AZRAEL / AND FRIENDS NETWORK

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A distributed AI platform for creating websites, coordinating work, and sharing legitimate digital revenue.

REVISED INVESTOR PROSPECTUS / 26 OCTOBER 2026

CONFIDENTIAL DISCUSSION MATERIAL

Founder-supplied project evidence and commercial plan. Not an offer to sell securities, a verified valuation, or a representation that all described products are live.

The investment thesis

One platform. Multiple revenue paths. One central diligence question: can the integrated system create and distribute real, measurable economic value?

Azrael and Friends Network combines three layers: **(1) a public creator-and-publisher platform, (2) a Cloud-orchestrated AI workforce, and (3) a participation and revenue-sharing network.** Its near-term commercial bet is that a nontechnical member can create a useful website, publish it, bring legitimate readers, and participate in verified advertising revenue - while the platform earns a defined share.

This is **not** a claim that a new foundation AI model has been invented. The potential differentiation is an integrated operating layer: persistent state, agent coordination, local/remote compute, publishing, referrals, permissions, and financial reconciliation.

FOUNDER PROPOSAL	TECHNICAL STATUS	COMMERCIAL STATUS
$250k post-money negotiating target; not appraised	49-file website build and 13 staging tests reported; production deployment unverified	No audited Marketing Master revenue, approved earning stream, or repeatable member payout evidence supplied

Investor proposition

- A free, bilingual entry product lowers the adoption barrier for creators in the United States and Latin America.
- Every eligible published site can display an attributable invitation, potentially turning customer output into distribution.
- Local Ollama and opt-in Android inference are potential cost controls, subject to task suitability and measured total cost.
- The same orchestration stack may support premium AI services, managed automation, and later independent licensing.

Current decision point

The updated public site and Cloud/member/revenue integrations are undergoing engineering audit under an October 26 final-launch directive. Passing local tests, receiving a code agent's favorable answer, or showing a public homepage is not by itself commercial-readiness evidence.

02 / PRODUCT

The member experience

Make useful website creation accessible to people without a developer, advertising specialist, or AI engineering background.

STAGE	EXPECTED MEMBER OUTCOME
1. JOIN	Free registration, language choice (English/Spanish), consent and account security.
2. CREATE	Describe a useful website; AI research and generation occur through authorized Cloud and compute resources.
3. REVIEW	Edit, check accuracy and rights, and approve the material before publication.
4. PUBLISH	A working, secure public URL with attribution and site management.
5. GROW	Share voluntarily; measure valid visits, conversions and referrals.
6. EARN	Where eligible, show real provider-sourced advertising receipts and the contractually defined member share.

Growth loop

Useful site → real visitors → referral discovery → free signup → another useful site. This is a distribution hypothesis, not an observed viral coefficient. Legitimate content quality, indexation, traffic demand and conversion rates determine whether it compounds.

Who the product is for

- First cohort: family- and community-led introductions, including Spanish-speaking early adopters in Paraguay and bilingual users in the United States.
- Next cohort: independent website publishers, side-project creators, local businesses and service providers.
- Potential business buyers: small organizations seeking private agent operations, research, content workflows, and deployment support.

Basic participation is intended to be free. Practical resource limits and abuse controls are necessary; “free” cannot mean unlimited unmetered infrastructure consumption.

Integrated operating system

The platform aims to combine consumer-facing publishing with a multi-device AI execution backbone.

LAYER	ROLE AND CURRENT EVIDENCE STATUS
Public Web + Community	Existing public host and forum reported. Redesigned English/Spanish flagship build is staged, not yet confirmed on production.
Azrael Cloud	OVH VPS; reported task/state services, APIs, worker coordination, website routing. Authorized service mapping and live integration need reconfirmation.
Windows / local AI	Existing Ollama/OpenCode/LocalHarness engineering environment. Local execution exists; seamless recovery and full Cloud handoff are not fully proven.
Opt-in device fleet	Founder reports S24+ inference demonstration; S10 and additional devices at varying test stages. Hardware-aware scheduling remains a technical gate.
Marketing Master	Locally tested reference prototype for login, referral attribution, publishing and 50/50 ledger. Cloud integration and live financial operations remain to be established.
Administrative controls	Master ownership policy, checkpointing, worker telemetry, secure actions and mobile control under active development and testing.

Why integration, not just AI quality, matters

A small model can be useful for appropriate bounded tasks when software supplies tools, job state, retries, human approval and reliable verification. A larger model may still be required for demanding work. Job routing needs measured quality, latency, token use, energy and failure rates before per-task margins can be trusted.

Hard production constraints

- Durable queues, idempotent jobs, observed completion receipts and recoverable checkpoints.
- Secure account separation, secrets handling, restricted production approvals and tested rollback.
- No inference on a member device without explicit opt-in and battery, thermal, data and permission safeguards.

Company positioning

Azrael and Friends is not competing with frontier-model companies at model pretraining. It is pursuing a practical application and coordination layer that could combine existing models with controlled infrastructure.

Engineering evidence

An investor should be able to distinguish a staged release, a local demo, a reported worker task, and a publicly validated service.

CLAIM	SUPPORT AS OF 26 OCT	VERDICT
Flagship bilingual site	Release handoff reports 49 packaged files, matching manifest, 13 passed tests and mobile/desktop staging checks.	STAGED
New live routes	Deployment handoff reports the previous homepage and forum serve HTTP 200; new route set returns 404.	NOT DEPLOYED
Production switch	Real Caddy host mapping, SSH authentication, backup/release paths and owner approval are prerequisites.	BLOCKED / UNVERIFIED
Marketing Master basic logic	Local reference MVP: 5 tests passed for session, referral/publishing flows and accounting arithmetic.	LOCAL DEMO
Public member-to-site flow	No externally observed, complete signup → researched generation → HTTPS publication → referral evidence supplied.	UNVERIFIED
Real ad income / payouts	No attributed verified provider payment/receipt and member settlement supplied for new network sites.	UNVERIFIED
Remote workforce	Cloud/Windows and S24+ job evidence described in earlier engineering reports; full resilience remains to be tested.	REPORTED

The Kilo audit is a workstream, not a completed attestation

The founder supplied a final commercial launch directive requiring separate WEBSITE READY, MEMBER PLATFORM READY and REVENUE PLATFORM READY verdicts, each supported by live evidence. No finished Kilo verdict or verified production switch was provided for this revision.

Evidence taxonomy

VERIFIED: observed test with reproducible artifact. **REPORTED:** engineering or founder statement. **PLANNED:** intended feature. **BLOCKED:** missing authority, integration, third-party approval or observed result. Do not aggregate these categories into “commercially ready.”

How the network earns

The first revenue engine is a publisher network. Additional services can diversify revenue if real customer demand emerges.

Core publisher economics

ECONOMIC ITEM	PLANNED CONTRACTUAL TREATMENT
Partner-operated eligible site	50% to the participating site operator / affiliate and 50% to the Azrael company, from one precisely defined distributable revenue base.
Founder-operated sites	100% of the founder-side entitlement for founder-operated sites, with corporate accounting and lawful distribution kept distinct.
Advertising eligibility	Only approved providers, permitted content and placements, authenticated reporting and valid attributable traffic count toward earnings.
Payout logic	Provider adjustment → eligible receipt → accounting ledger → affiliate entitlement → eligible payout. Estimates never become withdrawable cash.
Membership	Free enrollment; fair-use controls, fraud prevention and anti-spam rules.

Secondary commercial options

- **Managed AI services:** metered research, content operations, automation and video production, priced against actual delivery cost.
- **Premium publisher tools:** custom domains, managed hosting, support, branded features or paid service tiers when validated.
- **Private installations:** support and maintenance for businesses that need controlled deployment.
- **Future licensing:** independent Azrael Genesis instances and disaster recovery remain deferred concepts, not booked revenue.

Critical distinction

The company's 50% share of qualifying advertising receipts is not the same as company profit, and it is not automatically the founder's take-home income. Hosting, content generation, moderation, payment compliance, refunds, support, taxes and other expenses still need to be covered.

1,000 members: a reality check

Membership alone is not a revenue metric. These transparent scenarios illustrate the traffic and provider receipts required to make a publisher network economically meaningful.

Formula: 1,000 registered members × monetization-eligible site share × legitimate monthly pageviews per eligible site ÷ 1,000 × net distributable dollars per 1,000 pageviews = total member-site distributable receipts. Azrael's contractual portion is 50%, before the company's own expenses.

ASSUMPTION	CAUTIOUS	DEVELOPING	HIGH-TRAFFIC
Members (scenario)	1,000	1,000	1,000
Sites eligible for monetization	25% (250)	50% (500)	75% (750)
Valid pageviews/site/month	500	2,000	10,000
Total valid monthly pageviews	125,000	1,000,000	7,500,000
Illustrative net distributable / 1k views	$1.00	$2.50	$4.00
Distributable receipts/month	$125	$2,500	$30,000
Member pool at 50%	$62.50	$1,250	$15,000
Azrael portion at 50%	$62.50	$1,250	$15,000

These are NOT forecasts

All traffic rates, approved-site percentages and effective receipt rates are invented scenario inputs for sensitivity analysis - not actual traffic, ad network quotations, expected member earnings, commitments or guaranteed returns. Even the high-traffic column requires 7.5 million legitimate monthly pageviews. Company net income could be zero or negative after costs.

Break-even must be measured

Track gross receipts, affiliate allocation, provider clawbacks, serving and inference costs, moderation/support, acquisition costs, uptime and user retention at site and cohort level. Only then calculate contribution margin, cash burn and the minimum traffic or subscription volume needed to sustain operations.

Distribution and adoption

Start with measurable customer success, not a headline membership target.

Initial launch motion

COHORT	WHAT SUCCESS LOOKS LIKE
Founder/family pilot (10–20 users)	Bilingual onboarding, a real published site, content review, mobile usability, verified referral attribution and support workload measured.
Founding creators (first 100)	Meaningful active creators, repeat publishing, real organic visitors, publisher eligibility, opt-in retention and transparent failed cases.
Publisher expansion (to 1,000)	Reliable customer acquisition cost, traffic quality, meaningful monetization rate, support economics, and zero dependency on deceptive earnings claims.
B2B pilots	A narrow paid automation or managed publishing service sold to actual organizations under clear SLAs and support terms.

Acquisition channels under evaluation

- Spanish- and English-language invitations through personal networks; consent-based referrals and transparent terms.
- Educational demos on Bluesky and other permitted channels, showing real work rather than fabricated income.
- Useful generated sites that are high-quality enough to attract search and direct readership on their own merits.
- Partnerships with legitimate publishers or creators who independently value the tool.

The funnel to measure

Eligible visitors → completed signup → first useful site → publication → 30-day active use → monetized valid traffic → cleared receipts → retention. Measure each conversion; referral links are not automatic viral growth.

Key operating principle

Every growth channel should optimize for real users and genuine readers, not page-refresh volume, purchased fake clicks or recruitment that generates no productive websites.

Position in the market

The strongest comparison is not “a more intelligent chatbot”; it is “a simpler path from intent to completed and monetizable digital work.”

CATEGORY	ESTABLISHED STRENGTH	AZRAEL HYPOTHESIS / GAP
Hosted AI assistants	High model quality, broad tools and general adoption.	Deeper owner-controlled workflows, but must prove reliability and UX.
No-code website builders	Polished publishing, templates, analytics and hosting.	AI-generated research + member participation, but must match publishing quality.
Affiliate/ad-management networks	Advertiser relationships, reporting and settlement.	Integrated creator flow; requires real provider approvals and trusted ledgers.
Automation products	Broad integrations, workflow execution, mature observability.	Multi-device compute and persistent Azrael history; production hardening needed.
Open-source agents	Customizability, low-cost self-hosting and speed of iteration.	Product integration, governance and end-user support would need to differentiate.

Potential defensibility

- A repeatable creation-to-publication-to-earnings workflow with transparent accounting and low friction.
- Privacy-conscious deployment options and model routing selected on measured cost-per-successful-task.
- Operational continuity: recoverable state, task histories, approved actions, monitoring and verified completion receipts.
- An opted-in publisher community with durable content and measured legitimate referral conversions.

Investors should expect replicability risk. Most building blocks are available to other teams; defensibility depends on execution, accumulated data rights, customer retention, integrations and operational trust, not merely assembling tools.

Milestone-driven execution

The near-term objective is a safe production launch followed by measured activation and first genuine monetization receipts.

GATE	VERIFIABLE EXIT EVIDENCE
A / WEBSITE READY	Correct production host, 49-file release deployed with authorization, all English/Spanish routes working, forum and prior APIs preserved, regression tests and rollback verified.
B / MEMBER PLATFORM READY	A clean external signup works; an actual content job runs to completion; site publishes publicly over HTTPS; referral attribution, privacy, security and dashboard checks pass.
C / REVENUE PLATFORM READY	A provider has explicitly approved the actual publisher setup; authenticated valid receipts reconcile; 50/50 entitlements and reversals pass; payout capabilities meet eligibility and compliance.
D / COMMERCIAL EVIDENCE	Independent real customers, measured repeat use and retention; documented expenses, contribution margin and service reliability over a meaningful pilot period.

Proposed proof sequence (planning targets only)

- **Days 0–30:** safe deployment, complete live end-to-end member tests, restore drills, baseline cost and monitoring dashboard.
- **Days 31–60:** small bilingual pilot, quality and support metrics, first approved provider integration and documented publisher terms.
- **Days 61–90:** verified receipts or paid services, retention and margin analysis, diligence-ready data room and updated forecast.

Three verdicts; one independent standard

Website-ready, member-ready and revenue-ready must be evaluated separately. A favorable coding-agent verdict is useful only when supported by reproducible artifacts, externally observable URLs, provider documentation and trustworthy accounting records.

Valuation and financing

A negotiation anchor can be sensible without pretending the enterprise already has audited revenue or a third-party appraisal.

Founder's working fundraising position

NEW EQUITY INVESTMENT	ILLUSTRATIVE OWNERSHIP	IMPLIED POST-MONEY
$5,000	2%	$250,000
$12,500	5%	$250,000
$25,000	10%	$250,000

For an illustrative **$25,000 for 10% primary issuance**, the implied pre-money valuation is **$225,000** and post-money valuation **$250,000**. No investment is described here as committed, contracted, or received. Shareholder percentages, option pools and possible dilution must be resolved in formal documents.

What could justify the negotiating position

- Demonstrated code assets and documented ownership/right to use all model, library and contractor contributions.
- An independently runnable public release rather than disconnected prototypes and screenshots.
- A secure publisher ledger, reliable production services and provable repeatable paid workflows.
- Evidence of active customer use, retention, paid conversions, cash collection and sustainable contribution margin.

Market context - careful comparability

Acquire.com's February 2026 report found **3.9x median annual profit** for confirmed profitable SaaS transactions in its 2024 and 2025 deal samples [E1]. It does not provide a price for this pre-revenue or unverified venture. Applying a profitable-SaaS multiple to Azrael today would be misleading.

Ownership and governance diligence

The founder has described a proposed 20% stake for Mo; executed documentation and fully diluted capitalization have not been reviewed. The legal entity, IP assignments, securities counsel, voting rights, future dilution and founder/partner payout obligations should all be reconciled before presenting binding terms.

Risk and control register

A credible prospectus demonstrates awareness of operational, financial and regulatory failure modes - and establishes specific controls.

KEY RISK	CONTROL / DILIGENCE REQUIREMENT
Launch disruption / thin VPS resources	Measure CPU, memory and disk; ensure restorable backup, validated proxy mapping and rollback. Address previously observed OOM kills.
Agent overreach / credentials	Least-privilege service accounts, audited actions, secret vaulting, strict human approval for production/financial changes, MFA.
Unverified monetization	Real network approvals and genuine receipts; record adjustments and payment state without inventing earnings.
Fraud and traffic manipulation	Bot detection, paid-traffic disclosure, referral integrity, provider policy compliance, strict ban on fabricated impressions.
Earnings and referral claims	Make only supportable statements. Include expenses and typical outcomes; disclose paid promotional relationships [E2][E3].
Data, IP and content accuracy	Privacy/consent, rights to generated content, source checking, moderation, third-party code/model licenses and retention policy.
Legal classification	Qualified review of publisher/affiliate compensation, potential franchise/business opportunity rules, crypto payouts, tax and cross-border matters.
Founder dependence / code durability	Git backups, restore drill, architecture docs, reproducible CI/CD and administrative succession controls.

Most important underwriting risk

The business requires sustained legitimate traffic or paid customer demand, yet verified user conversion, revenue from new sites, actual payout operations and positive margins have not been supplied. That is a commercialization challenge to test, not a flaw a favorable software test can erase.

Investor diligence package

The next investor meeting should be backed by live demonstrations and a data room, not speculative total-addressable-market slides.

Minimum requested evidence

- Executed legal formation documents, cap table, option/equity commitments and contributor IP assignments.
- Versioned release package, current Git commit, reproducible CI test logs and actual production deployment record.
- Verified external-browser videos/URLs for signup, site generation, publishing and referral capture.
- Cloud architecture, uptime history, device job receipts, cost-per-task results, backups and recovery drill.
- Approved advertising-provider account documentation; financial receipt-to-ledger reconciliation and authorized payout policy.
- Pilot customer cohort report, content/site quality metrics, valid traffic, conversion, retention, and support expenses.
- Cash runway and 12-month operating forecast based on actual invoices and defensible assumptions.

Proposed use of any new investment (not a committed budget)

Priority should be production hardening, cybersecurity and account controls, provider onboarding and compliance, bilingual onboarding, early publisher support, proof-of-cash-flow instrumentation, and minimal contingency. A line-item budget should be approved before any investment is solicited.

Source and status notes

[F1] Previous Azrael and Friends Investor Prospectus (October 2026), founder-provided; technical claims not independently audited.

[F2] Azrael and Friends Master Continuity Handoff (October 25, 2026), founder-supplied project history and local MVP test status.

[F3] Website Deployment Approval Handoff (October 26, 2026), project document: 49-file staging release, 13 tests; production not switched.

[F4] Final Commercial Launch, Integration & Verification Directive (October 26, 2026), provided by Founder; requirements, not evidence of completion.

[E1] Acquire.com, Biannual Acquisition Multiples Report (February 11, 2026; updated September 1, 2026): https://blog.acquire.com/acquire-com-biannual-acquisition-multiples-report-jan-2026/

[E2] U.S. Federal Trade Commission, “Back up those earnings claims” (June 2026): https://www.ftc.gov/business-guidance/blog/2026/06/back-those-earnings-claims-other-lessons-ftcs-labor-task-force-work

[E3] U.S. Federal Trade Commission, Endorsement Guides FAQ: https://www.ftc.gov/business-guidance/resources/ftcs-endorsement-guides-what-people-are-asking

Investor conclusion

A plausible early-stage opportunity exists if Azrael can move from local engineering milestones to reproducible real-user publishing, approved advertising receipts, sustainable unit economics, and robust operation. The prudent next step is a milestone-linked discussion, not a claim of present market dominance or guaranteed investor return.