Chat402

Private AI Access
Pay-Per-Message via Cryptocurrency

"Private by default. Pay only for what you use."

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EBK

Web: `https://chat402.xyz`
Telegram: `https://t.me/chat402bot`
API: `https://api.chat402.xyz`

No accounts. No subscriptions. No server-side storage.

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Contents

1 The Privacy Problem

1.1 Every AI Conversation is Tracked

When you use ChatGPT, Claude, or Gemini, every question you ask is permanently linked to your identity. Your medical questions, legal concerns, business strategies, creative explorations, and personal struggles—all tied to your email address and credit card forever.

This isn't an accident. It's the business model.

A Stanford HAI study found that six major U.S. AI providers use conversation data for model training by default. Opt-out mechanisms are inconsistent, often buried in settings, and sometimes don't actually work.

The implications are profound:

- **Chilling effects**: People self-censor, avoiding sensitive questions they need answers to
- **Data aggregation**: Your AI conversations join your search history, purchase records, and social media activity in comprehensive profiles
- **Future risks**: Data collected today may be used in ways we can't predict tomorrow

1.2 Why Privacy Matters for AI

AI assistants are uniquely intimate. Unlike search engines, you have *conversations*. You ask follow-up questions. You reveal context. You think out loud.

Consider what people ask AI:

- "Is this mole something I should worry about?"
- "How do I tell my spouse I want a divorce?"
- "Can my employer legally do this?"
- "I think I might be depressed"
- "How do I negotiate a higher salary?"

These queries reveal our fears, our relationships, our health, our finances. The idea that they're permanently stored, linked to our identity, and potentially used for training feels deeply wrong—because it is.

1.3 The Surveillance Business Model

Why do AI providers collect this data? Economics.

Training frontier AI models costs hundreds of millions of dollars. Providers face intense price competition—GPT-4 API prices dropped 80% in one year, DeepSeek undercuts by 95%. When you can't make money on price, you make money on data.

Your conversations are the product. Shoshana Zuboff calls this "surveillance capitalism": the systematic extraction of human experience as raw material for prediction and profit.

Chat402 exists because we believe there's a better way.

2 Why "Chat402"?

2.1 HTTP 402: Payment Required

Every web developer knows the HTTP status codes: 200 means success, 404 means not found, 500 means server error. But there's one code that has sat unused for decades: **402 Payment Required**.

When the internet's architects designed HTTP in the 1990s, they reserved 402 for a future where micropayments would be native to the web. That future never arrived—until now.

The "402" in Chat402 is a direct reference to this forgotten status code. We're building what the internet was supposed to have: seamless, per-request payments without subscriptions, accounts, or intermediaries.

2.2 The x402 Protocol

Chat402 is built on the **x402 protocol**, an emerging standard for machine-to-machine payments. The idea is simple: when a service requires payment, it returns a 402 status code along with payment instructions. The client pays, and the service completes the request.

This matters because AI agents are coming. Autonomous systems that browse the web, call APIs, and accomplish tasks on your behalf. These agents will need to pay for services—and they can't fill out credit card forms or manage subscription accounts.

x402 enables a new paradigm:

- **Permissionless access**: Any agent with funds can use any x402-enabled service
- **Micropayments**: Pay fractions of a cent per request, not $20/month minimums
- **No accounts**: Payment is the authentication
- **Interoperability**: A universal standard across services

Chat402 is one of the first implementations of this vision. Today, humans use it for private AI access. Tomorrow, AI agents will use it as infrastructure.

2.3 A Play on Words

Yes, the name is also a play on "ChatGPT." We replaced "GPT" with "402" because:

- ChatGPT requires an account. Chat402 requires only payment.
- ChatGPT locks you into one provider. Chat402 gives you access to all major models.
- ChatGPT charges $20/month whether you use it or not. Chat402 charges per message.
- ChatGPT logs your conversations. Chat402 doesn't.

The name captures our thesis: the future of AI access is pay-per-use, not subscriptions. HTTP 402 is finally getting its moment.

3 The Chat402 Solution

3.1 Crypto-Native, Privacy-First

Chat402 was built on a simple principle: **payment should not require identity.**

We started with cryptocurrency because it's the only payment rail that enables true pseudonymity. No bank account linking your transactions to your name. No credit card company building a profile of your AI queries. Just a wallet address and USDC on Solana—fast, cheap, and private.

This isn't crypto for speculation. It's crypto for *function*—using the technology for what it was designed to do: enable permissionless, pseudonymous transactions.

3.2 Why We Added Credit Cards

Privacy shouldn't be a privilege reserved for the technically sophisticated.

Most people don't have crypto wallets. If we only accepted USDC, we'd be limiting privacy-respecting AI access to a small subset of users. That felt wrong.

So we added credit card payments—not because we abandoned our principles, but because we want more people to benefit from them. The core guarantee remains identical regardless of payment method: **we never store, sell, or monetize your conversations.**

The difference is in the payment layer, not the privacy layer:

	Cryptocurrency	**Credit Card**
Privacy level	Full pseudonymity	No conversation logging
Identity required	None (wallet only)	Email + payment info
Processing fee	None	3.5%
Best for	Privacy maximalists, agents	Convenience, accessibility
Payment verification	On-chain (Solana)	Standard processing (Stripe)

Credit card payments incur a 3.5% processing fee to cover payment processor costs. Cryptocurrency payments have no additional fees—just the negligible Solana network fee (fractions of a cent). This isn't a penalty for card users; it's simply passing through the cost that payment processors charge us. We don't profit from processing fees.

If you want maximum privacy *and* lower fees, use crypto. If you want convenience and still don't want your conversations logged, use a card. Either way, you're better off than with any major AI provider's subscription model.

3.3 What We Provide (and Don't)

We believe in radical honesty about our privacy model.

What Chat402 provides:

- No server-side conversation storage
- No data monetization or selling
- Choice of pseudonymous (crypto) or convenient (card) payment

- Single API access to all major AI models
- Pay-per-use pricing (no subscriptions)

What Chat402 does not provide:

- End-to-end encryption (messages are sent to AI providers for processing)
- Control over upstream provider data handling
- Complete anonymity with credit card payments
- Protection against sophisticated chain analysis (crypto payments)

When you send a message through Chat402, it goes to OpenAI or Anthropic or Google for processing. They receive the query content but *not your identity*. This is a meaningful privacy improvement—they can't link your questions to you personally—but it's not absolute privacy.

We're honest about these limitations because trust requires honesty.

3.4 For Developers

Chat402 provides a unified API for accessing multiple AI models:

- **One integration, all models**: Access GPT-4, Claude, Gemini, Grok, DeepSeek, and more through a single API
- **No separate accounts**: Skip signing up with each provider individually
- **Simple billing**: Pay per use, no commitments or minimums
- **Privacy by default**: Your users' queries aren't logged or linked to identities

3.5 How It Works

With Crypto (Maximum Privacy):

1. Connect any Solana wallet (Phantom, Solflare, etc.)
2. Approve a spending limit in USDC
3. Chat and pay per message—no identity required

With Credit Card (Maximum Convenience):

1. Enter email and add funds to your balance
2. Chat and pay per message
3. Return anytime—magic link login, no password

3.6 Access Points

Web: `https://chat402.xyz`—full-featured interface with model selection and local conversation history.

Telegram: `https://t.me/chat402bot`—message the bot, deposit funds, then chat naturally from your phone.

API: `https://api.chat402.xyz`—for developers building applications. One API, all models.

4 Security & Privacy Commitment

4.1 Our Pledge

We make the following commitments to every user:

1. **We will never sell your data.** Not to advertisers. Not to data brokers. Not to anyone. Our business model is usage fees, not surveillance.
2. **We will never train models on your conversations.** Your queries are processed by upstream providers and discarded. We don't aggregate, analyze, or learn from your interactions.
3. **We will never build profiles on you.** We don't track what topics you ask about, what models you prefer, or how your interests evolve over time.
4. **We will always be transparent.** If our practices ever change, we will announce it publicly. No silent policy updates buried in terms of service.

These aren't just policies—they're architectural decisions. We've built Chat402 so that violating these commitments would require rebuilding the system from scratch.

4.2 Why We Recommend Crypto

While we offer credit card payments for accessibility, we genuinely believe cryptocurrency is the superior option for most users. Here's why:

True Pseudonymity. A wallet address reveals nothing about who you are. No name, no email, no phone number, no billing address. Your AI conversations cannot be linked to your real-world identity through payment records.

Self-Custody. Your funds remain in your wallet until the moment of payment. You're not trusting us to hold a balance—you maintain control until you choose to spend.

Verifiable Transactions. Every payment is recorded on the Solana blockchain. You can independently verify that you were charged correctly. No disputes about "did the payment go through?"

Censorship Resistance. No bank or payment processor can decide you shouldn't have access to AI. Your wallet, your funds, your choice.

Global Access. Anyone with internet access can create a Solana wallet in seconds. No bank account required. No credit check. No geographic restrictions.

Credit cards are convenient, but they create a paper trail. If privacy matters to you, crypto is the better choice.

4.3 Data Handling Practices

Conversations: Stored only in your browser's localStorage. Never transmitted to our servers for storage. When you clear your browser data, your conversation history is gone forever.

Crypto Payments: We store only your wallet address and transaction history (which is public on-chain anyway). No additional data collected.

Credit Card Payments: We store your email address for account recovery and payment history for your records. Card details are handled entirely by Stripe—we never see your card number. We do not store your conversations linked to your email.

Server Logs: We maintain minimal server logs for debugging and abuse prevention. These logs contain request metadata (timestamps, model used, token counts) but not conversation content. Logs are automatically deleted after 30 days.

Analytics: We track aggregate usage statistics (total messages, popular models) but not individual user behavior. We don't use third-party analytics services that would leak data to Google or Facebook.

4.4 Threat Model

We're honest about what we protect against and what we don't:

Protected:

- Your conversations being stored and mined for advertising
- Your AI usage being linked to your identity by Chat402
- Your query history being sold to data brokers
- Your conversations being used to train AI models

Not Protected:

- Upstream providers (OpenAI, Anthropic, Google) receiving your query content for processing
- Sophisticated blockchain analysis linking wallet addresses to identities (for crypto users)
- Government subpoenas (we'd comply with valid legal requests, but we have minimal data to provide)
- Your own device being compromised (localStorage can be read by malware)

No system provides absolute privacy. We provide meaningful privacy improvements over the status quo while being honest about our limitations.

4.5 Open Source Commitment

Trust but verify. Our client-side code is open source and auditable. You can inspect exactly what data leaves your browser and confirm that conversations are stored locally, not transmitted to our servers.

We believe that privacy claims without transparency are worthless. If we say we don't log your conversations, you should be able to verify that claim yourself.

5 Why the Market Fails on Privacy

This section formalizes why the AI market has converged on surveillance despite users preferring privacy. Understanding the problem precisely helps us design the solution.

5.1 The Game

We model AI access as a game $\mathcal{G} = (N, S, u)$ between providers and users:

- **Provider strategies**: P (privacy-preserving) or D (data-extractive)
- **User strategies**: R (resist surveillance) or F (full disclosure)

Definition 5.1 (Provider Strategies)**.** A provider plays P if it charges explicit fees and minimizes data collection. A provider plays D if it subsidizes access through surveillance and monetizes user data.

Definition 5.2 (User Strategies)**.** A user plays R if they pay for privacy. A user plays F if they accept surveillance for subsidized access.

5.2 The Payoff Matrix

Provider \ User	Resist (R)	Disclose (F)
Privacy (P)	$(2, 3)$	$(2, 4)$
Data Extract (D)	$(3, 1)$	$(\mathbf{4}, \mathbf{2})^*$

The starred outcome (D, F) is the Nash equilibrium—where we are today.

Plain English. The payoff matrix says: Providers make more money extracting data than respecting privacy. Users, facing a market where everyone surveils, rationally accept surveillance rather than paying a premium to resist. Everyone ends up worse off than if privacy were the default.

5.3 The Prisoner's Dilemma

Proposition 5.1 (Dominant Strategy Equilibrium)**.** (D, F) *is the unique Nash equilibrium: providers extract data, users accept surveillance.*

Proof. For providers: $u_P(D \mid R) = 3 > u_P(P \mid R) = 2$ and $u_P(D \mid F) = 4 > u_P(P \mid F) = 2$. Data extraction dominates regardless of user behavior.

For users: $u_U(F \mid P) = 4 > u_U(R \mid P) = 3$ and $u_U(F \mid D) = 2 > u_U(R \mid D) = 1$. Disclosure dominates regardless of provider behavior.

Both players have strictly dominant strategies, so (D, F) is the unique equilibrium. □ □

Proposition 5.2 (Pareto Inefficiency)**.** *The equilibrium* (D, F) *is Pareto-dominated by* (P, R) *for privacy-valuing users.*

Proof. User payoff under (P, R) is 3; under (D, F) is 2. Users would be better off in a privacy-preserving equilibrium, but individual incentives prevent coordination. □ □

Plain English. This is the classic Prisoner's Dilemma. Everyone would be better off with privacy, but no individual can achieve it alone. The market is stuck in a bad equilibrium—not because people don't want privacy, but because the game's structure makes surveillance individually rational.

5.4 The Race to the Bottom

Competition makes this worse. AI providers face Bertrand competition—price wars that drive margins toward zero:

Provider	**Price Cut**	**Date**
OpenAI (GPT-4 Turbo)	80%	June 2024
Google (Gemini Flash)	78%	August 2024
DeepSeek	95% below GPT-4	January 2025

Corollary 5.1 (Data Extraction Imperative)**.** *As price competition drives revenue toward marginal cost, providers must intensify data extraction to maintain profitability.*

Plain English. When you can't make money on price, you make money on data. The competitive dynamics of AI create relentless pressure toward more surveillance, not less. Privacy erosion isn't a bug—it's a feature of how the market is structured.

6 How Chat402 Escapes the Trap

6.1 Changing the Game

Chat402 doesn't ask users to sacrifice for privacy. We change the game so privacy is the rational choice.

The mechanism is simple: replace identity-based access with payment-based access. We answer "Can you pay?" instead of "Who are you?"

Definition 6.1 (Chat402 Allocation Rule)**.** For a user with wallet balance b and message cost c:

$$\text{Access} = \begin{cases} \text{Granted} & \text{if } b \geq c \\ \text{Denied} & \text{otherwise} \end{cases}$$

Access depends only on payment capacity—not identity, not history, not data extraction.

6.2 Incentive Compatibility

Theorem 6.1 (Privacy Without Sacrifice)**.** *Chat402 is the rational choice for users who value privacy above a threshold θ^*:*

$$\theta^* = \frac{p_{subscription} - p_{pay\text{-}per\text{-}use}}{c_{privacy}}$$

Proof. A user comparing traditional AI (strategy F) versus Chat402 (strategy R) evaluates:

$$u_{\text{traditional}} = v - p_{\text{sub}} - \theta \cdot c_{\text{privacy}} \tag{1}$$

$$u_{\text{Chat402}} = v - p_{\text{token}} \tag{2}$$

Chat402 is preferred when:

$$\theta > \frac{p_{\text{sub}} - p_{\text{token}}}{c_{\text{privacy}}}$$

For most users, $p_{\text{token}} < p_{\text{sub}}$ (pay-per-use is cheaper than subscriptions), making Chat402 preferable even for moderate privacy preferences. □ □

Plain English. You don't have to pay a premium for privacy. Chat402 is often *cheaper* than subscriptions. Privacy comes free—or better than free—for most usage patterns.

6.3 Credible Commitment

Why should you believe we actually protect privacy? Three mechanisms:

1. Architectural constraints: Conversation storage in browser `localStorage` is verifiable through code inspection. We'd have to rebuild the system to start logging.

2. Blockchain transparency: Every payment is recorded on Solana's public ledger. You can verify your transaction history independently.

3. Aligned incentives: Our entire business depends on privacy. Getting caught logging would destroy us. We have every reason to protect your data—it's literally our product.

Plain English. We don't ask you to trust our promises. Trust our architecture, our transparency, and our incentives. They all point the same direction: protecting your privacy.

7 Who Can't Use Traditional AI

7.1 The Privacy-Conscious

Some users refuse to link their identity to AI conversations at any price:

- Journalists protecting sources
- Activists in authoritarian contexts
- Researchers studying sensitive topics
- Anyone with questions they'd rather not have on record

For these users, surveillance isn't just expensive—it's disqualifying.

7.2 The Underbanked

Traditional AI requires credit cards. This excludes:

- 68% of international cards rejected by US AI providers
- Developers across Asia, Africa, South America with limited banking access
- Users with religious restrictions on interest-bearing accounts
- The 1.4 billion adults worldwide without bank accounts

Anyone with a smartphone can create a Solana wallet in minutes. No bank required.

7.3 Autonomous Agents

A new category of users has emerged: AI agents that operate autonomously. Trading bots, DeFi automation, social agents—software that needs LLM access for reasoning.

These agents cannot:

- Open bank accounts or obtain credit cards
- Complete identity verification (KYC/AML)
- Sign terms of service as legal entities

Over 70% of AI agent projects fail due to payment friction—not technical limitations. Chat402 is the bridge: agents can hold wallets and pay per query.

8 The Autonomous Agent Economy

8.1 Agents That Pay for Themselves

The vision of self-sustaining AI agents—systems that generate revenue to fund their own existence—is becoming reality.

Consider a trading bot:

1. Monitors market data and news
2. Uses an LLM to analyze opportunities
3. Executes trades based on AI recommendations
4. Pays for each LLM call from its profits
5. Operates 24/7 without human intervention

This agent can't use OpenAI's billing—it has no email, no credit card, no identity. But it can hold a Solana wallet and pay USDC per query. That's what Chat402 enables.

8.2 Market Size

The numbers are staggering:

- **Agentic AI market**: \$5.74B (2024) → \$187B (2034)—41.7% CAGR
- **Trading bots**: \$41.6B (2024) → \$154B (2033)
- **Enterprise adoption**: 51% have agents in production, 78% planning deployment

8.3 Real Examples

DeFi Agents: Autonolas has processed 3.8 million agent transactions. Over 50% are agent-to-agent—machines paying machines.

Social Agents: Truth Terminal launched the $GOAT memecoin to a $1.3B market cap. AIXBT has 500K+ followers tracking market intelligence.

Trading Competition: In Nof1's Alpha Arena, LLMs received $10,000 each to trade autonomously. Qwen3-Max achieved 22.87% returns with zero human intervention.

8.4 Why This Matters

By 2028, Gartner projects 33% of enterprise software will include agentic AI. 15% of daily work decisions will be made autonomously.

These agents need payment infrastructure. Credit cards don't work for machines. Chat402 does.

9 Crypto-Native Applications

9.1 Social Agents

AI agents on Twitter/X, Telegram, and Discord need continuous LLM access. Chat402's pay-per-message model aligns perfectly:

- Scale costs with engagement
- No subscription overhead during quiet periods
- Fund operations from tips or token appreciation

9.2 DeFAI (DeFi + AI)

AI-powered wallet assistants are exploding:

- **The Hive**: $100M+ market cap within days of launch
- **Neur**: Intelligent copilot for Solana transactions
- **Griffain/Orbit**: Natural language DeFi interfaces

The AI crypto wallet market is projected at $8.42B by 2030.

9.3 Smart Contract Security

AI-powered contract auditing charges per analysis:

- Vulnerability pattern recognition
- Natural language audit reports
- Code explanation for non-technical stakeholders

9.4 DAO Governance

75% of decentralized governance initiatives incorporated AI by end of 2024. AI agents in DAOs can:

- Summarize lengthy proposals
- Analyze voting patterns
- Draft proposals from natural language
- Monitor for governance attacks

Chat402's permissionless model means DAOs can deploy governance AI without organizational credit cards.

10 Synth Mode: Multi-Model Intelligence

10.1 The Problem with Single Models

Every AI model has blind spots. GPT-4 excels at creative writing but sometimes hallucinates facts. Claude is careful and accurate but can be overly cautious. Gemini has access to recent information but may lack depth. DeepSeek is efficient but less polished. Grok is irreverent but occasionally unreliable.

When you query a single model, you're betting on that model's strengths aligning with your question. Sometimes you win, sometimes you don't.

10.2 The Synth Solution

Chat402 offers a unique feature: **Synth Mode**. Instead of querying one model, we query *all* of them simultaneously and synthesize the best response.

How it works:

1. User selects "Synth" from the model dropdown
2. User's message is sent in parallel to all available models:
    - Claude Sonnet (Anthropic)
    - GPT-4o (OpenAI)
    - Gemini (Google)
    - Grok (xAI)
    - DeepSeek
3. All responses are collected (with timeout handling for slow models)
4. A synthesis model analyzes all responses and produces a unified answer:
    - Takes the strongest, most accurate parts of each response
    - Resolves contradictions (noting when models disagree on facts)
    - Combines unique insights that only one model provided
    - Produces a clear, unified response

10.3 Why Synth Matters

Cross-validation: When multiple models agree on a fact, confidence increases. When they disagree, you're alerted to uncertainty.

Complementary strengths: Different models excel at different tasks. Synth combines their strengths while compensating for individual weaknesses.

Reduced hallucination: A claim that appears in only one model's response and contradicts others is likely a hallucination. Synthesis filters these out.

Comprehensive answers: Each model may surface unique insights. Synth ensures nothing valuable is missed.

10.4 Synth Pricing

Synth Mode is a premium feature. Because it queries multiple models and runs a synthesis pass, costs are higher:

Component	**Approximate Cost**
Claude Sonnet	$0.005
GPT-4o	$0.010
Gemini	$0.002
Grok	$0.001
DeepSeek	$0.001
Synthesis (Claude)	$0.010
Total Synth Cost	**$0.03–0.05/message**

For users who need the highest-quality answers—researchers, professionals, high-stakes decisions—Synth Mode delivers value that justifies the premium.

10.5 When to Use Synth

Use Synth for:

- Factual questions where accuracy matters
- Complex problems benefiting from multiple perspectives
- Research and analysis tasks
- Decisions with real-world consequences

Use single models for:

- Casual conversation
- Creative writing (where one voice is preferred)
- Simple questions with obvious answers
- Cost-sensitive applications

No other AI service offers this capability. Synth Mode is unique to Chat402.

11 The Developer Ecosystem

11.1 AI Agent Frameworks

Framework adoption tells the growth story:

- LangChain: 30% market share
- AutoGPT: 25%
- CrewAI: 20%

These frameworks saw 920% growth in developer usage from 2023 to 2025.

11.2 Web3 Developers

- 23,613 monthly active blockchain contributors
- 39,148 new developers explored crypto in 2024
- Solana attracted 7,625 new developers—83% YoY growth

The January 2025 Solana AI Hackathon showcased 400+ projects from 95 countries.

11.3 The ai16z Ecosystem

The ai16z/ElizaOS framework powers 95% of social AI agents in crypto:

- $2B+ market cap
- 3,000+ GitHub stars
- The de facto standard for crypto AI agents

12 Technical Architecture

12.1 Payment Infrastructure

Component	Specification
Blockchain	Solana (mainnet)
Payment Token	USDC (dollar-pegged stablecoin)
Transaction Finality	∼400ms
Transaction Fee	<$0.001
Delegation Mechanism	SPL Token Approve
Default Spending Limit	$100 USDC (configurable)

12.2 Token Delegation

Chat402 uses Solana's SPL token delegation—you authorize spending without giving up custody:

1. Sign a transaction approving Chat402 to spend up to X USDC
2. Your USDC stays in your wallet
3. For each message, Chat402 transfers just the cost
4. Revoke approval anytime through your wallet or Solscan

12.3 Pricing

Model	Provider	Approx. Cost/Message
GPT-4o Mini	OpenAI	$0.001
Gemini 2.5 Flash	Google	$0.002
DeepSeek Chat	DeepSeek	$0.001
Grok	xAI	$0.001
Claude 3.5 Haiku	Anthropic	$0.003
GPT-4o	OpenAI	$0.01
Claude Sonnet 4.5	Anthropic	$0.02
Claude Opus 4	Anthropic	$0.10
GPT-5.2	OpenAI	$0.02

Costs for typical message length (∼500 tokens). Actual costs vary with conversation length. Chat402 charges approximately 2× upstream API cost.

12.4 Rate Limits

- API users: 1,000 requests/minute
- IP-based: 200 requests/minute

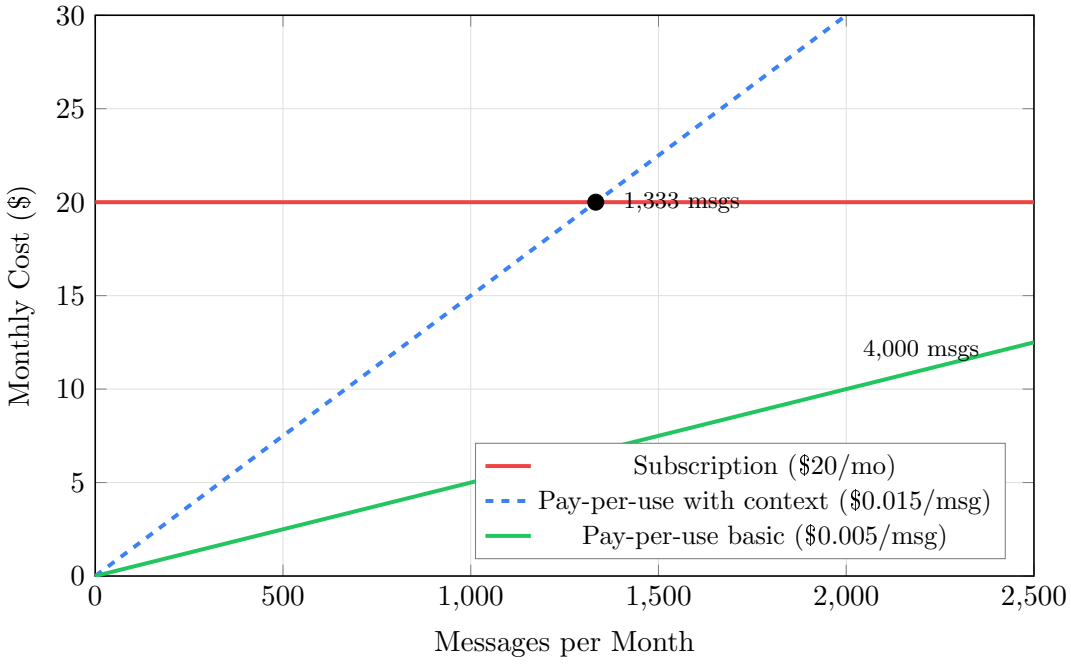
Rate limits are generous because payment is the real abuse protection—spammers still pay per message.

13 Economics

13.1 User Savings

Chat402's pay-per-use model beats subscriptions for most users. Single messages without context history typically cost $0.001–$0.003. Users who opt into conversation context pay more per message but get coherent multi-turn conversations.

The following chart compares costs across usage levels:



Break-even occurs at 1,333 messages with context enabled, or 4,000 messages without context. Most casual users send fewer than 500 messages monthly.

Example savings at different usage levels:

Messages/Month	Subscription	Chat402	Savings
100	$20.00	$0.50	**97%**
500	$20.00	$2.50	**87%**
1,000	$20.00	$5.00	**75%**
2,000	$20.00	$10.00	**50%**
4,000	$20.00	$20.00	0% (break-even)

Most users send fewer than 1,000 messages per month—saving 75% or more.

13.2 Context Control

Users control whether to include conversation history with each message:

- **Context OFF (default)**: Each message sent independently. Cheapest option ($0.001–$0.003/message). Maximum privacy.
- **Context ON**: Previous messages included for coherent conversations. Costs scale with context length. User sees estimated cost before sending.

No other AI service gives users this level of control over the cost/context tradeoff.

13.3 Protocol Revenue

Chat402 charges ∼2× upstream API cost:

- We pay OpenAI/Anthropic/Google for API access
- We charge users 2× that amount
- Margin covers infrastructure and operations

Transparent and sustainable. We profit from usage, not from selling your data.

13.4 Points System

Users earn points proportional to spending. Points accumulate at the wallet level (no identity required). Future utility may include discounts or governance rights.

14 Implementation Verification

All claims have been verified against the deployed codebase:

Claim	**Verified**
Conversations stored in browser localStorage only	✓
No account creation required	✓
Wallet address is only identifier	✓
No server-side conversation logging	✓
SPL token delegation (standard ApproveChecked)	✓
Funds remain in user wallet until transfer	✓
2× markup on upstream costs	✓
∼400ms Solana settlement	✓

15 Getting Started

15.1 Web Interface

1. Visit `https://chat402.xyz`
2. Click "Connect Wallet" (Phantom, Solflare, etc.)
3. Approve spending delegation
4. Select a model and start chatting

15.2 Telegram Bot

1. Open Telegram: `https://t.me/chat402bot`

2. Send `/start`
3. Deposit USDC to your generated wallet address
4. Chat naturally—payments happen automatically

15.3 API Access

For developers and autonomous agents:

- Endpoint: `https://api.chat402.xyz`
- Authentication: Wallet signature
- Documentation: `https://docs.chat402.xyz`

16 Conclusion

The AI market is stuck in a surveillance equilibrium. Not because people don't want privacy, but because the game's structure makes data extraction individually rational for providers and disclosure individually rational for users. Everyone ends up worse off.

Chat402 escapes this trap by changing the game. We replace "Who are you?" with "Can you pay?"—removing identity from the equation entirely. Your conversations stay local. Your wallet address is pseudonymous. We can't build profiles because we don't know who you are.

The result:

- **Privacy by architecture**, not by promise
- **Lower costs** for most users (pay-per-use beats subscriptions)
- **Access for everyone**—the underbanked, the privacy-conscious, and autonomous agents

We're building infrastructure for a future where AI is accessible without surveillance, where privacy is the default, and where machines can participate in the digital economy.

Private by default.

Pay only for what you use.

`https://chat402.xyz`
`https://t.me/chat402bot`

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