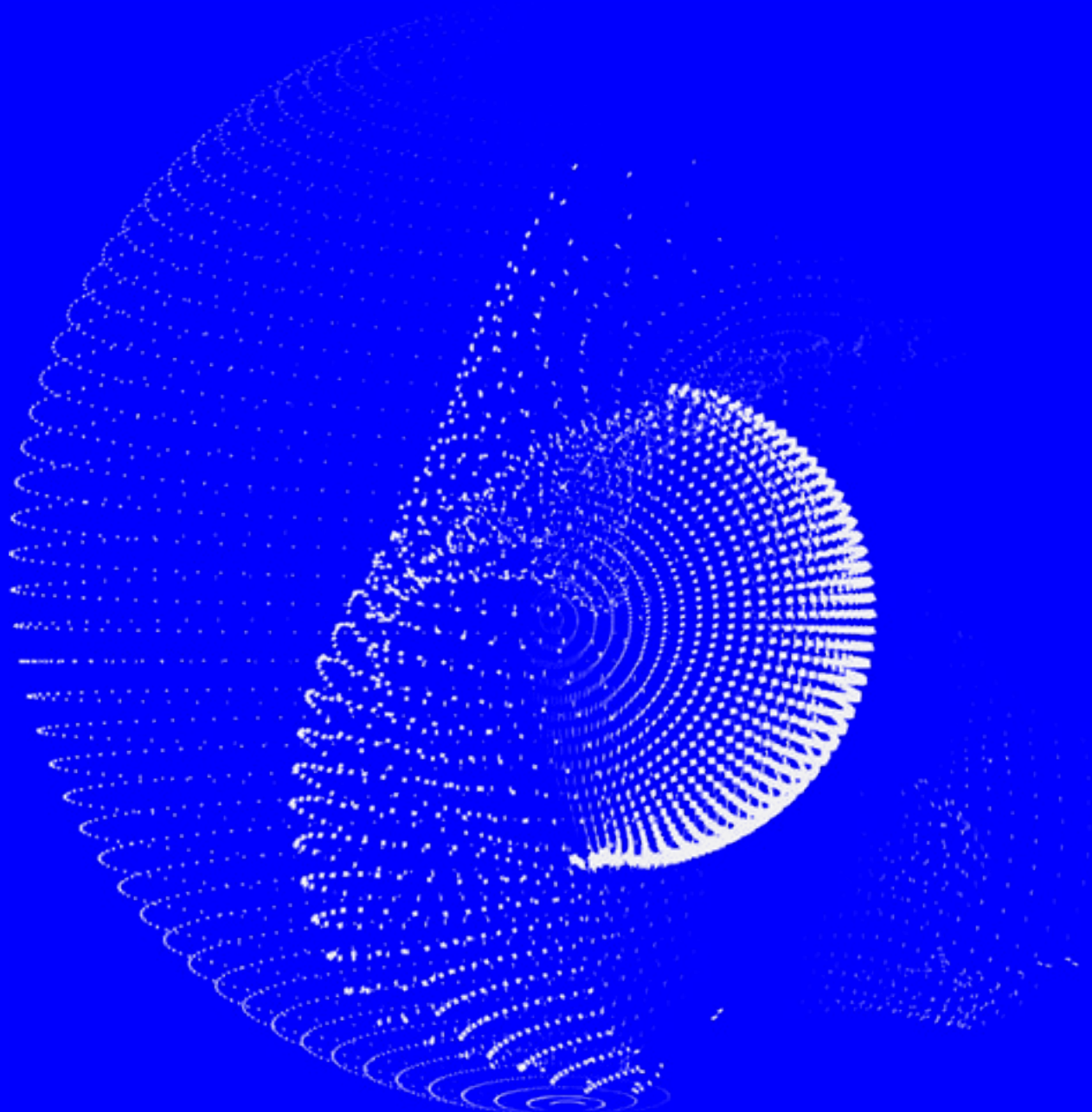


Web3-Powered Car Transactions Marketplace

WHITEPAPER



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🌐 www.azottotech.com

Disclaimer & Disclosures



Our company takes the protection of our users and the integrity of our token seriously. Our AZOTTO (AZTO) utility token is designed specifically to reward users who purchase products and services within our AZOTTO ecosystem.

To provide more protection to our users, we want to emphasize that the AZTO utility token does not represent ownership in our company, and it does not provide or promise financial returns. It is also not backed by any physical asset or government entity, making it imperative that it should not be viewed as a traditional investment opportunity.

This whitepaper does not constitute legal, financial, or investment advice, and buyers should seek professional advice before making any investment decisions. The company makes no guarantees regarding the accuracy or completeness of the information contained in this whitepaper and is not responsible for any financial losses or damages that may result from the purchase or use of the utility token. Buyers should also be aware that the regulatory environment for utility tokens is evolving and that the legal status of the utility token may change in the future. The company advises all potential buyers to stay informed about changes in regulation and to consult with legal and financial professionals to determine how these changes may affect their investment. We strongly encourage all users to conduct their own independent research and seek advice from financial and legal professionals before purchasing our AZOTTO (AZTO) utility token. The decision to purchase or sell our utility token is entirely at the user's discretion and risk, and we do not guarantee the value of the token.

The company makes no guarantees regarding the performance or functionality of the platform or the utility token. The success of the platform and the utility token are dependent on a variety of factors, including market demand and technological advancements. Moreover, we want to make it clear that our company is not responsible or liable for any decisions made by users with regards to the purchase or use of the token. We do not make any guarantees or representations regarding the performance of the utility token, and we do not assume any responsibility for any financial losses or damages that may result from the purchase or use of our utility token. The purchase and holding of the utility token involves a high degree of risk, including risks related to the development of the underlying technology, market volatility, and changes in regulation. Buyers should carefully consider these risks and consult with legal and financial professionals before making any investment decisions.

By purchasing and using our utility token, users agree to comply with all applicable laws and regulations, and to assume all responsibility and risk associated with the utility token. We are committed to providing a fair and transparent environment for our users, and we encourage everyone to carefully consider the risks involved before participating in our ecosystem. This offering may be subject to various regulatory requirements, and the company does not assume responsibility for ensuring that potential buyers comply with such regulations. The company advises all potential buyers to consult with legal and financial professionals to determine whether they are eligible to purchase the utility token.

In summary, our AZTO utility token is specifically designed to reward users for participating in our AZOTTO ecosystem. We take the protection of our users seriously, and we strongly encourage all users to conduct their own research and seek advice from financial and legal professionals before making any decisions regarding the purchase or use of our utility token.

Company



We are on a mission to reinvent car transactions with cutting-edge technologies such as Web 3.0/blockchain and AI/ML that make buying and selling process frictionless and secure for car buyers and sellers.

VISION

To eliminate the paperwork hassles associated with buying and selling cars, such as title transfers, registration, and bill of sale, by transforming them into secure and verifiable NFTs (Non-Fungible Tokens).

Our innovative approach aims to streamline the entire process, making it frictionless, transparent, and secure for car buyers and sellers. We want to revolutionize the automotive industry by transitioning from cumbersome paperwork to digital NFTs, bringing efficiency and trust to car transactions like never before.

VALUES

Values are an important part of the overall vision of the company. We commit to staying true and following these core values:

Integrity: Operating with honesty and transparency for customers, employees, and partners.

Innovation: Striving to innovate and improve, pushing boundaries and embracing new ideas to provide the best possible solutions for our clients.

Teamwork: Believing in the power of collaboration and teamwork, working together to achieve common goals and supporting each other to deliver outstanding results.

Diversity and Inclusion: Celebrating differences in backgrounds, experiences, and perspectives, and creating an environment where everyone feels valued and respected

Strong Work Ethic: Taking ownership and responsibility for our work, being proactive and taking the initiative to solve problems and overcome challenges with a positive attitude and mindset.

These values will be the guiding force for every decision AZOTTO makes on its quest to improve the quality of the automotive industry through technology.

AZOTTO: Web3 Car Transactions Platform

In this whitepaper, we will discuss **AZOTTO's MVP** (*Minimum Viable Product*) and **MVS** (*Minimum Viable Segment*) and how the platform would be built in two phases to solve the car buying and selling transaction process.

In **PHASE ONE**, we'll create an MVP auction platform for private sellers and vetted-certified dealerships to bid on cars. Instead of selling to one dealer, the sellers will get bids from 100s of dealers—maximizing the selling price. The Dealerships (buyers) will handle the paperwork for private sellers—saving them time and money, while the platform will ensure a frictionless and secure car transactions process. We will discuss **PHASE TWO** later in the whitepaper.

Market Analysis for PHASE ONE:

1. Overview
2. Market Size and Growth
3. Problems & Challenges
4. Market Dynamics
5. Competitive Landscape
6. Solution
7. Technology Stack

OVERVIEW

A vehicle auction marketplace is an online platform that facilitates the buying and selling of vehicles through a bidding process. The platform allows sellers to list their vehicles for auction that buyers can bid on.

MARKET SIZE & GROWTH



36.2 Million Used Vehicles Sold Annually¹

\$26,700
Average Used Car
Selling Price ²

PROBLEMS & CHALLENGES

These are the problems & challenges that online vehicle platforms are facing.

- Fraudulent Activities
- Fake Representations
- Inefficient Auction Conclusion Process
- Shortage of Inventory
- Lack of Customer Support

Fraudulent Activities

Rid Bidding is among the most common fraudulent activities experienced by online vehicle platforms. There are many rig biddings, but the most common rig bidding practices in online vehicle auction platforms are below.



Rigging a bid is illegal under antitrust/competitions laws.

Fake Representations

Fake representations on an auction platform refer to inaccurate or misleading descriptions a seller provides to deceive potential buyers. This can lead to buyers paying more for a vehicle that does not meet their expectations.

Example: a seller could list a car for sale and falsely claim that it has never been in an accident when in fact, it has or not disclose other mechanical issues. If the Buyer believes the vehicle has a clean history and places a bid based on that belief, they may pay more for the car than they would have otherwise

Clean Title
Mint Condition



On the other hand, the buyers might misrepresent their ability to pay or falsely claim that the car had undisclosed mechanical issues.

Inefficient Auction Conclusion Process

Auction Aftermath: Complicated and time-consuming process

Both the seller and buyer needs to complete the necessary paperwork and transfer the funds.

Signing the title and bill of sale.

The buyer has to resigter the car and obtain new license plates.

Buyer may need to arrange for shipping

Lack of customer support from the auction platforms

Current auction platform process could take several days

Shortage of inventory

The COVID-19 pandemic disrupted the global supply chain, resulting in a shortage of new cars. The supply chain and labor constraints implemented earlier in the pandemic forced the automates to cut new-vehicle production.³

Furthermore, the global microchip shortage prevented automakers from producing new vehicles. As a result, many people turned to the used car market, leading to a surge in demand, empty dealer lots, and a higher used and new car prices.

Because of this global shortage, the used car market faces another challenge: vehicle owners are keeping their vehicles while they wait for newer vehicles to become available before they trade in or sell their older vehicles.



Lack of customer Support

Online auction platforms are designed for ease of use, allowing consumers to buy goods without needing an intermediary and leaving the comfort of their houses. An online auction platform for vehicles is slightly different in terms of process after auction conclusion, which may require additional support from the platform. Because The buyer is not simply buying a product and having it delivered to their house, the buyer has to make sure that the vehicle paperwork gets transferred over and the handling of a payment goes smoothly.

Suppose the online vehicle auction platform is not designed well to handle edge-case. In that case, it may lead to several problems, requiring real-human assistance to mitigate issues, such as payment, fraud, and or other inquiries. The auction platform must be equipped to handle such edge cases.

MARKET DYNAMICS

Growth Drivers

One of the main problems that vehicle auction platforms are currently facing is a shortage of inventory due to supply chain disruptions caused by the COVID-19 pandemic. The global shortage of semiconductors has affected the production of new vehicles, leading to a decrease in the number of new vehicles available for auction. As a result, there is now an increased demand for used vehicles, which has led to higher prices and lower inventory levels.

Trends

Consumer Behavior: The auction industry is facing a shift in consumer behavior and preferences, as younger generations are more likely to prefer buying cars online rather than through traditional auctions. This trend prompts traditional vehicle auction platforms to adapt their business models and online strategies to remain competitive in the evolving marketplace.

Smarter Auction Platforms: Because of the consumer behavior of buying almost anything online, artificial intelligence (AI) is playing an increasingly significant role in the online vehicle auction industry, with several applications that are helping to improve the efficiency, accuracy, and overall experience of the online auction process.

Examples of how AI can help online vehicle auction platforms:



Predictive Analytics: AI algorithms can analyze large sets of data, including vehicle sales and pricing history, to identify patterns and predict future trends.

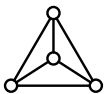


Image Recognition: AI algorithms can recognize and analyze vehicle images, identifying and cataloging important features and components. Image recognition/computer vision can also identify imperfections on the car, which can help determine the condition of the vehicle.



Fraud Detection: AI algorithms can analyze bidding behavior and other patterns to identify potential fraudulent activity, such as shill bidding or bid rigging. This helps to ensure fair and transparent auctions and builds trust in the platform.



Chatbots and Virtual Assistants: AI-powered chatbots and virtual assistants can help buyers and sellers with their inquiries, providing 24/7 support and helping to reduce wait times for customer service.

COMPETITIVE LANDSCAPE

B2B (business-to-business)

- KAR Auction Services, Inc.
- Copart Inc.
- ACV Auctions Inc.
- Insurance Auto Auctions Inc.
- E Automotive Inc. (EBlock)
- COX Enterprises, Inc. (Manheim, Inc.)

B2C (business-to-consumer)

- Shift Technologies, Inc.
- eBay, Inc. (eBay Motors)
- Auto Auction Mall
- Barrett-Jackson Collector Car Auction
- A Better Bid Car Auctions
- AutoBidMaster

C2C (consumer-to-consumer)

- Cars and Bids
- eBay, Inc. (eBay Motors)

C2B (consumer-to-business)

- MintList

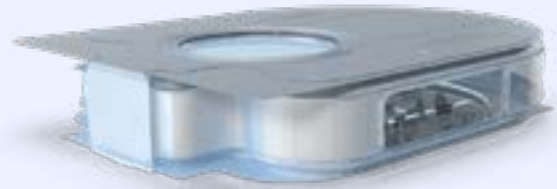


SOLUTION

The AZOTTO auction platform connects private sellers to dealerships to bid on their vehicles to get them the best price without the hassle.



Vehicle Owners (*Sellers*)



Dealership (*Buyers*)

← **CONNECTING** →

CAR TRANSACTIONS MARKETPLACE

AZOTTO will make buying and selling vehicles as easy as ordering an item on Amazon within minutes and having it delivered to your doorstep. The platform will be built strategically in **two phases** to eliminate the problems that the current vehicle auction platforms face today as well as streamline the buying and selling process.

PHASE ONE

PHASE 1 focuses on building a C2B (consumer-to-business) auction marketplace that will allow private sellers to sell or trade-in their vehicles directly to the licensed dealerships on the platform.

The C2B business model solves both users' problems and pain-points.

Seller:

- No longer have to wait days to sell their car
- No longer have to meet up with a stranger
- Won't get low-balled by a dealership
- Don't have to deal with paperwork
- Save money on taxes
- Free listing

Buyer:

- Lead generation
- Increased sales & inventory

PHASE 1 continues on next page

PHASE ONE (CONT.)

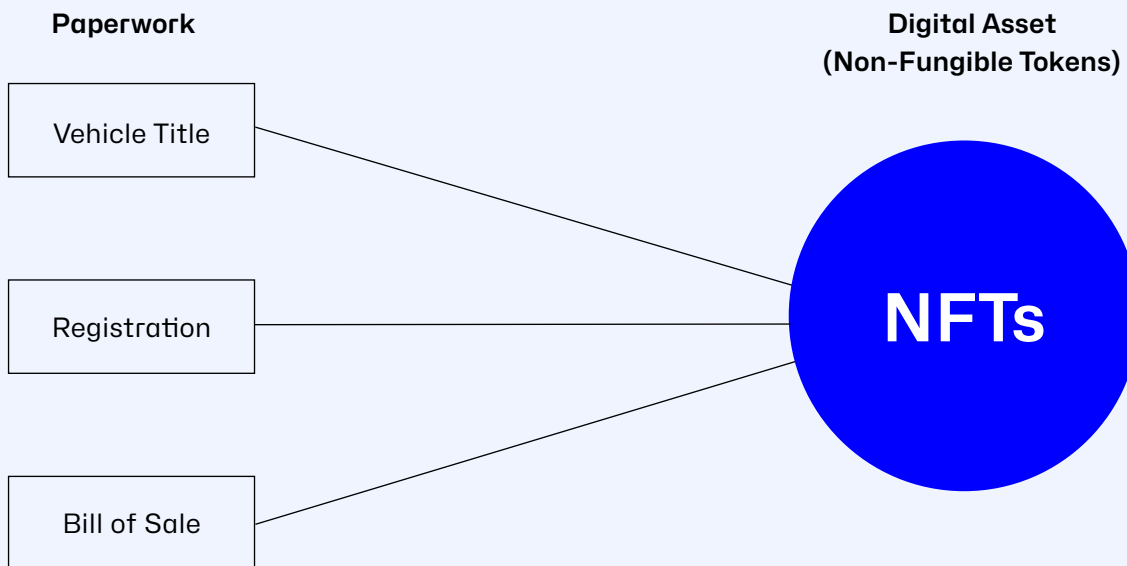
The niche target audience and the C2B business model allows us to solve significant problems for both the private seller and buyer and help us build our credibility as a company, which would then allow us to begin preparing for **PHASE TWO** of the platform build.

PHASE TWO

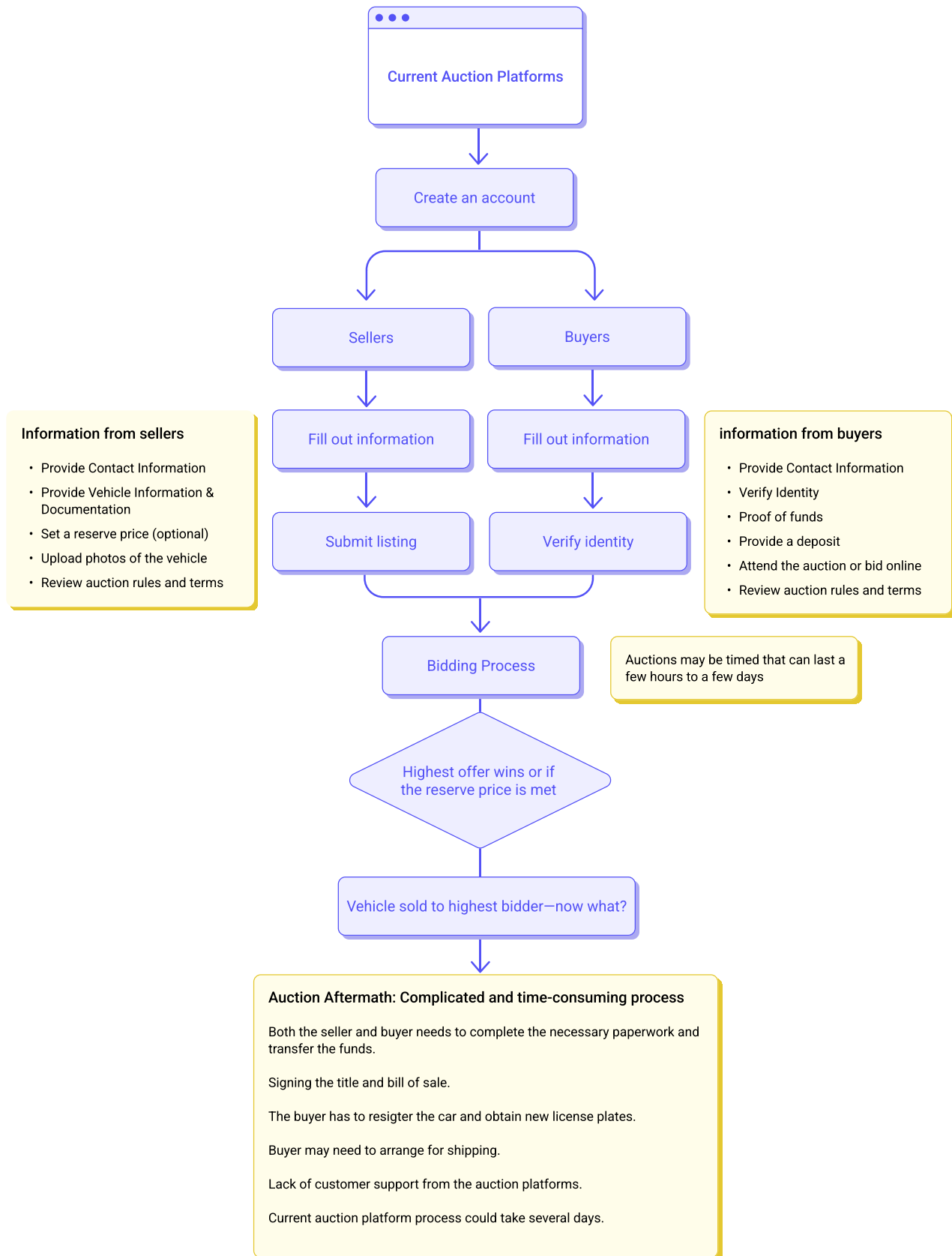
We will move on to the next step of our platform development, which will allow us to transition from C2B to a C2C (consumer-to-consumer or peer-to-peer) business model—allowing any user to sell and buy a vehicle online anywhere safely and without the hassle.

As we proceed with this phase, we intend to collaborate with each state's regulatory bodies responsible for automotive vehicle registration and title regulations to establish a partnership.

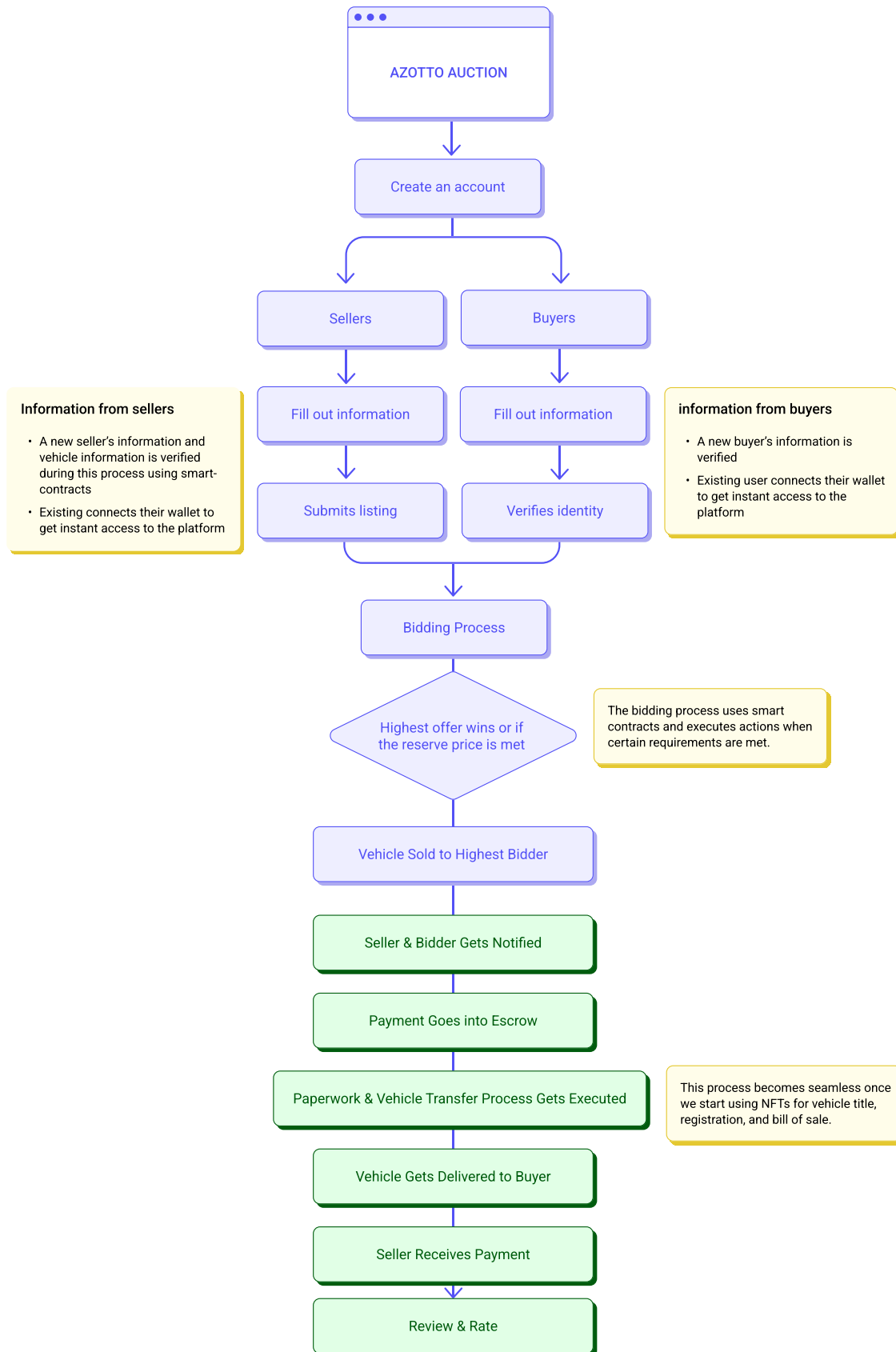
Our goal is to convert physical paperwork to NFTs, thereby becoming the pioneer in eliminating the need for physical documentation when buying or selling vehicles.



HOW A TYPICAL ONLINE VEHICLE AUCTION PLATFORM WORKS



SOLUTION: HOW AZOTTO AUCTION PLATFORM WORKS



GO-TO-MARKET STRATEGY

To effectively acquire sellers on our marketplace, we will utilize a multifaceted approach that includes using affiliate marketing, implementing search ads, creating SEO-optimized content, utilizing social media, and utilizing PR newswire to increase brand awareness and attract users to our website.

Our go-to-market strategy for **PHASE ONE** will be focused on two aspects of the car selling/buying process. 1) Private party sellers who want to avoid the hassle of paperwork and meeting strangers when selling their cars. 2) Local, vetted car dealerships who will compete to purchase cars from buyers through an auction.

Our MVP product will serve the DFW market before expanding to other states.

The platform fee will be free for 6 months for the buyers.

BUSINESS MODEL

Below is our C2B business model of the online auction marketplace during PHASE 1.

Sellers

Sellers will not be charged for the listing

Buyers

A platform fee of 3% in addition to the payment processing fee is charged by the platform. However, buyers have the option to avoid paying the payment processing fee by utilizing our AZTO utility token for their purchase(s). Moreover, buyers can earn a 1% token reward for using the AZTO utility token.

Vehicle Sold Price	Platform Fee (Buyers pay)
\$0–\$10,000	3%
\$10,000–\$50,000	2.5%
\$50,000+	1%

TECHNOLOGY (PHASE 1)

AZOTTO is committed to utilizing the most advanced technologies to build a robust, user-friendly, secure auction platform. The auction platform offers a unique combination of verification, blockchain technology, smart contracts, and AI/ML to streamline buying/selling vehicles online.

Verification: The buyers (dealerships) will be verified before we onboard them on the platform. The sellers will also undergo a verification process before using the platform.

Vehicle Valuation: Using computer vision, used cars, and trade-in data, our AI models will analyze the price of the vehicle based on vehicle history, mileage, and condition. This would give the seller a quick value of their car and allow them to set this as a starting bid or choose their price.

Rig Bid Detection: Implementing AI-based fraud detection techniques to analyze bidding patterns and detect suspicious activities, also designing smart contracts with specific logic and rules to prevent fraudulent activities, such as detecting and preventing bids from unauthorized parties.

Smart Contracts: Smart contracts will be used for the entire auction biddings process, such as reserve price, auction start and end time, and the bidding rules. As well as storing vehicle history and other tasks to streamline the process for an enhanced user experience.

Secure Data Management: The data associated with the smart contract, including auction parameters, bids, and winners, are stored on the Polygon blockchain in a distributed ledger format—ensuring the data is immutable and transparent. Any critical auction data transactions or history will be stored on the blockchain to ensure the transparency and immutability of the auction process.

User profile databases will be stored in a separate database, such as PostgreSQL, which can be optimized for storing user data efficiently and securely. This approach would allow us to handle complex queries, indexing, and scaling much more effectively while offering a more cost-effective approach than storing user data on a blockchain, which can be expensive due to the computation power required to perform consensus and maintain the blockchain network.



FRONT-END

- React or Angular for building the user interface
- Web3.js for interacting with the blockchain network
- Redux or MobX for state management



BACK-END

- Node.js or Go for building the back-end server
- Express.js or Gin for building RESTful APIs
- PostgreSQL for storing non-blockchain data, such as user profile



BLOCKCHAIN

- Polygon for building the blockchain network and smart contracts
- Solidity for writing smart contract code
- Ganache or Truffle for local blockchain testing and deployment
- Infura or Alchemy
- IPFS (InterPlanetary File System) for decentralized file storage of non-sensitive auction data
- Chainlink for connecting smart contracts with off-chain data sources



AI/ML

- TensorFlow or PyTorch for building and training machine learning models to analyze bid patterns and detect fraudulent activity
- Scikit-learn or Keras for implementing machine learning algorithms for data analysis and prediction
- OpenCV for computer vision tasks such as object recognition and image classification



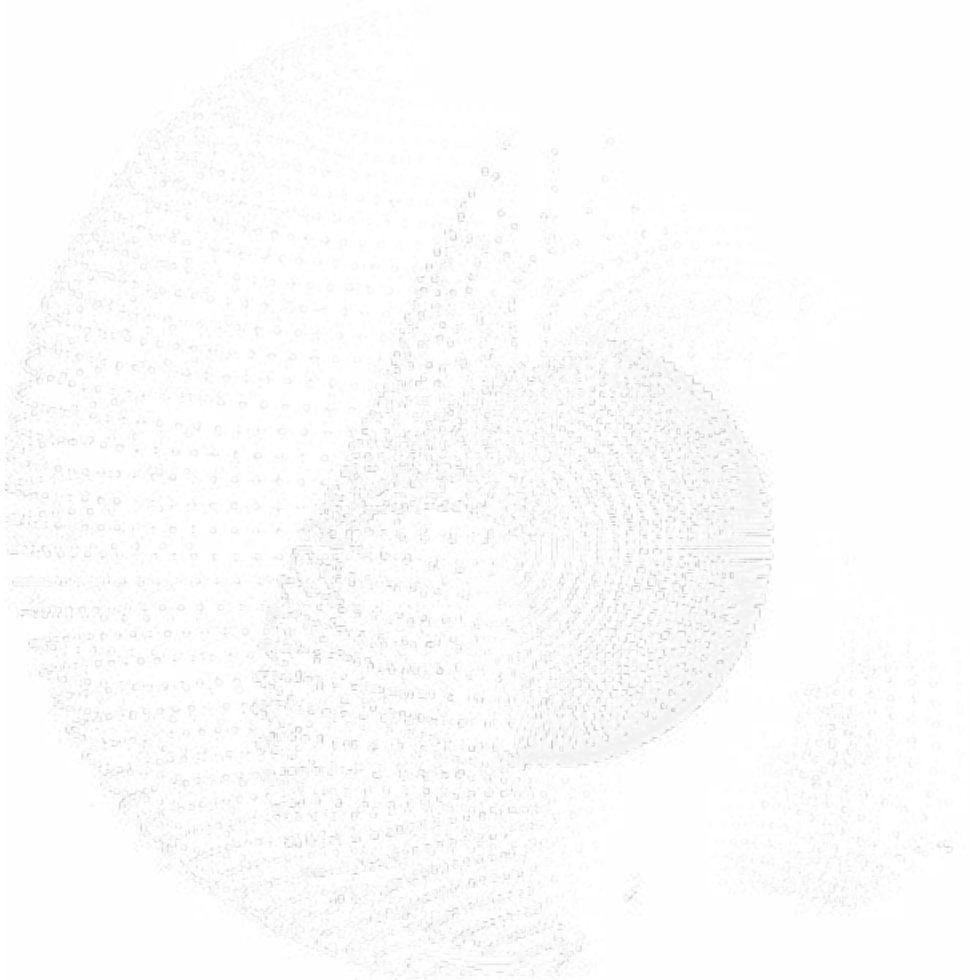
SMART CONTRACT

- OpenZeppelin for smart contract security audit
- Jest for writing and running automated tests
- Chai or Should.js for assertion libraries
- Cypress for end-to-end testing



DEVOPS

- Jenkins or Travis CI for continuous integration and continuous deployment
- AWS or Google Cloud for hosting and scaling the application
- HashiCorp Vault or AWS Secrets Manager for securely storing sensitive data such as API keys and passwords



Tokenomics



AZOTTO Utility Token (AZTO) will allow token holders to earn a percentage of tokens back when they purchase products or services within the AZOTTO ecosystem.

Token Name: AZTO

Token Icon:

Total max supply: 1,000,000,000 tokens.

Token price: \$0.05.

Token Type: ERC-20.

Token Distribution: A total number of tokens distributed would be 1bn. No new tokens will be created.

Token Use: The AZTO utility token's purpose is to reward users for participating in the AZOTTO ecosystem by purchasing products and services. Token holders can also use the tokens to participate on our vehicle auction platform and use the tokens as a payment to complete the transaction(s).

Token Rewards: The token holders get 1% of the token back as rewards for using the AZTO utility token to purchase products and services.

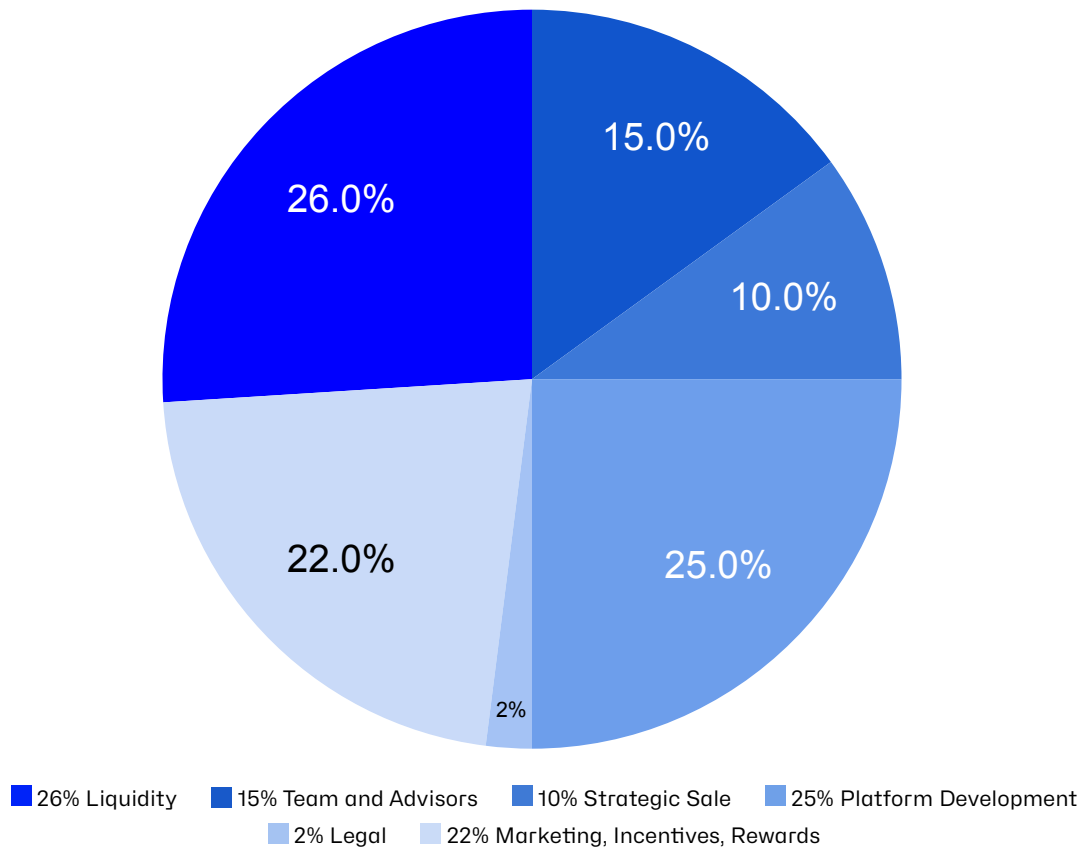
Pre-Sale: We will conduct a pre-sale for our utility token on our website. After our pre-sale, we will launch our token on major DEXs and CEXs.

Smart-Contract Audits: As part of our commitment to transparency and security, we will conduct a thorough audit of our token and smart contracts before the pre-sale stage by a professional auditing firm.

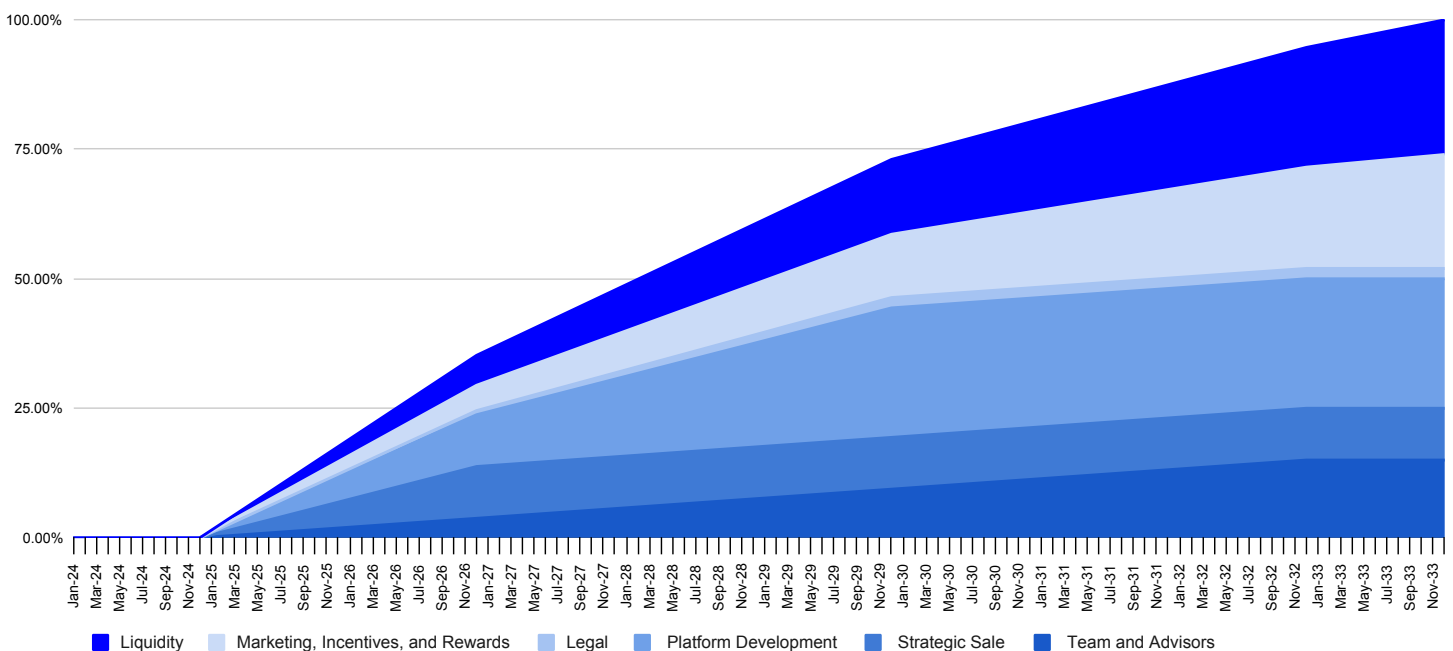
Token Deflationary Mechanisms: The company may choose to implement a token burn mechanism, where a certain percentage of tokens are permanently removed from circulation. This can help to increase the value of remaining tokens and create scarcity.

Token interoperability: Token interoperability is essential for creating an efficient and flexible token economy. By implementing a token bridge, our project will enable users to exchange our native token with other tokens, expanding the potential use cases of our token and increasing its overall value.

Token Distribution (%)



\$AZTO Token Emissions



Token Security Measures

Smart Contract Audit: The AZTO Token smart contract will undergo a thorough audit by a reputable third-party security firm before the token launch to identify and fix any vulnerabilities or bugs that could compromise the security of the token or its users.

Multi-signature Wallet: The AZTO Token team will use multi-signature wallets to store all funds raised during the pre-sale and ICO phases.

Two-Factor Authentication: The AZTO Token team will implement two-factor authentication (2FA) for all key account logins to prevent unauthorized access.

Regular Security Audits: The AZTO Token team will conduct regular security audits to ensure the token remains secure over time. These audits will include penetration testing, vulnerability scans, and code reviews.

Emergency Stop Mechanisms: The AZTO Token team will implement emergency stop mechanisms that allow them to pause the token's functionality in the event of a security breach or other emergency situation.

Timelock Mechanisms: The AZTO Token team will implement timelock mechanisms that delay the execution of certain functions within the smart contract. This can prevent attackers from exploiting vulnerabilities in the contract by giving the team time to identify and fix any issues before the functions are executed.

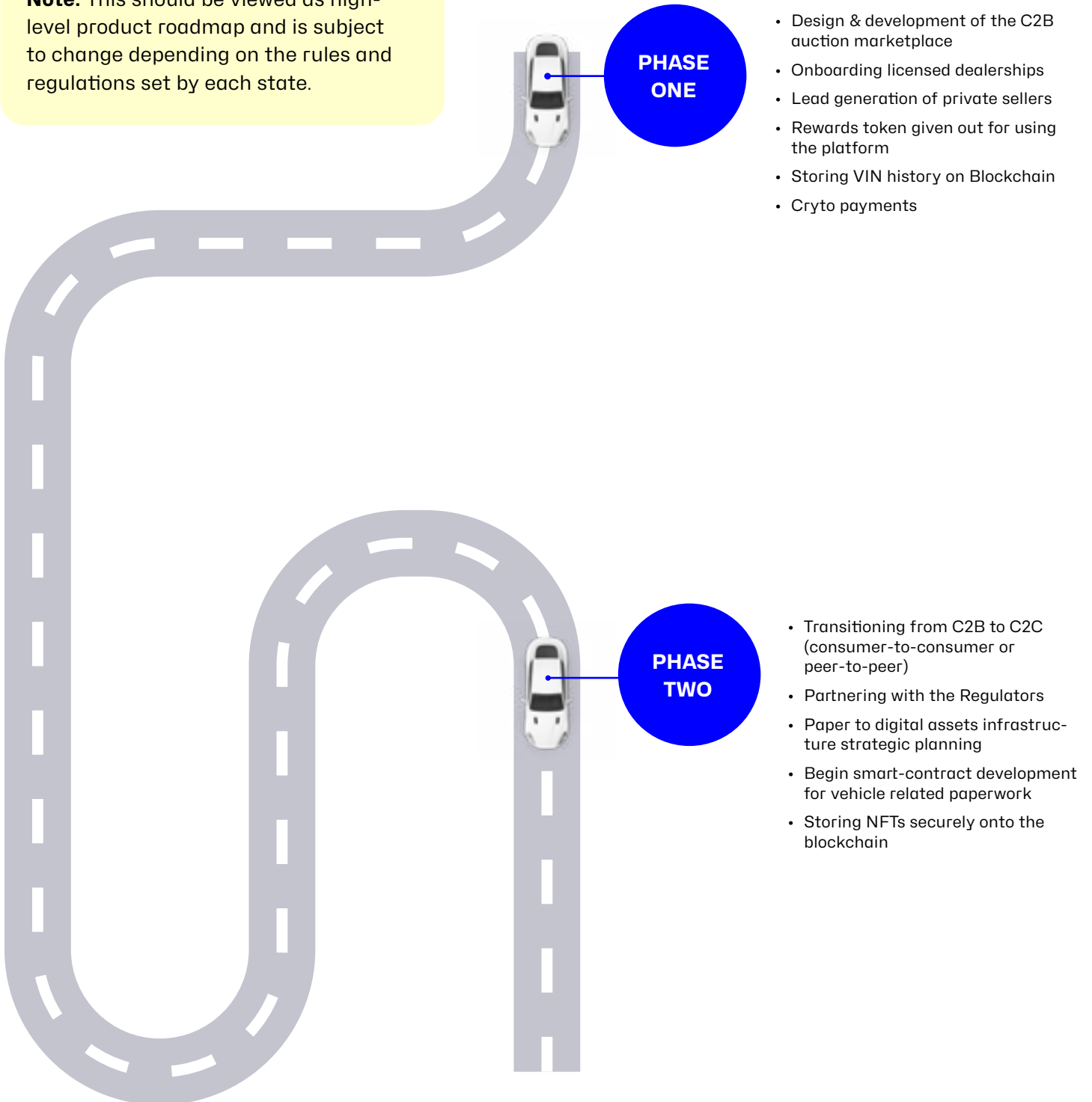
Role-Based Access Control: The AZTO Token team will implement role-based access control (RBAC) to restrict access to specific functions within the smart contract.

Cold Storage: The company will store the tokens in a cold storage wallet, which is not connected to the Internet. This makes it less susceptible to hacking attempts, but it can also make it more difficult to access the tokens when needed.

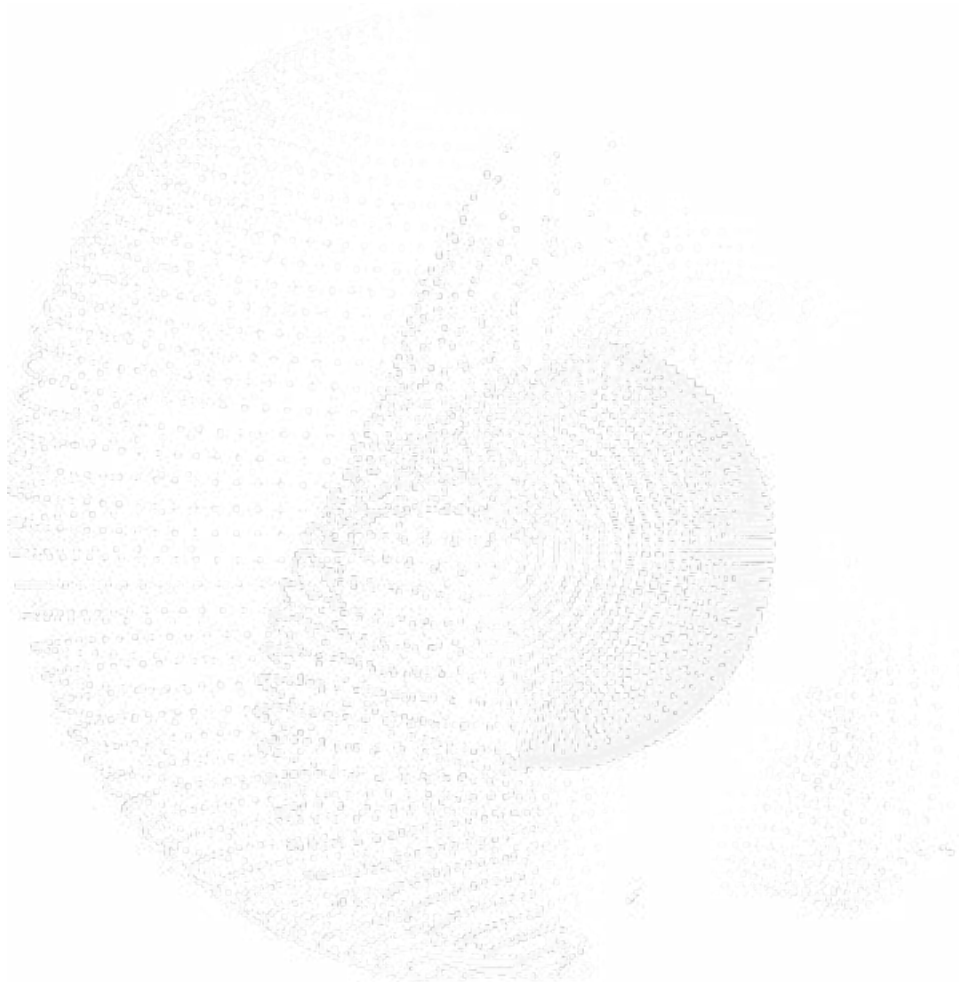
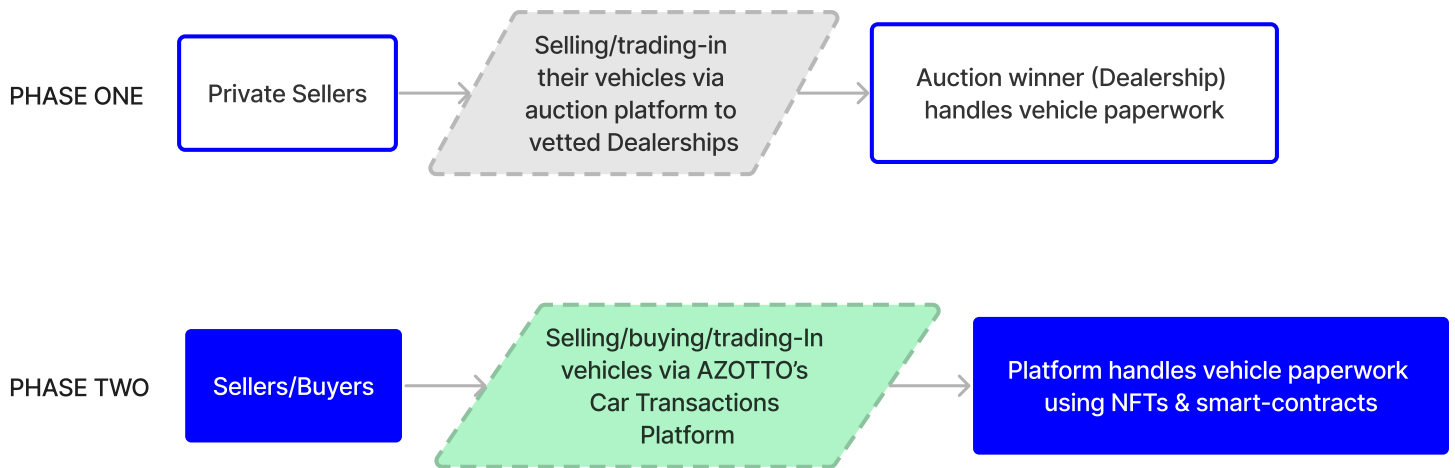
Roadmap

PHASE 1 development of the auction platform will begin once we have successfully met our pre-sale funding goals. The pre-sale funding will be used to complete **PHASE ONE**. **PHASE TWO** will require additional funding.

Note: This should be viewed as high-level product roadmap and is subject to change depending on the rules and regulations set by each state.



Product Development High-Level View



Team



Turaj “Tony” Belgameh

Founder, CEO/COO

Tony is a highly experienced and results-driven leader in the automotive industry with a successful track record of owning and managing a thriving dealership and repair shop for 30 years. He is a savvy entrepreneur who can identify and capitalize on business opportunities while maintaining a customer-centric approach.

In addition to his retail and automotive repair expertise, Tony has vehicle auction experience. He has participated in numerous vehicle auctions and developed a deep understanding of the auction process. His industry knowledge and ability to accurately assess the value of vehicles have helped him make informed decisions when buying and selling cars at auction.

Tony’s extensive knowledge and expertise in the industry have earned him a reputation as a trusted and respected figure in the space. He is a skilled leader who has guided his team to success through his effective management style and commitment to excellence. Tony’s passion for the automotive industry and his dedication to his customers have made him a sought-after professional.



Faizan Anjum

Chief Product Officer

As a product leader in the technology industry with 7 years of experience, Faizan possesses a strategic approach to scaling startups in the automotive AI and two-sided marketplace spaces. His ability to understand user behavior and identify market trends has positioned him as a thought leader in their field. His strong leadership skills and collaborative approach have allowed them to effectively manage cross-functional teams to deliver innovative products that meet and exceed customer needs.



Tracy Martin

Director of Content

A master-certified ASE technician and skilled curriculum developer/trainer with over 33 years experience. He is also the author of four popular books in the “Motorbooks Workshop” series, known for their easy-to-understand technical content that meets the needs of learners at all levels.

Future Products & Services



In no particular order.



Auto Shop
Management App



Vehicle History



Vehicle Financing



Automotive Learning
Platform



Vehicle Insurance



Automotive Repair
Service



Automotive Dev
Tools



Automotive AI/ML
Products



Metaverse

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- 2 <https://www.statista.com/statistics/274928/used-vehicle-average-selling-price-in-the-united-states/>
- 3 <https://www.cars.com/articles/is-the-inventory-shortage-coming-to-an-end-460943/>