignation" or "The Big Quit". A recent survey has shown that 31% of professionals were thinking of leaving their current employment without securing another position first, further demonstrating an appetite for change.

ii) Working from Home

The phenomenon of people working from home is here to stay. The benefits that remote work has afforded the workforce are numerous:

➢ Lifestyle balance being restored

➢ More time spent with family and increased flexibility with children

➢ Time saved not having to commute

➢ Reduced expenses in items such as petrol, transport fares, coffee, food, and work clothing.

➢ Improvement of mental health issues

iii) Fluid Talent Sourcing

Recent world events have forced change upon all of us. Digital acceleration, pandemics, supply chain issues, and the never-ending challenge to meet dynamic client demands is leading businesses to question their models and evolve accordingly. Full time employees will comprise a smaller percentage of the workforce. Completing tasks will require a more upskilled solution.

Project specific workers will be sought to achieve bespoke, targeted objectives then be re-deployed to other assignments. This phenomenon of shorter term, targeted work will apply for both project teams and individuals. The competition for specialist or niche skills will be immense. Ready access to a remote, dynamic, and fluid project-based talent pool is essential.

iv) The Skills Gap

Recruitment is further being hindered by a skills mismatch. Job requirements are simply not matching the available candidate market, which requires a concerted upskilling of the workforce.

This must be a priority for workers who wish to remain relevant in the gig economy as displacement via robotics and AI pose real threats. 56% of hiring managers anticipate technological interventions like AI and other forms of workplace automation will cause a major shift in the kinds of skills they will require. Workers will have to be dynamic

and willing to reinvent themselves to keep their place in this disruptive employment market.

The digital skills gap comes at a cost. Fourteen G20 countries could miss out on USD$11.5 trillion cumulative GDP growth. By 2030, the talent shortage and skills gap in the U.S. alone is expected to total a loss of USD$8.5 trillion. Re-aligning the current workforce with employer expectations is simply unachievable without a new approach.

AVT - A Disruptive Solution

This is a compelling set up…employment trends highlight that candidates are looking for more flexibility, balance, and satisfaction; employers need more efficient systems and broader access to more upskilled pools of candidates; and the metaverse is fast approaching.

The status quo cannot be maintained in the face of these prevailing trends. Broken systems, transient workforces, skill mismatches, and constant innovation all represent the perfect storm. This is underpinned by a backdrop of economic uncertainty, financial insecurity, technological evolution, and a loss of confidence in the legacy system. We need to reinvent.

Addressing this requires a disruptive and engineered response that provides a win for all stakeholders. AVT is a Web 3.0 P2P DApp that will correct the shortfalls of the legacy system with technology that incentivizes workplace participants above and beyond traditional norms. AVT will provide excellent utility for employers and candidates in an environment of full visibility, speed, and enhanced user experience. Underpinning our recruitment mechanics is the utilization of NFTs and robust tokenomics that will redistribute what was previously spent in a multi-layered process back to users of the system.

Creating Your AVT

All employers and candidates on the system will create their AVT, which is the first step in the tokenization process that unlocks the measurable value of workplace performance. An AVT is a tokenised representation of the creator's performance platform.

The NFTs comprising an AVT are created via a minting process and represent a major structural milestone in enabling participation in the system. Performance based rewards generated from these NFTs are shared by the creator and community of holders

Exposure to high performing AVT whose NFTs are dynamically valued to generate rewards can be as strategic as it is rewarding. The opportunity to access a borderless pool of workplace talent will now exist in a system that represents the epitome of shared community success and meritocracy. Performance and system usage is incentivized for every stakeholder, which underpins this unique economy.

AVT technology creates the foundation for an outstanding user experience, innovative opportunities, and vibrant community. We've chosen technology partners that will help us achieve the best quality, first-class security, and rigorous operational support. AVT is built for the Web 3.0 citizen to have an immersive environment. As a result, AVT will enjoy an out-of-world experience combined with a transparent and meritbased reward program that supports our play-and-earn economy. Furthermore, it is powered by an easy-to-build 'low code' platform for community members creating and publishing their AVT. The result is a high-quality immersive platform, where users come to both participate and earn, and just as importantly have a heightened experience.

ii) Participants on AVT

➢ Candidate

Candidates can look out for jobs and will earn based on the participation and performance. They will showcase their skills and effectiveness, enabling them to build a reputation and to attract a larger audience and NFT acquisition.

➢ Employer

Employers will engage to secure talent and will also receive rewards based on their participation within the system. Like candidates, they can showcase their history which will be by way of providing meaningful jobs, conditions, and content.

➢ Community

Community members will help to govern the platform and decisions will be consensus driven. They can operate as a "community bridge" by promoting or reverse marketing the right candidate to employers which will generate a reward for utility provided. The interactive, P2P experience between each persona creates a virtuous cycle of collaboration, discovery, and ever-increasing economic activity as more people participate and win together

Tech & Solution Architecture

AVT technology creates the foundation for an outstanding user experience, innovative opportunities, and vibrant community. As blockchain technology continues to evolve towards greater capabilities, innovative development possibilities emerge. With the release of AVT, all in-product users will be able to fractionalize as non-fungible digital tokens. Community members will possess complete control of their purchased digital tokens and NFTs.

i) AVT Building on Polygon

AVT has chosen technology partners that will help us achieve the best quality, first-class security, and robust operational support. Currently, Polygon is capable of processing 65,000 transactions per second, an industry leading protocol. To complement this speed, Polygon additionally delivers an expansive and robust development toolset, which the AVT development team will leverage to build the AVT Metaverse and the NFT marketplace. Such performance at the blockchain layer enables a future in which all application-level logic can be computed on a suite of on-chain smart applications. The vision at AVT is to deliver a purely blockchain-driven universe that will forever change the Metaverse industry

ii) AVT **Security on Ethereum** - when considering the security of leading smart contract platforms, there are some key factors that have a direct impact on the security of each platform:

- ➢ Platform Age and Adoption

- ➢ Consensus Algorithm

- ➢ Programming Language and Virtual Machine

- ➢ Decentralization

- ➢ Ethereum performs as a top blockchain today in terms of security and developing smart contracts using the "Solidity" language, which is by far the most adopted, tested, and secure language.

iii) Interoperability - With the advent of bridges, AVT development team is focused on integration with other high performing layer one blockchains.

iv) Tokenization -AVT will be built on a strong and loyal community base earned by high quality experiences. Our community will be able to enjoy the following activities on the platform.

- ➢ Participate

- ➢ Reward

- ➢ Share

- ➢ Experience

At heart, AVT is a participation ecosystem. We believe in acknowledging our community for their time, engagement, and loyalty. Our users not only own NFTs but can also use the NFTs to share in rewards. The launchpad for the entire vision would be realized by building a loyal and crypto native community that loves our token economy, exciting NFT designs, and our immersive and simple reward creation mechanisms. This is all possible by tokenizing the business activity and user experience. AVT solution architecture presents high-level building blocks which will help us make our vision of a future ready metaverse reality.

AVT DApp Recruitment Mechanics
The AVT engine room will be built to thrive off data, from the dynamic rating and reward systems, the AI and machine learning enhanced

search functionality, on-chain analytics, and the dynamic upskilling capability. Data optimization will create an environment where the greater the aggregate of information, the more dependable the system performance.

Let's get started…let's imagine the data base is populated with AVT, representing both employers and candidates. The employment market is now tokenized, and we are preparing for business. When an employer posts an intra-system request, the job description and proposed rates and conditions will be uploaded, which would activate the built-in search function. No third-party advertising required. The AI enabled data base, pre-populated with a range of skills and qualifications, would enable refined searches on a comprehensive range of metrics including but not limited to:

➢ demonstrated skills

➢ certifications/tickets/degrees

➢ desired pay & conditions

➢ location (if any)

➢ job duration

➢ candidate ratings & APC (AVT Performance Co-efficient)

➢ a suite of on-chain analytics

The parameter-based search would then nominate suitable candidates in the database to be notified of preselection. Via an accept/decline function, candidates could elect to either progress or decline the assignment. Alternatively, candidates could respond directly to uploaded job postings, the success of which would still be determined by the pre-selection engine. From here a short list would be developed and made visible to the client who could either interview via an in-house function or progress to the hiring process, whatever their preference. When both parties are agreed, a smart

contract would then be generated between the parties, and work allowed to commence pending compliance requirements.

The distinguishing feature of a singular/common platform is that it allows for frictionless, efficient, and seamless interaction. We eliminate the risk of creating applicant silos that result from multiple data collection points as is the case in the legacy system. Furthermore, the scattergun advertising approach that invariably yields unsuitable applicants is also eliminated. Job posts will be generated internally. The system's pre-selection function will produce refined and accurate candidate lists which will speed the process exponentially. Meaningful shortlists will be created at the click of a button.

Dynamic and Targeted Up-Skilling

Job applications often discouragingly disappear into an abyss. The legacy system often sees applicants left uncontacted when deemed unsuitable (or missed), depriving that candidate of any direction. Our objective is to assist unsuccessful candidates by presenting them with a positive path forward. They will be provided specifics as to what impeded their progression via our system recognition and matching metrics. In the event of a skill deficiency, gap training will be offered. Whilst it is beneficial to be offered training, of more significance it must be outcome oriented. Course recommendations and providers will be community driven. Employers have a vested interest in the quality of their talent pool, which will ensure that training recommendations are 100% relevant and match job requirements. Information will be made available to the community in real time, taking guesswork out of upskilling process. Every unsuccessful application will now create an opportunity for targeted upskilling. Real time gap analysis will add true value and turbo boost our objectives. What was once a dead end for applicants will now represent a step forward. Amassing an authentic, user-based repository of training recommendations over time will provide an extensive guidance tool for the workplace community.

Compliance

Compliance measures form a critical part of the AVT infrastructure. Signed terms and conditions by employers and candidates will underpin a system of self-compliance/governance which will be verified at various points within the system. This will preserve the

integrity of key issues such as point of hire, statutory and taxation obligations, benchmarking minimum pay and conditions, and OH&S obligations. Registration and verification of identity will be rigorous and thorough. It is essential that anything involving the employment space must withstand scrutiny by regulators in key areas:

i) Industrial Relations

A comprehensive, up to date global workplace awards library will be embedded in the system. This will provide guidance on given employment categories and jurisdictions, no matter where in the world. This is designed to protect employers and employees alike from industrial relations exposure, exploitation, or disputes. Robust IR safety nets will represent an important component of every smart contract generated. All smart contracts will be system permissioned subject to acknowledgment, acceptance, and declared compliance to all relevant industrial relations frameworks.

ii) Statutory Obligations

Statutory obligations relevant to a candidate's point of hire will be acknowledged and accepted as a precursor to every smart contract to ensure compliance. It is required practice that the employer, in addition to handling various statutory obligations, withholds tax on behalf of employees. An AVT earnings however are not limited to hourly rates from job assignments. Detailed, system generated earnings summaries will be made available to reflect all earnings on AVT, verifiable on the blockchain for presentation and assessment by tax professionals. This information will be live, which will allow community members to quarantine funds appropriately. By selfmonitoring earnings summaries, participants can plan from a budgetary perspective. This will be a completely voluntary feature that will allow for forecasted tax obligations to be withheld in an AVT wallet or diverted to another nominated account should one elect to do so. This feature can be enabled or disabled at any time by the user and is offered to promote compliance and an enhanced user experience.

iii) Certifications/Endorsements

It is imperative that AVT obtains the highest recognition as a responsible and compliant corporate citizen in the blockchain space.

The following endorsements/certifications have either been achieved or scheduled as priorities:

➢ CertiK Certification

➢ Economics Design Endorsement

➢ Reasonably Argued Position (RAP) on the TLNT utility token

➢ ISO 27001 Standard Information Security Management System (ISMS)

➢ Patent pending on business method

iv) Occupational Health & Safety

Many work assignments will involve physical work sites and offices as the designated workplace. In such cases, the generation of smart contracts will only be enabled when employers have submitted sufficient information to verify that minimum OH&S standards from both a corporate and a site-specific standpoint have been met and made available to the candidate. Building a safety net of ongoing OH&S compliance will optimally safeguard the well-being of workforce participants.

Consumer Protection

To register as an AVT, it is critical that rigorous KYC procedures are undertaken. Best practice identification procedures help protect the platform and its users from fraud and other financial crimes. Legal obligations and advanced security technology will preserve account information and verify the authenticity of all new registrants. Furthermore, to protect the community from ill-intentioned actors who seek to exploit the system by selling fractionalized NFTs with no intention of being a model participant, measures will be implemented to augment KYC procedures:

➢ Soulbound Token (AVT) status will represent an intermediary step to satisfy system compliance and protection, after which point fractionalized AVT status is assumed.

➢ Prescribed minimum hours/jobs working on AVT as a AVT before fractionalization and sale of NFTs is permitted

➢ Prescribed minimum time metric on AVT as a AVT before fractionalization and sale of NFTs is permitted

➢ Initial fractionalization ratios and pricing will be standardized for every AVT. Dynamic value characteristics of NFTs will only commence with activity on the system.

Consumer protection in terms of AVT verification and NFT price consistency will be a core tenant.

Financing Options for Employers

AVT will cater for all size employers, each with their own cash flow requirements. Employers with large payrolls may prefer payment options for their ongoing payrolls. AVT will partner with accredited debtor finance groups and factoring facilities that provide payment terms at commercially agreed rates. System generated invoices will provide security for payroll debt. While AVT will host the application process and mechanics for ease of use, we will not be the lender. This is offered as an adjunct to the platform for employer groups who require such optionality. Agreed finance terms will be defined via smart contracts and governed accordingly.

Token Distribution

< Token issuance information >

· Token Name: Avatr

· Token Ticker: AVT

· Token Cap: 630000000

· Chain: Polygon Chain

Contract: 0x2e1a50cce250232c2e016cec145cd103a1f40aa8

Roadmap

The conceptual stage, early prototyping and development of algorithms and simulations has been completed. Company incorporation and required compliance measures are finalized, and of significant note AVT business methodology has achieved patent pending status. The foundational team is established, and key advisors and project partners have been secured.

Other key upcoming milestones:

➢ Early investment period Q4 2023 – Q4 2024 (pre-seed & seed rounds)

➢ System Development accelerates Q2 2024

➢ Bronze NFT launch Q3 2024

➢ Minimum Viable Product (MVP) & Token Launch Q2 2025

➢ Beta Testing Q4 2025

➢ DApp V1 Launch Q4 2025