

**AD PUMP**

# **BLOCKCHAIN AFFILIATE MARKETPLACE**

# Table of Contents

<b>Abstract</b> .....	3
<b>Terminology</b> .....	5
<b>Problems and Solution</b> .....	7
<b>1. Peculiarities and Development Tendencies of ICO and Affiliate Marketing</b> .....	9
1.1 Development Tendencies of the ICO Sphere and Crypto-investments... .....	9
1.2 Analysis of Affiliate Marketing Development.....	11
1.2.1 Cryptocurrency as a Payment Method in Affiliate Marketing.... .....	15
1.3 Difficulties of Affiliate Marketing Development.....	16
1.3.1 Classic CPA Networks.....	16
1.3.1 CPA Trackers.....	18
1.3.3 Advertisers' Own Affiliate Programs.....	19
1.4 Current Product Ecosystem - Adpump.com CPA Network.....	21
<b>2. Adpump Blockchain Affiliate Marketplace Ecosystem</b> .....	24
2.1 Adpump Blockchain Affiliate Marketplace Project Description.....	24
2.1.1 How Advertisers Join Adpump Blockchain Marketplace.....	26
2.1.2 Structure of the Ecosystem.....	30
2.2 Process of Traffic Exchange for ADP Tokens.....	31
2.3 Publishers Verification.....	32
2.4 Advantages for Advertisers and Publishers.....	34
2.5 Advantages for Investors.....	35
2.6 Long-term Development Perspectives.....	35
<b>3. Token Economy</b> .....	37
3.1 ADP Smart Token Model.....	37
3.2 Token Growth Model.....	39
3.3 Tokens Distribution.....	40
3.4 Marketing Development Plan.....	43
<b>4. Smart Contract</b> .....	45
<b>5. Roadmap</b> .....	47
<b>6. Financial Plan</b> .....	49
<b>7. Team</b> .....	53
<b>8. Advisors</b> .....	56
<b>Legal Disclaimer</b> .....	57
<b>References</b> .....	58

## Abstract

Blockchain rapidly broke into the business changing the whole industries and approach to business creation. This tendency affects partner marketing as well as one of the oldest instruments of marketing for Internet companies.

For now affiliate marketing has four core players. On the one hand, advertisers who need internet traffic and work on CPA (Cost Per Action) model meaning that advertisers pay for clicks and for a predetermined action such as sale or registration. On the other hand, publishers who have internet traffic and who monetize it receiving their CPA commission. Affiliate networks facilitate interaction between advertisers and publishers and do the integration of their platforms.

The fourth player breaking into the market and changing it is trackers that don't provide the advertisers with all the services of CPA network but allow them to save up money and at the same time perform the primary function - tracking of the action.

### **Why does blockchain perfectly fit in the forming business environment?**

All players of the market need one platform where both advertisers with publishers and trackers can coexist. A kind of the decentralized marketplace of the future where every advertiser can connect to the system, choose a tracker to monitor all the actions made and publisher who can begin his work directly with the advertiser, without mediation of CPA network, with no fear of deception by network and be sure that he will definitely receive the earned money as all financial conditions between the parties are guaranteed by a smart contract on the basis of blockchain.

The advertiser for his part won't overpay with the growth of a turnover as the marketplace receives initially fixed payment for the access to the platform.

Besides, all payments within the ecosystem will be made in inner cryptocurrency, for example, in ADP tokens as it is developed within Adpump Blockchain Affiliate Marketplace. In addition there is no internal currency in digital marketing that can be used for all payment flows as for CPC so for CPS campaigns.

There are first customers of Adpump Blockchain Affiliate Marketplace who have already entered the ICO sphere and also the ones who are planning to take these

steps and work on CPA model. The second wave will likely bring the advertisers of such verticals as games, gambling, dating but with the distribution of cryptocurrency among the population and recognition of it as the official payment instrument in the majority of the countries, most likely, ICO will attract also other players of the market, such as the largest e-commerce stores, airlines, travel aggregators.

Affiliate marketing penetrates into the blockchain – who's the next?

## Terminology

**CPA (cost per action)** - cost for target action is an online advertising pricing model where the advertiser pays for a specified acquisition - for example a sale, click, or form submit (e.g., contact request, newsletter sign up, registration etc.)

Common types of CPA:

CPS (cost per sale) - cost for purchase made on the website of advertiser.

CPL (cost per lead) - cost for lead as registration, sign up, subscriptions etc.

CPI (cost per install) - cost for installation of app, game etc.

CPC (cost per click) - cost for clickout

**Offer** - promotional offer in affiliate network with pay-per target action

**Traffic** - indicator of user activity on websites in the internet (also amount of website total visits)

**Partner marketing** (Affiliate marketing /CPA marketing / part of Performance marketing) - a kind of Internet marketing with pay-per-target action. In affiliate marketing there are 4 core players: the advertiser (brand, merchant services , etc.), CPA network, publisher and customer.

**Publisher** (affiliate) - a player in affiliate marketing providing traffic and converting it into target action for the advertiser, earning specific reward. Publishers can be presented as:

the publisher with the own website where he places banners, writes reviews etc.

owner of the content blog

owner of content groups in social media

owner of Youtube channel

media buyer - a publisher who hasn't own website or blog so that he buys traffic on CPC/CPM model from different sources to convert it into the target action (for example, targeted advertising, advertising in social media, tiser/display advertising, native advertising, paid search and тд)

**Advertiser** - the participant of affiliate marketing acting as the client ordering advertising placement. The advertiser defines the type of target action publisher

gets the reward for, defines the commission rate, geo-targeting and other conditions. Advertisers can work by means of: own affiliate programs which are created by internal resources; classic CPA networks; trackers.

**CPA network** - the advertising intermediary system offering advertisers to pay only for target actions of users — purchase, registration, questionnaires etc. CPA network receives % (20-30%) from each target action provided by publisher.

**Own affiliate programs** - partner programs created by advertisers' internal resources, being in fact the same form of CPA network limited by direct offers of one advertiser.

**Tracker** - the advertising system allowing advertisers to work directly with the publishers. The tracker takes fixed cost for the use of its software.

**Marketplace** - the exchange with list of advertisers and offers for publishers to join and work.

## Problems and Solutions

### **Problem:**

The current trend of CPA marketing shows that advertisers prefer working via performance tracking platform (trackers) when they pay only for technical support instead of working with CPA affiliate networks. It is more profitable for advertisers as they don't pay huge fees to CPA network (which is about 20-30% per every transaction) because trackers usually charge a fixed fee once a month.

Many CPA networks present themselves as blind networks and don't reveal the list of their publishers, sources of traffic, etc. It leads to the lack of transparency for advertisers, as they are not willing to pay for fraud transactions (transactions that were generated by forbidden traffic, e.g., brand bidding, pop-under, etc.). The usage of forbidden traffic can also damage brand reputation.

Publishers who buy traffic and work with CPA networks have to cope with many difficulties as well. Firstly, the communication process is organized via CPA network, and it can take lots of time to receive the response from advertiser concerning traffic quality, payment, etc. Secondly, publishers cannot see statistics of every offer, and they are unaware of the key markers of the offers they work with (such as average conversion, total order value, average click price, etc.) Thirdly, publishers wait for months for advertisers to validate their transactions and pay their reward. There are many methods for publishers to receive their payment such as Paypal, Webmoney, wire, Pioneer, etc. When a publisher receives the money, he wants to buy more traffic. Usually it means that he has to send his money from one wallet to another one and, of course, it takes lots of time.

With the rise of ICO, more and more advertisers want to pay in cryptocurrency to affiliate networks for the provided traffic. However, not every CPA network has the resources to receive the payment in cryptocurrency and then pay to the publishers.

### **Solution:**

The current trend in CPA marketing sets off the development of one of a kind product - Adpump Blockchain Affiliate Marketplace.

## Adpump Blockchain Affiliate Marketplace:

- A decentralized tracking marketplace with the list of CPA advertisers who pay fix commission to Adpump for tracking platform usage. Advertisers get the access to the list of publishers and can switch on or off any publisher they prefer. This ensures maximum benefit for advertisers as they don't have to pay the commission for every transaction and can contact publishers they work with without intermediaries.
- A decentralized tracking platform for ICO offers with the opportunity to make (or receive) payment in cryptocurrency.
- Transparent platform for publishers with open access to statistics where they can check traffic, conversion, average click price, etc.
- All data about offers, terms and conditions, conversions and payments is stored in blockchain
- No way to scam or fraud due to the decentralized quality system like in Uber
- All campaigns are based on smart contract - advertisers cannot hide or change conditions without notifications or avoid paying for the actions
- Publishers can receive their payments on cryptocurrency no-name basis.
- Blockchain platform has its own currency – ADP token. Publishers can buy traffic from our partners in tokens and later convert them into new transactions.

Adpump Blockchain Affiliate Marketplace is not just another CPA network or performance tracking platform. We are the platform with advertisers all over the world with the offers of different categories; we provide publishers open access to statistics and fast anonymous (if needed) payment. We also have our currency – ADP tokens in which publishers can buy traffic from our partners.

Our global aim is to become a unique product - perfectly transparent Blockchain Affiliate Marketplace. We want to embed a new format of traffic purchasing in ADP tokens all over the world as it becomes clear that familiar CPA marketing model loses its ground.

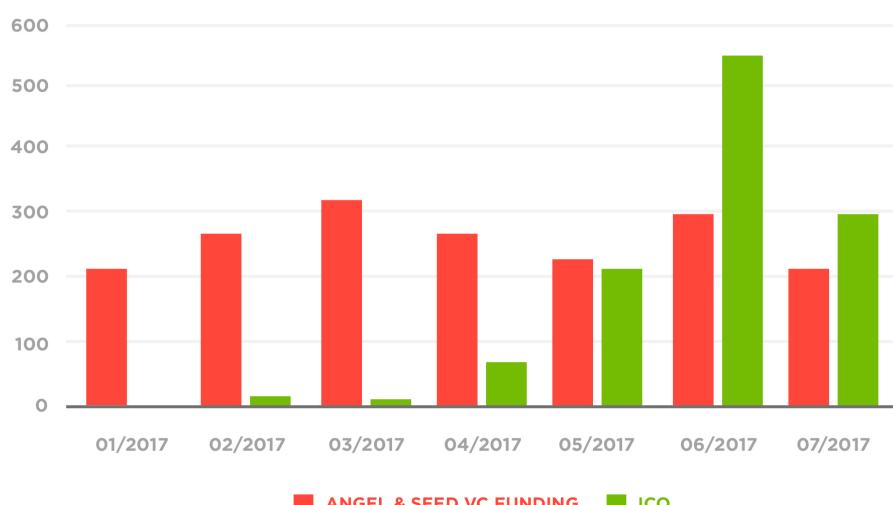
# Peculiarities and Development Tendencies of ICO Market and Affiliate Marketing

## Development Tendencies of the ICO Sphere and Crypto-investments

ICO market as the technology of blockchain itself is very perspective and developing branch which volume makes 2% of the cost of all extracted gold in the world today and quantity of cryptocurrency wallets fluctuates within 6-12 million. Considering the big yield on digital assets and transparency of blockchain operations, in the long term more and more people will store money and make payments in cryptocurrencies.

For the last year, the global market of ICO has earned more than \$1 billion. In June and July, 2017 the volume of the invested funds attracted through ICO has exceeded the world volume of venture funds investment at an early stage. These tendencies once again emphasize the important role of blockchain technology and ICO sphere.

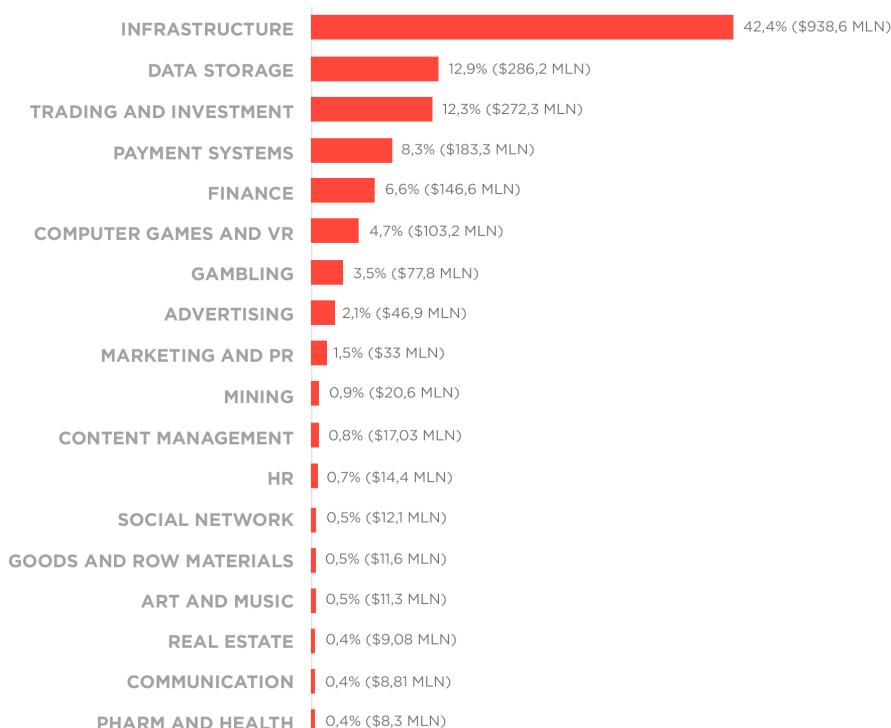
**THE VOLUME OF THE INVESTED FUNDS ATTRACTED BY MEANS OF ICO HAS EXCEEDED THE WORLD VOLUME OF VENTURE FUNDS INVESTMENT AT AN EARLY STAGE (MLN \$)**



Source: Goldman Sachs Investment Research

By the detailed review of crypto-investment distribution on categories, it is obvious that the dominating role is occupied by projects which are directed to the creation of blockchain infrastructure and its use in financial technologies.<sup>1</sup>

### ICO CATEGORY,2017



Source: "Skolkovo - venture investments"

CPA market perfectly imitates the creation and development of blockchain infrastructure, financial technologies, trading, payment service providers, various type of games, advertising, and marketing accumulating the giant share (more than 50%) of crypto-investment distribution which will grow and develop in geometrical progression.

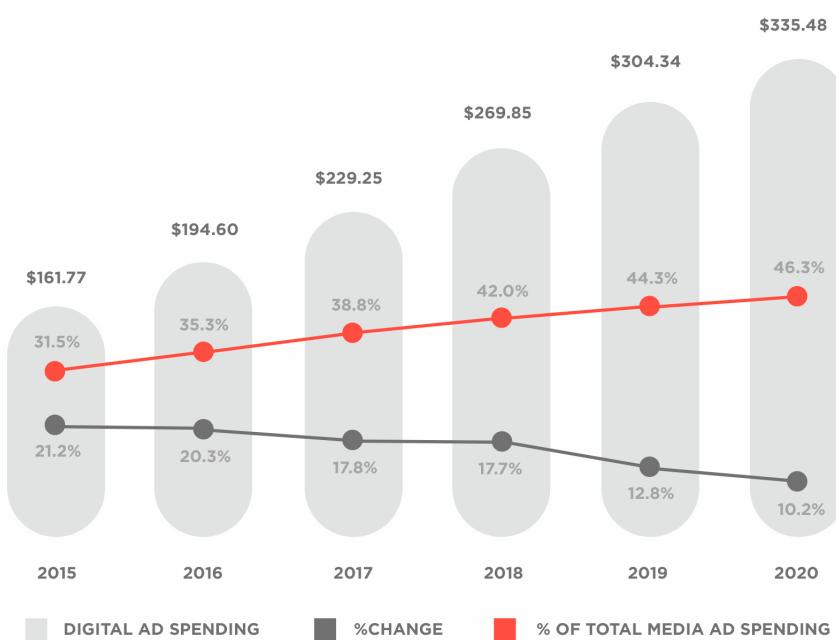
<sup>1</sup> <http://www.forbes.ru/finansy-i-investicii/351141-investicii-v-cifrah-kak-ico-i-criptovalyuty-menayut-venchurnyy-rynok>

## Analysis of Affiliate Marketing Development

According to the data of analytical digital agency eMarketer the spending for digital market around the world in 2017 will be about \$230 billion and will increase to \$335 billion to 2020. The spending per internet user is estimated to reach \$303.2 annually in 2017.<sup>2</sup>

### DIGITAL AD SPENDING WORLDWIDE, 2015-2020

billions, % change and % of total media ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices, and includes all the various formats of advertising on those platforms; excludes SMS, MMS and P2P messaging-based advertising

Source: eMarketer, Sep 2016

Digital ad spending will be highest in North America that will slip to the No. 2 spot in 2018, however, as spending in Asia-Pacific exceeds the region's digital expenditures for the first time. Strong digital advertising activity in China will be mainly responsible for this trend.

<sup>2</sup> <https://www.statista.com/statistics/237974/online-advertising-spending-worldwide/>

## DIGITAL AD SPENDING SHARE WORLDWIDE, BY REGION, 2015-2020

% of total

	2015	2016	2017	2018	2019	2020
<b>NORTH AMERICA</b>	39.1%	39.0%	37.9%	36.2%	35.5%	35.2%
<b>ASIA-PACIFIC</b>	33.7%	35.5%	37.9%	41.4%	42.9%	43.8%
<b>WESTERN EUROPE</b>	19.8%	18.1%	16.5%	15.0%	14.0%	13.4%
<b>LATIN AMERICA</b>	3.3%	3.5%	3.5%	3.4%	3.5%	3.5%
<b>CENTRAL AND EASTERN EUROPE</b>	2.6%	2.6%	2.5%	2.3%	2.2%	2.1%
<b>MIDDLE EAST AND AFRICA</b>	1.5%	1.6%	1.7%	1.7%	1.8%	1.9%

Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices, and includes all the various formats of advertising on those platforms; excludes SMS, MMS and P2P messaging-based advertising; numbers may not add up to 100% due to rounding

Source: eMarketer, Sep 2016

In most regions, digital ad spending will make up between 35% and 40% of total media ad investments in 2016. Shares will be lower in Latin America (20.0%) and the Middle East and Africa (13.3%), which are among the smallest regional digital ad markets in the world. And although the US is the world's biggest digital advertising market overall, digital will represent just 36.8% of the country's total advertising this year—the same percentage as in Canada and only slightly higher than the 35.3% average worldwide.

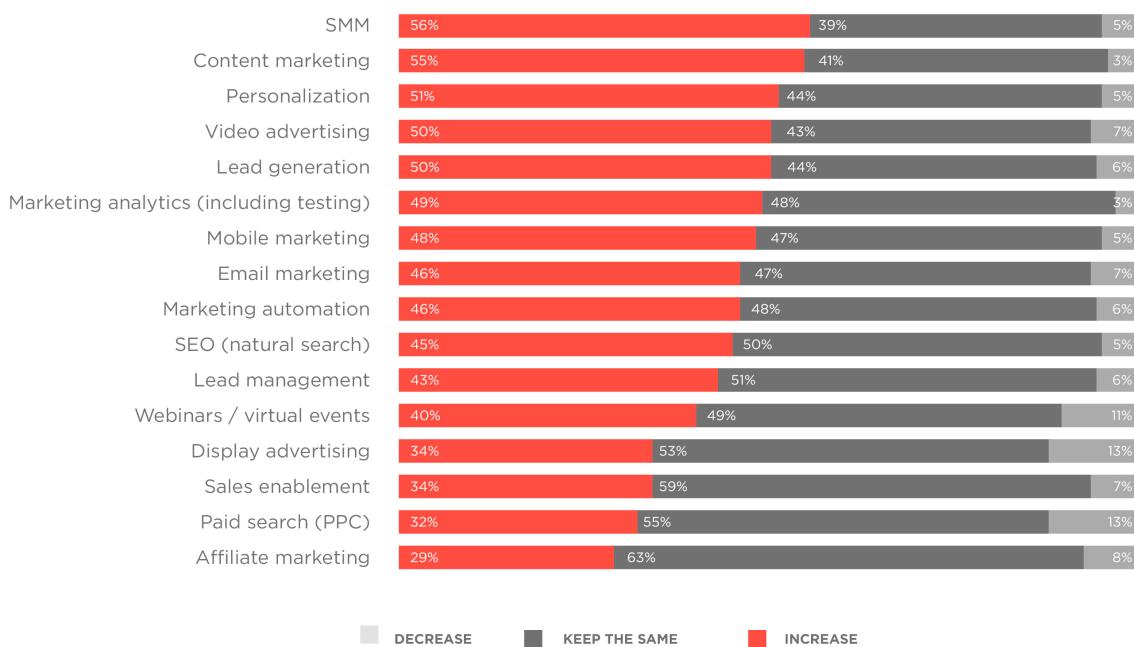
According to the data of marketing agency Econsultancy<sup>3</sup> and the survey conducted among more than 3500 different companies around the world their spendings for different digital marketing channels change from year to year.

The areas of broadest agreement for spending hikes this year are social media marketing and content marketing. These aren't surprising given the recent levels of enthusiasm for these channels, but nevertheless the results indicate that such enthusiasm doesn't seem to be waning. In fact, content marketing and social media engagement emerged as the top digital-related priorities for respondents' organizations this year.

<sup>3</sup> <http://www.marketingcharts.com/industries/retail-and-e-commerce-74715>

## 2017 DIGITAL MARKETING BUDGET PLANS

based on responses from 3,347 company marketing professionals around the world  
February 2017



Source: Econsultancy / Adobe

Close behind, at least half of respondents will increase their spending on affiliate marketing (50%), personalization (51%) and video advertising (50%).

As for lead generation, spending increases in this area are likely going to be made with improved lead quality rather than quantity in mind.

CPA marketing is one of the key components of marketing services in the Internet. According to the latest forecasts, the budget investments in CPA marketing have increased by 12% for the previous three years.

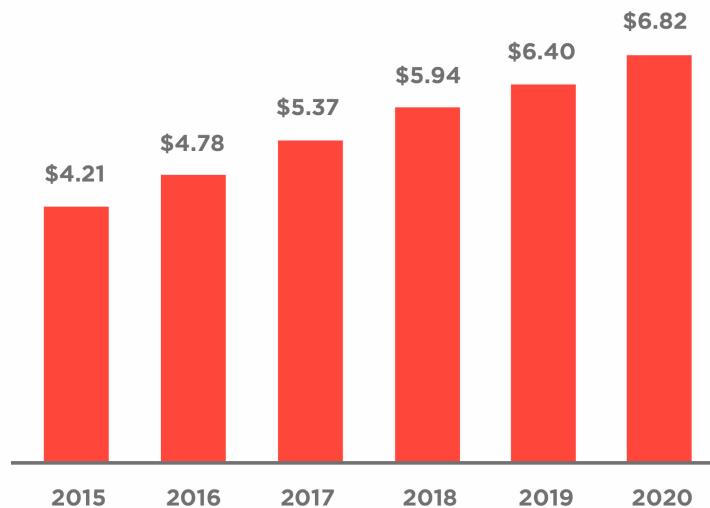
At a rough estimate, about \$5 billion has been spent on CPA branch in retail trade segment during 2016 and this indicator will grow up to \$7 billion by 2020.<sup>4</sup>

It is important to take into account that statistical data covers only a small part of costs on partner marketing, the so-called “white” sphere, and it doesn’t include data on such verticals as gambling, games, forex, dating, adult, mobile, ICO, etc. If we take into consideration all mentioned categories, general costs on

<sup>4</sup> <https://www.emarketer.com/Article/Affiliate-Marketing-Highly-Measurable-Scales-Easily/1014737>

**US AFFILIATE MARKETING SPENDING, 2015-2020**

billions



Source: Rakuten, "Networks Help Drive Affiliate Marketing Into The Mainstream" conducted by Forrester Consulting, Feb 3, 2016

CPA marketing in 2017 will make 3-5 times bigger amount than in the forecast below and will approach to \$25 billion.



Adpump internal marketing research

## Cryptocurrency as a Payment Method in Affiliate Marketing

According to the report of Affiliate marketing Benchmark (Sponsored by Global Affiliate Summit) for 2016<sup>5</sup>, cryptocurrency has been already used for payments, and Bitcoin took the 6th place after direct payment methods such as Paypal, Wire, Check and Payoneer. This indicator will definitely grow from year to year and in the future payments to publishers in cryptocurrency can get the dominant role. For this reason, we propose a solution and introduce a new format of cryptocurrency - ADP token, that will definitely take the leading role in CPA marketing field.

### PREFERRED COMMISSION PAYMENT METHOD IN AFFILIATE MARKETING (2016)



**CRYPTOCURRENCY PAYMENT WILL GROW SIGNIFICANTLY**

<sup>5</sup> Affiliate marketing Benchmark (Sponsored by Global Affiliate Summit) for 2016

## Difficulties of Affiliate Marketing Development

The sector of CPA marketing has a big number of diverse platforms. The majority of them is presented as:

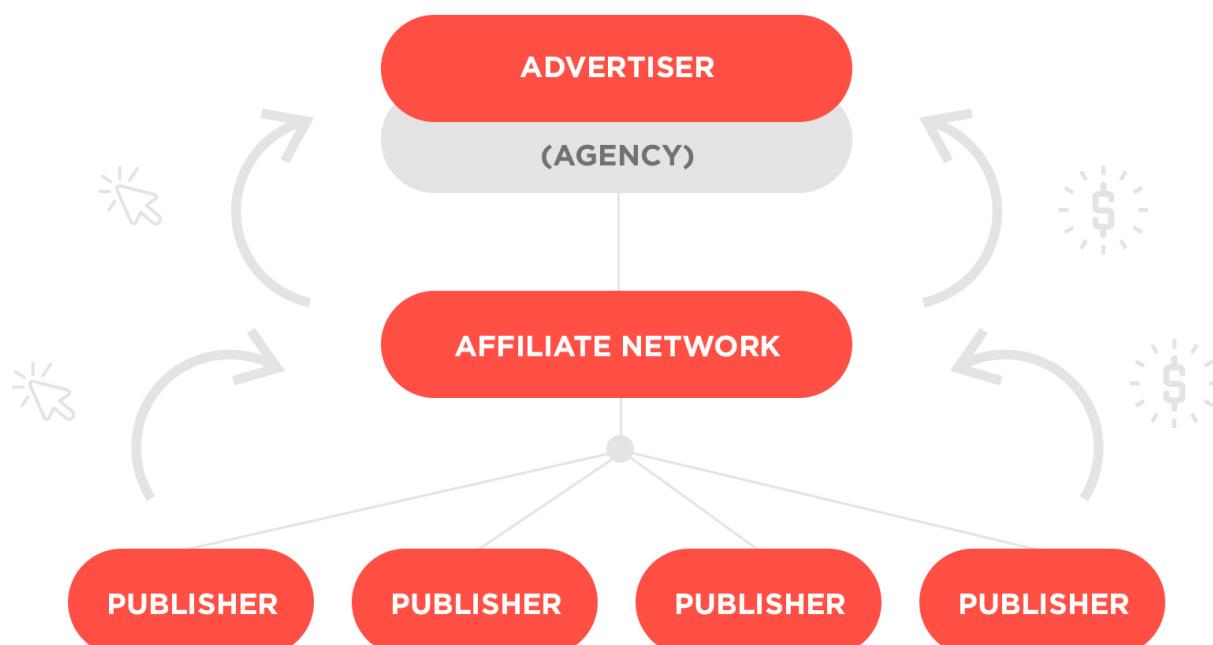
- 1) Classical CPA networks**
- 2) CPA trackers**
- 3) Advertisers own affiliate programs**

At the moment all three formats of the interaction between CPA marketing members are out of date and contain a lot of difficulties in the relationship between parties which are listed below.

### Classic CPA Networks

The main principle of a classic CPA network model is to attract different kind of advertisers and publishers to generate target actions (CPA - cost per action). Advertisers pay to CPA networks the percentage (20-30%) or a fixed cost for each target action (purchase, download the app, register, and so on).

A classic example of CPA network model is reflected below:



Three members of interaction have been defined in the classic format: advertiser, CPA network, publisher.

## **Difficulties of Classic CPA Networks**

### **For advertisers:**

- 1) Rather inefficient model of publisher reward where advertiser needs to pay percent (about 10%-30%) from the sum of each purchase. Big volume of transactions sometimes leads to high expenses on this kind of internet marketing.
- 2) Lack of transparency for advertisers from the side of network that hides the sources of publishers' traffic and as a result provides low-quality traffic that cannot be converted into the target action demanded by the advertiser (purchase, software install, application, registration, etc.).
- 3) Insufficient list of services provided, as classic CPA networks prefer to work with traditional e-commerce verticals ignoring other spheres, such as games, gambling, adult, dating, mobile, etc.

### **For affiliates:**

- 1) In classic CPA network a publisher is not protected in case of advertiser's refusal to pay for the transactions.
- 2) The second problem for the publisher is the lack of direct communication with the advertiser.
- 3) Hardly less important problem is a long processing period and traffic quality checks that causes long payment terms.

### **For CPA networks:**

- 1) Responsibility laying on the CPA network as a mediator and lack of empowerment in the regulation of relations between publishers and advertisers at the same time (for example, the inability to force the advertiser to pay).
- 2) In some cases there is lack of Network Quality team and possibility to make traffic quality control.

In addition, there is such a term as “re-rebroking” that CPA networks often abuse. So, if one network has started working with an advertiser, and another network cannot work with him directly for some reasons, it can run reselling program from the first one. This will ensure the quantity of the traffic, but not always the quality. The problem is that advertisers often prohibit in their T&C work with sub-affiliate networks, while CPA networks can deliberately hide it getting the major part of the payout depending on the volume of the traffic.

## ***“Re-re-brokering is prohibited in the Uber campaign”***

UBER advertiser

### **CPA Trackers**

Because of classic CPA format development there appeared a trend by advertisers and publishers to switch to CPA trackers where advertisers pay only fixed cost for the tracker use without % from sales and also pay to the publishers for the provided traffic.

The main CPA trackers at the moment are the following:

1. Performance Horizon
2. Impact Radius
3. Hasoffers
4. Cake



Nowadays the majority of CPA networks has been integrated with the largest advertisers not directly but via trackers and media agencies.

All these trackers cannot be considered as a panacea for the market because they perform only the function of tracking and fixation of a target action made by a link on the publisher resource and do not guarantee any search of new affiliates. This important function goes to the team of advertiser that is as a rule strongly limited in human and temporary resources.

### **Difficulties of Trackers:**

However, a decision to work with the trackers also has a number of disadvantages, namely:

- 1) A tracking platform is not interested in traffic volume increase for advertisers as it receives a fixed cost for service use. Thus, the advertiser pays the fixed price for tracker service that does not guarantee high traffic volume.
- 2) The main advertisers who work with trackers build just a small part of the general CPA marketing such as traditional e-commerce and travel projects with strong brand awareness.
- 3) There is neither an opportunity to receive payments in cryptocurrency, nor a possibility to make payments to publishers for the provided traffic in future as trackers don't work with ICO programs.
- 4) High cost of tracker use

Below are the examples of the costs of trackers use:

Impact Radius takes charges depending on the business type, site attendance and other parameters. The average price for one month is \$3000. Performance Horizon charges much more, and other platforms such as Hasoffers and Cake establish a minimum price of \$279 per month and \$399 per month, respectively.

### **Advertisers' Own Affiliate Programs**

Frequently advertisers prefer to create their own partner programs to connect publisher directly to the product, spending human, technical, and software resources.

Difficulties of own affiliate programs:

- 1) High cost of platform creation
- 2) High cost of affiliate program support
- 3) No traffic quality control team

- 4) Lack of competitiveness with the current format of affiliate marketing (existing classic CPA networks and trackers)

The best solution is to delegate these functions to the team of professionals working in the field of affiliate marketing instead of trying to make a new project with no basis and fitting only in one case of a specific advertiser.

Advertisers' own affiliate programs are based on the same tracker format, but the advertisers themselves are liable for their creation and support, as well as for traffic quality check.

Advertisers' own affiliate programs are becoming more popular in Asian region, especially in India and in South-East Asia.

This way, for example, such market giants as Amazon, eBay, Snapdeal, Aliexpress, Flipkart have their own affiliate programs where publishers can work without CPA networks' mediation.



AliExpress Portals



On the one hand, it is profitable for publishers to work directly with the advertiser receiving higher payout without giving a part of it to a CPA network. On the other hand, if a publisher wants to work with all these programs he needs to register in every of these platforms, undergoing a long-term verification process and only after that starting work, logging in every network to look for the details or the statistics, that takes a lot of time and is not very convenient.

## Current Product Ecosystem - Adpump.com CPA Network

CPA network Adpump.com is a young and very ambitious team of professionals working on the classic format of CPA marketing acting as a mediator between advertisers and publishers and earning from advertisers about 25-30 percent from the sum of target action.

In spite of the fact that Adpump network has 1,5-year experience on the market, it didn't prevent the team from achieving success in business and continuing the development of affiliate marketing by integrating brand new technology Blockchain Adpump Affiliate Marketplace.

### ADPUMP NOW

**GLOBAL**  
affiliate network

**INTERNATIONAL**  
team

**1000 +**  
offers (+ 300 direct  
advertisers)

**BLIND**  
network

**25-30%**  
network fee

**NET 7**  
payment

### ALL VERTICALS



E-COMMERCE



TRAVEL



FINANCE  
& INSURANCE



GAMBLING



BINARY  
& FOREX



EDUCATION



ONLINE  
GAMES



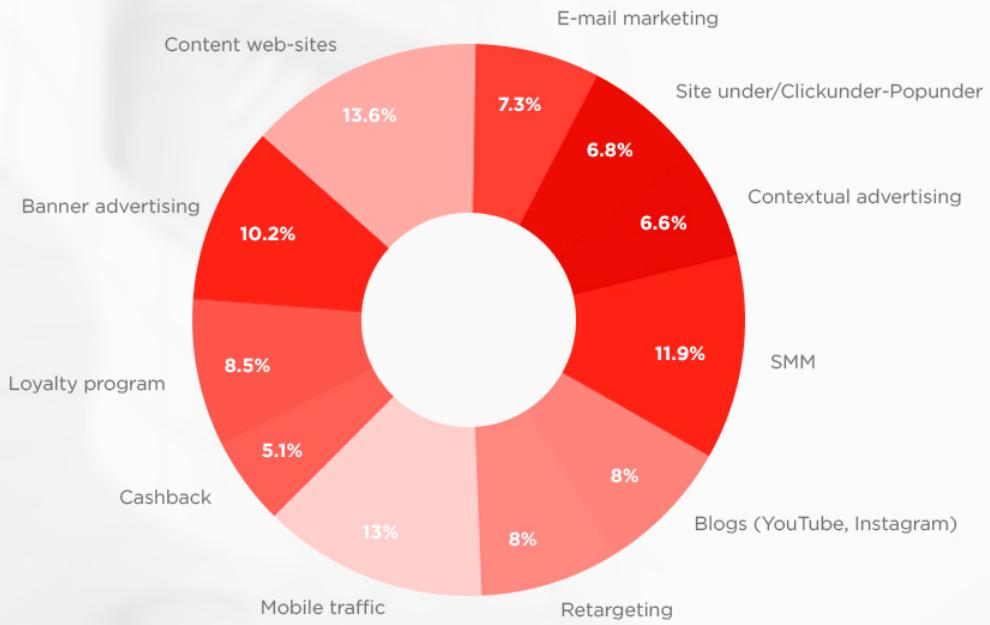
MOBILE

Adpump.com is a global CPA network working in the international market for more than a year that currently has more than 1000 direct advertisers and 100 000 publishers worldwide.

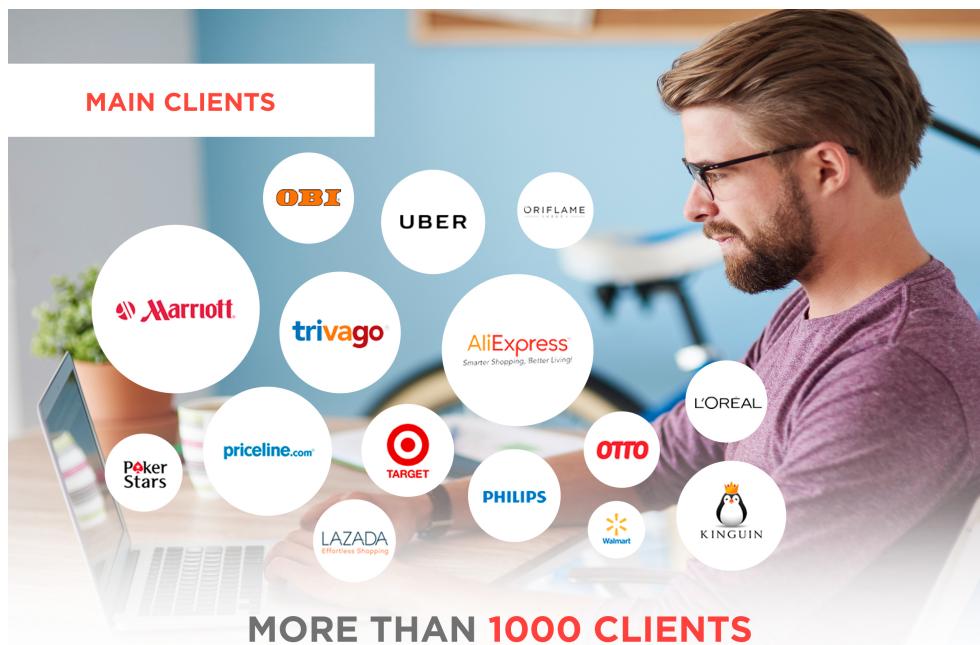
The main features of Adpump.com CPA network are:

- Running successful business with a growing turnover of 2 million dollars for the last year
- CPA network working on its own platform
- Adpump.com covers all verticals including e-commerce, travel, mobile, games, dating, adult, gambling, finance & insurance, forex and binary option, education, ICO, etc.
- Traffic types: content platforms - 13.6%, mobile traffic - 13%, SMM - 11.9%, display - 10.2%, loyalty program - 8.5%, retargeting - 8%, blogs - 8%, email marketing - 7.3%, popunder - 6.8%, search - 6.6%, cashback - 5.1%

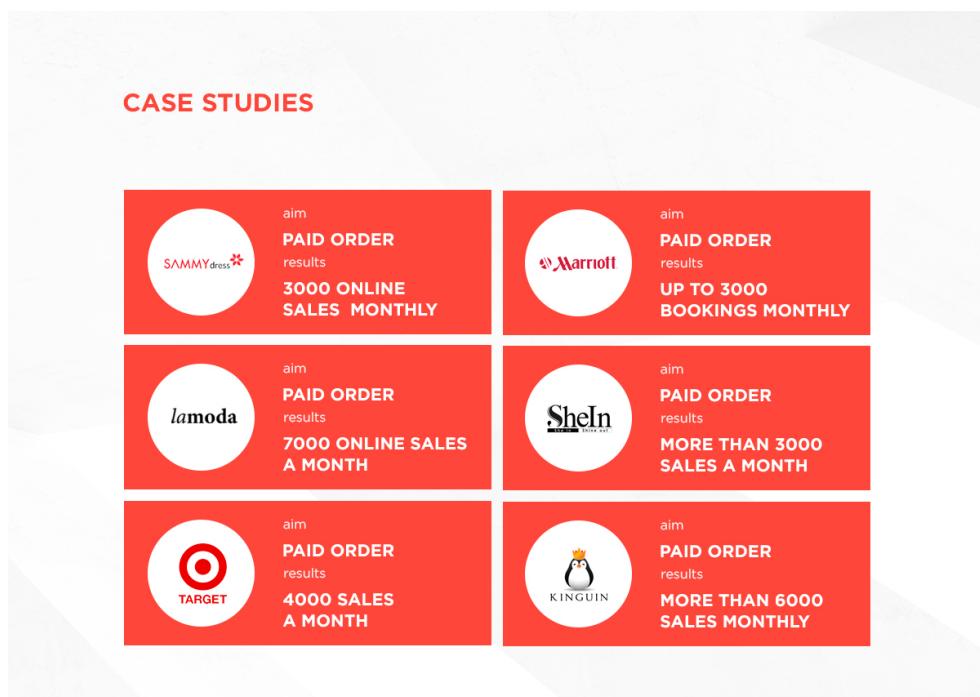
### TRAFFIC SOURCES IN %



- International team providing support in 9 languages (English, Spanish, French, German, Italian, Greek, Russian, Chinese, Japanese)
- NET 7 payment period to publishers for the provided traffic after advertisers' approval.



- Adpump.com affiliate network has a big number of diverse advertisers all around the world.



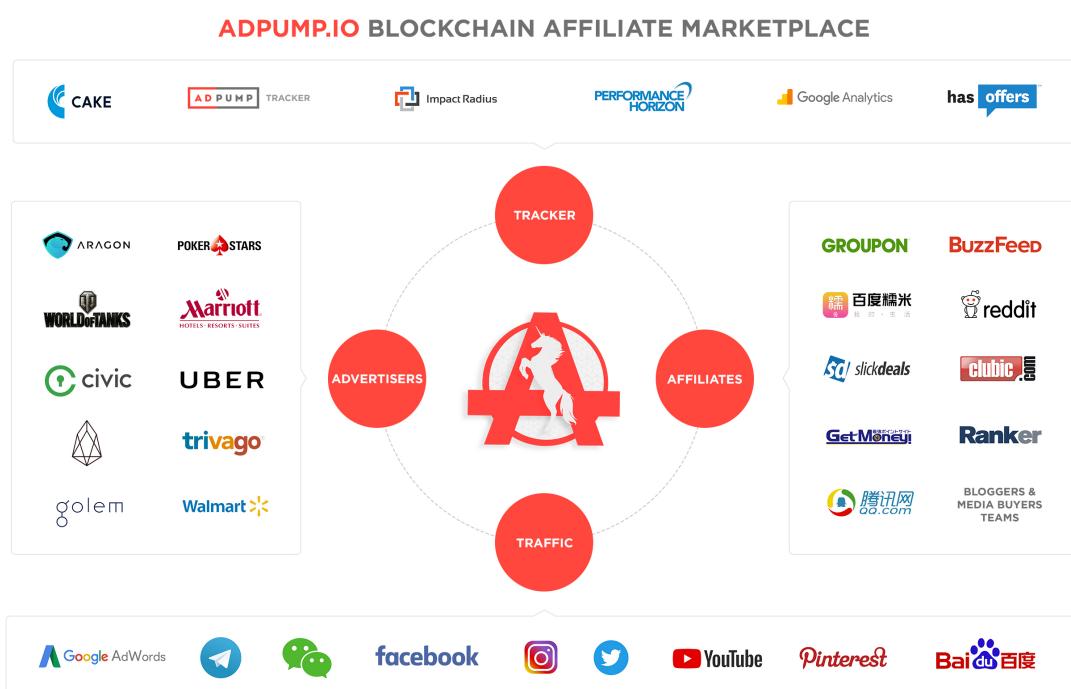
# Adpump Blockchain Affiliate Marketplace Ecosystem

## Adpump Blockchain Affiliate Marketplace Project Description

Adpump Blockchain Affiliate Marketplace is a product based on decentralization technology where the majority of business processes are highly autonomous. It combines the positive sides of a tracker, a CPA network, a marketplace, and also a cryptocurrency equivalent (ADP token). Publishers can purchase traffic from our partners with these tokens.

There are four main elements in the basis of the Adpump Blockchain Affiliate Marketplace: trackers (Adpump tracker at first), publishers, traffic, and advertisers (see the picture below). All these elements circulate around ADP tokens that have a priority role in the present ecosystem.

The system looks like this in full:



The tracker element in Adpump Blockchain Affiliate Marketplace includes Adpump, Cake, Impact Radius , Performance horizon, Google Analytics, Hasoffers, etc.

Adpump tracker in Adpump Blockchain Affiliate Marketplace ecosystem takes one of the primacy, all the other trackers are set as an example.

All the trackers serve for supporting current business tasks basing on technical software of its advertising system.

Through the trackers, both publishers and advertisers can work directly with each other. The example of the advertisers operating in Adpump Blockchain Affiliate Marketplace ecosystem can be either current clients of e-commerce vertical (Uber, Marriott, Trivago, Walmart, etc.) and gambling /games vertical (Poker Stars, World of Tanks, etc.), or future clients of ICO and cryptocurrency verticals, such as, for example, EOS, Golem, Aragon , Civic, and also the advertisers from other fields.

Content web-sites owners, Youtube/Instagram bloggers, cashback services holders, media buying team, etc. can play the role of publishers. The traffic can be of every format that is accepted by the advertiser.

All the elements mentioned above (tracker, advertiser, publisher, traffic) act as gateways of Adpump Blockchain Affiliate Marketplace ecosystem functioning around ADP token that is the first currency analogue in digital marketing that replaces all other current payment formats in advertising sector.

## How Advertisers Join Adpump Blockchain Affiliate Marketplace

There are three steps of the project implementation process as the advertisers join the platform Adpump Blockchain Affiliate Marketplace in the following order:

- 1) Launching of ICO offers**
- 2) Advertisers who work in games, gambling, dating, etc.**
- 3) Traditional for affiliate marketing advertisers**

The first clients of Adpump Blockchain Affiliate Marketplace are the companies that use ICO or plan to do so and are interested in working by CPA model ( CPC, CPL, CPA revenue share)

According to the analytical resources in the field of Crypto Investment and ICO Coinschedule<sup>6</sup> and Coingecko<sup>7</sup>, more than 10 new ICO projects appear every day. Obviously, they all need traffic and target audience of crypto-investors.

According to the surveys conducted among companies that run ICO projects, they spend an average of \$100-500 thousand dollars on media activity and advertising on each project.

Considering this, Adpump Blockchain Affiliate Marketplace acts as an agent that can cover the largest part of advertising costs for ICO projects, both for click-through campaigns and offers where the aim is a subscription or a request (CPL), and offers with a CPA model where payment is a certain percentage of the attracted investor's investment in the ICO project.

The second wave of advertisers joining the Adpump Blockchain Affiliate Marketplace is supposed to be represented by such verticals as games, gambling, dating, adults, etc.

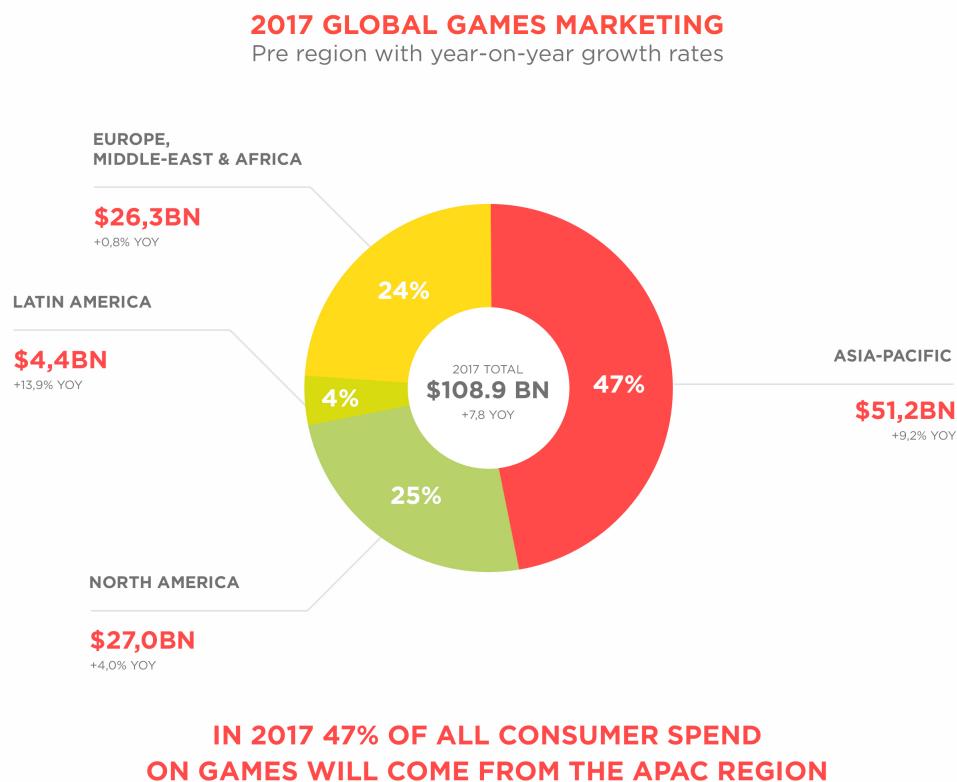
Just as an overview, according to the Newzoo report on the global game market for 2017, there are 2.2 billion active gamers in the world, 47% (1 billion) of whom donate money in games. Experts expect that in 2017 gamers will spend 108.9

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<sup>6</sup> <https://www.coinschedule.com/>

<sup>7</sup> <https://www.coingecko.com>

billion US dollars on games (for comparison, in 2015 the global market of games was estimated at 91.9 billion US dollars).<sup>8</sup>



Source: Newzoo, Q2 2017 Update, Global Games Market Report

According to the MMORPG catalog, there are more than 100,000 games in the world (both desktop and mobile versions)<sup>9</sup>. There are also roughly 1000 game developing companies in the world. All customers from this category are already joining the current Adpump Affiliate network business and will become customers of the future Adpump Blockchain Affiliate Marketplace. However, currently their costs for affiliate marketing are rather high, as advertisers pay a share for every lead. In the Adpump Blockchain Affiliate Marketplace advertisers pay a fixed price only and do not bear the risks of any unexpected extra-costs.

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<sup>8</sup> The Global Games Market will Reach \$108.9 bln in 2017 with Mobile Taking 42%, NewZoo, <https://newzoo.com/insights/articles/the-global-games-market-will-reach-108-9-billion-in-2017-with-mobile-taking-42/>

<sup>9</sup> MMORPG Games, <http://mmorpg.su/games/>

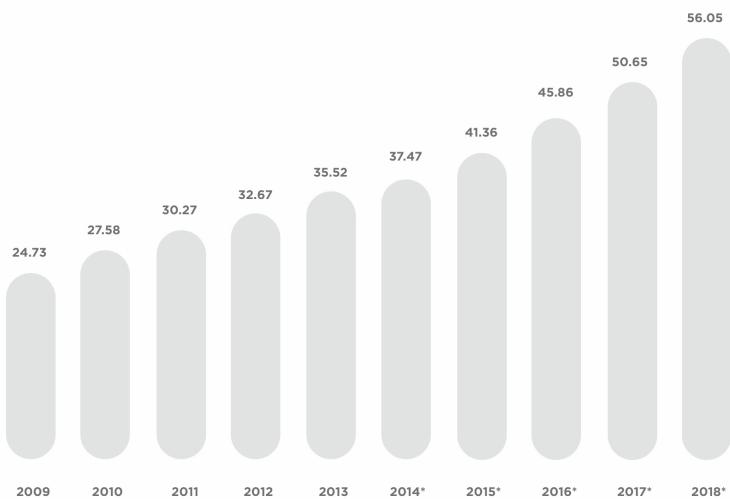
## Gambling market

The global online gambling market is a dynamic and rapidly changing business. By the end of 2016, it reached \$45.86 billion, and is expected to reach \$96.89 billion by the end of 2024 that is 10.81% of CAGR.

According to the market study, the online betting segment is expected to dominate the market with more than 45% of the total market share by 2020.

**ONLINE GAMBLING MARKET FROM 2008 TO 2018**

Market size (in billions U.S. dollars)

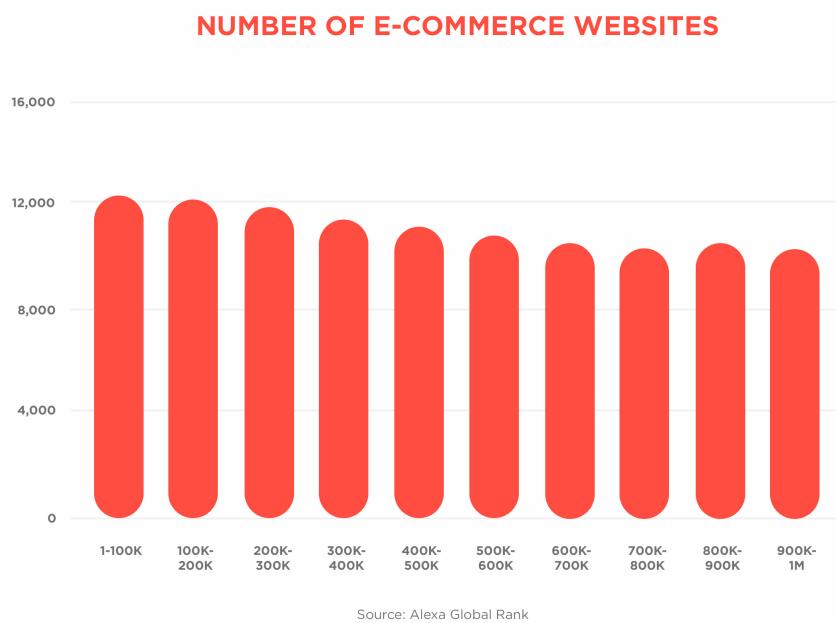


All advertising costs in the affiliate segment in the above-mentioned verticals can be covered by the Adpump Blockchain Affiliate Marketplace, that connects advertisers of different verticals in a single marketplace format and receives not a share on each targeted action, but a fixed cost for using the tracker.

Due to the growing popularity of cryptocurrency among the population and recognition of it as official means of payment in the majority of countries, other players on the market, such as the largest retailers, air carriers, travel agents, will be able to join the platform.

According to the Digital Commerce marketing agency, there are about 12-24 million online stores in the world, but only about 650,000 of them generate annual sales of more than \$ 1,000.<sup>10</sup>

According to the Alexa Global Rank, there are approximately 110,000 e-commerce websites generating impressive revenue



More than 12% of the 100,000 highest-traffic websites are e commerce, and that density clearly declines to about 10% for long tail. Actually e-commerce websites make up approximately 10-12% of the Internet.<sup>11</sup>

Generally speaking, e commerce breaks down into three distinct groups.

- The largest e-commerce sites on the internet make up about 1% of the total population and generate 34% of the total revenue.
- A distinct middle tier of e commerce sites make up 51% of the total population and generate 63% of the total revenue.

<sup>10</sup> How many online stores are there in the world? <https://www.digitalcommerce360.com/2014/12/04/how-many-online-stores-are-there-world/>

<sup>11</sup> How many Ecommerce Companies are There? <https://blog.rjmetrics.com/2014/06/18/how-many-ecommerce-companies-are-there/>

- Small ecommerce sites make up 48% of the total population and generate 3% of the total revenue.

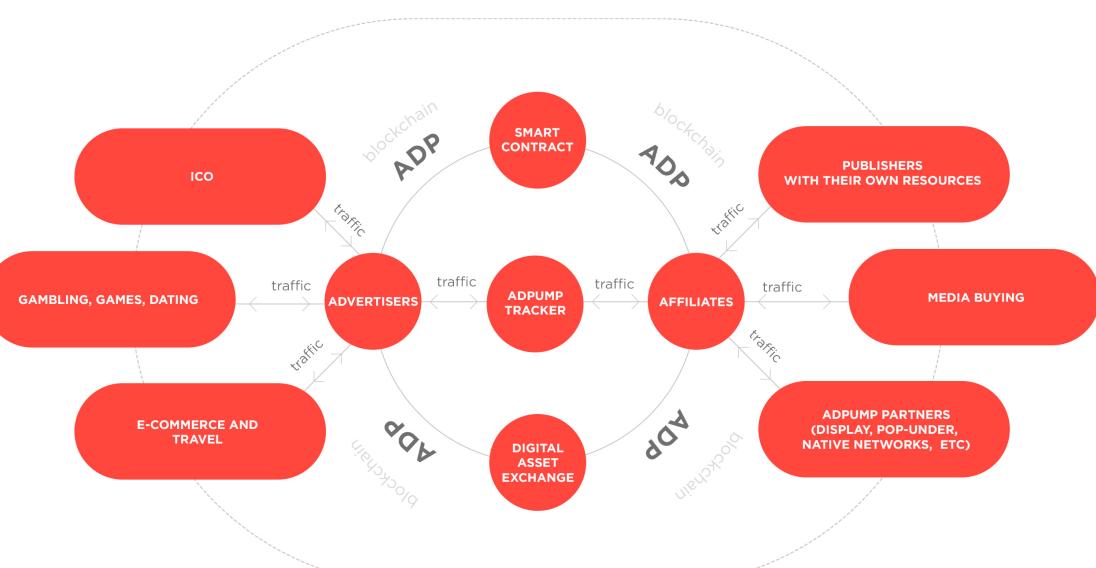
	Alexa Rank	% of Total E-commerce Business	% of Total Revenue
<b>Top</b>	1-10K	1 %	34 %
<b>Mid</b>	10K-500K	51 %	63 %
<b>Bottom</b>	500K-1M	48 %	3 %

According to our road map by the end of 2020 we will have about 11 500 advertisers from all verticals. There are more than 120,000 online stores in the traditional e-commerce segment and the Adpump Blockchain Affiliate Marketplace team plans to cover about 3-5% of those (about 5,000 online stores), the rest of the prospective advertisers are ICO advertisers, as well as gambling, games , dating, adult, etc. advertisers.

## Structure of the Ecosystem

Adpump Blockchain Affiliate Marketplace attracts advertisers from different verticals to Adpump offers stock where advertisers pay fixed cost in ADP tokens for using tracker.

### ADPUMP BLOCKCHAIN AFFILIATE MARKETPLACE



The advertiser gets full transparency as they can control all publishers, the links to their websites, blogs, what type of traffic they use, average conversion rate, etc.

Publishers join the existing offers in the system. The campaigns are represented in all categories that exist in CPA marketing: e-commerce, travel, ICO offers, games, gambling, dating, mobile, finance, education, blockchain companies etc.

Publishers get full transparency as they can clearly see the statistics on offer, average click cost, conversion, amount of publishers already working with the offer and other useful information.

Besides, both advertisers and publishers have the opportunity to communicate directly with each other without any mediator (usually a CPA network) involved, which significantly increases the loyalty of the actors to each other and simplifies the working process.

ADP token is an instrument of payment for traffic within the Adpump Blockchain affiliate marketplace. So publishers can purchase traffic from Adpump partners (popunder, teaser or display network, etc.), and then convert it into target actions. First ADP token becomes a payment facility between advertisers and publishers within the ecosystem of Adpump Blockchain Affiliate Marketplace, then turns to the alternative cryptocurrency in the blockchain ecosystem and ultimately becomes the payment mean for Internet advertising in general.

## **Process of Traffic Exchange for ADP Tokens**

Adpump Blockchain Affiliate Marketplace system for purchasing and selling traffic functions in the following way:

Traffic owners can sell traffic directly to advertisers and arbitrage team within our system both on the CPC (pay per click) and on the CPA model (payment for the targeted action).

There are plenty of advertising platforms that provide services for purchasing traffic.

### **Display networks:**

**Native networks:****Popander networks:**

Currently we are negotiating with our partners whether they can sell traffic directly through Adpump Blockchain Affiliate Marketplace

**2) Media-buying**

Media-buying team can promote offers through our system, purchasing traffic from our partners who are traffic-owners (display, native networks etc), as well as from other resources (Google display network) and convert to targeted actions.

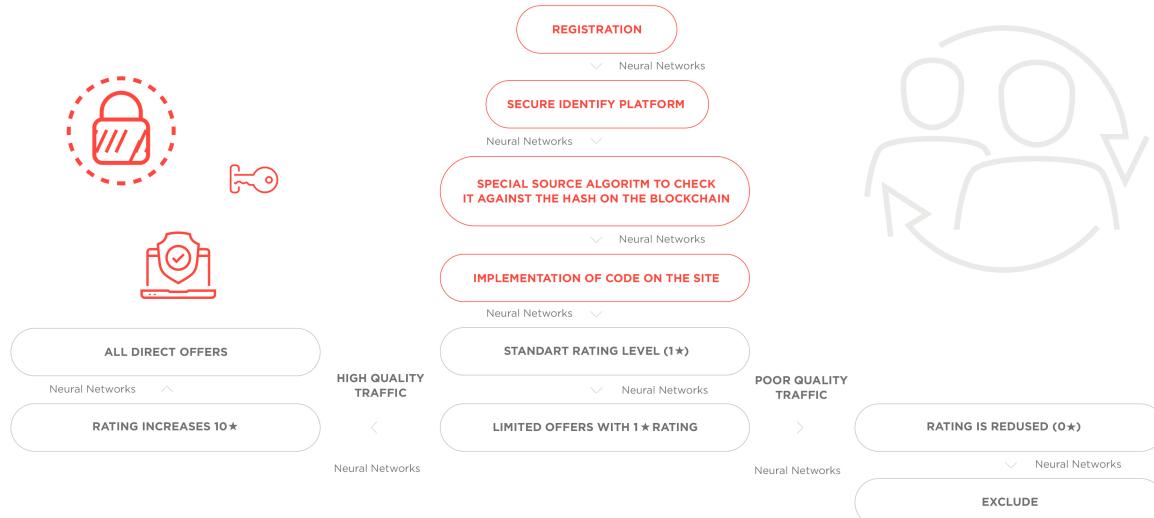
**3) Publishers with their own resources (content sites, blogs, coupons, etc.) who can sell traffic directly to advertisers and arbitrage team, and also can promote offers by their own****Publishers Verification**

Due to the fact that the Adpump Blockchain Affiliate Marketplace is a completely decentralized system with a complete autonomy of the actions performed, the verification of publishers will occur automatically in the following steps:

**1) Publisher identification with a help of Secure Identity Platform**

Secure Identity Platform is a data model for storing and transporting identity information in a single object. Generally speaking, SIOs consist of a number of independent but associated data objects.

## PUBLISHER VERIFICATION



Adpump Blockchain Affiliate Marketplace will plan to use Program Civic as SIP.

So, what is Civic? Basically a user signs up to the Civic app, which collects various identifying information. “Once verified, Civic takes a cryptographic hash of all the information, inserts the hash into the public blockchain, and then erases the personal data from their servers.<sup>12</sup> Whenever there is a need to share information, it is sent through Civic’s special sauce algorithm to check it against the hash on the blockchain. Once authenticated, the service using Civic no longer needs to store your information for identification or authentication purposes

2) After the publisher was verified by Civic he indicates that he has his own website, blog, coupon site, etc. A publisher needs to implement a small piece of code on his site to confirm that he is the owner of this resource.

If the publisher does not have an opportunity to install the code on the site, then s/he is required to provide detailed information on which CPA networks he worked with, send the screenshots etc.

<sup>12</sup> How The Blockchain Will Secure Your Online Identity, Jonathan Chester. Forbes <https://www.forbes.com/sites/jonathanchester/2017/03/03/how-the-blockchain-will-secure-your-online-identity/#3b2c2a185523>

3) After having passed the first two steps, the publisher is automatically given a rating at the standard level, which can change. With a standard rating level, a publisher can join only a limited number of offers.

Better the traffic quality is, higher its rating among all other publishers are, which enables a publisher to join more offers.

If the publisher reveals a poor-quality type of traffic, then his rating is reduced and it is disconnected from the off-line.

4) Apart from that, the advertiser can independently “switch” certain publishers off, if the quality of traffic is not satisfying. Also, an advertiser can invite publishers with high ratings on special terms.

## **Advantages for Advertisers and Publishers**

Present ecosystem of ADP tokens and Adpump Blockchain affiliate marketplace are both beneficial for all actors involved: an advertiser, a publisher and an investor.

### **Basic Advantages for Advertisers:**

- New generation tracker based on blockchain (fixed payout, not % network fee)
- High level of transparency, since all data about offers, terms and conditions, conversions and payments is stored in blockchain
- No way to scam or fraud due to the decentralized quality system like in Uber
- One platform for all payments for the publishers
- Publishers can't hide the traffic source
- Direct contact with your publishers

### **Basic Advantages for Publishers**

- Affiliate doesn't need to create your private affiliate network or use trackers such as Voluum, Keitaro (you use a decentralized blockchain CPA Platform)

- No way to shave due to the decentralized foundation instead of management of the network or network quality
- Instant & anonymous payments
- All campaigns are based on smart contract - advertisers cannot hide or change conditions without notifications or avoid paying for the actions
- You can buy traffic for the tokens in display, popunder and other networks

## Advantages for Investors

- An investment tool with high returns and minimal risk
- Instant changes in other cryptocurrency as Bitcoin, Bicoincash, Ethereum, Litecoin, Ethereum Classic
- Chance to become a part of a 1 billion company (a so-called “unicorn”) and influence the Internet marketing development

## Long-term Development Perspectives

### LONG-TERM DEVELOPMENT PERSPECTIVES

ADP becomes the biggest digital currency in the world ,  
replacing current payment methods

Adpump Blockchain Affiliate Marketplace becomes kind of  
Amazon for digital marketing between the publishers and  
advertisers

Adpump Blockchain Affiliate Marketplace completely changes the structure of affiliate marketing, and in the long-term development becomes the world's one fully transparent decentralized marketplace with the entire list of advertisers and publishers on a global scale. That is an elegant solution that solves the problem of duplicating identical CPA networks.

Adpump Blockchain Affiliate Marketplace becomes the kind of Amazon for all goods in the world, just in the CPA market.

Moreover, the ADP token becomes a payment facility for Internet traffic around the world, replacing current payment methods between the publisher and the network such as Webmoney, Paypal, Payoneer, etc.

# Token Economy

## ADP Smart Token Model

### Token function in our system:

ADP token will provide the following functions in the ecosystem:

- Payment tool - for the marketplace service (joining it and services)
- Payment tool - for traffic and target actions inside the system
- Traffic buying - publishers can pay for the traffic from partners in tokens (pop-under, teaser networks, mobile traffic networks);

It is important to understand how you can get ADP tokens and how to use them.

### You can get tokens in two ways:

1. Via bounty campaign which holds about 2,5% of all the tokens produced
2. Buy tokens during pre-ICO with discount or during ICO without discount

### You can use tokens as follows:

1. Pay for target actions
2. Buy traffic from display and popunder networks and convert it into actions
3. Get % from referral programs
4. Become a member of Adpump foundation (5%+)
5. Exchange for another cryptocurrency

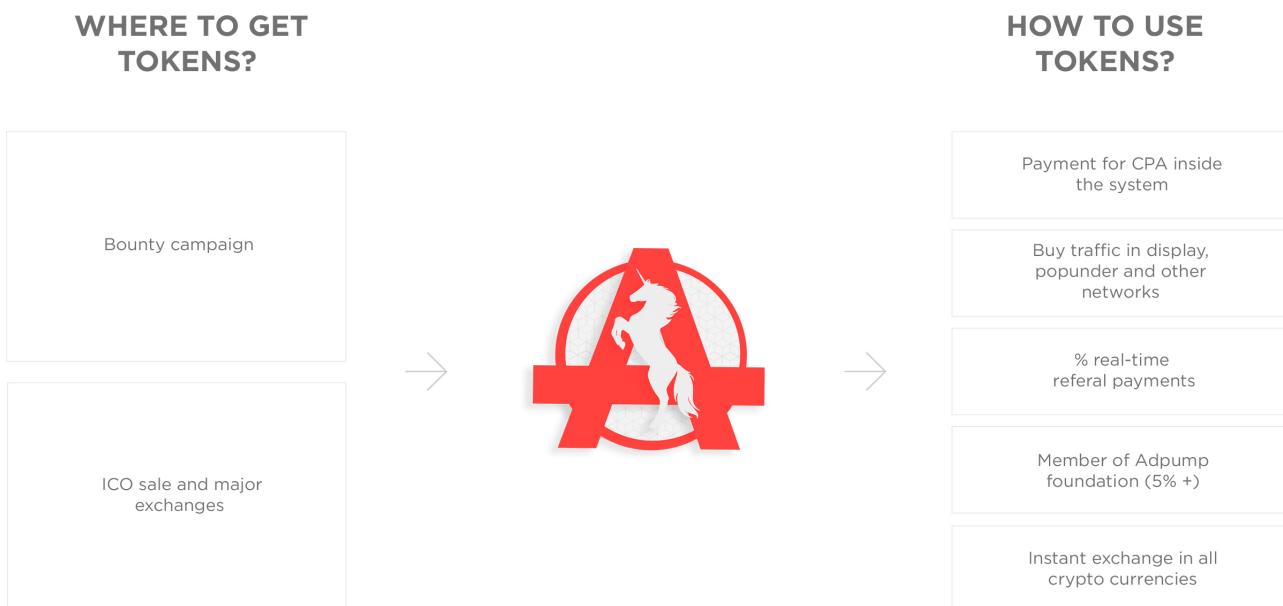
### Token strategic advantages:

1. New digital currency format
2. Instant exchange for any cryptocurrencies

### Example of token circulation in the system:

1. A publisher signs up in the system and buys 5000 ADP tokens for 1000 ETH. A part of this sum covers payment to Adpump Blockchain Affiliate Marketplace as a tracker. The rest of it stays in the advertiser's account for future payments for the traffic sent by publishers.
2. The advertiser places his offers in «Adpump Blockchain Affiliate Marketplace». For example, a transaction costs 5 ADP, and this sum is paid directly to the publisher.

3. A publisher buys traffic from our partners paying for it in ADP tokens and converts the traffic into CPA. At the same time, the publisher gets his reward from the advertiser in ADP tokens.
4. After there is a definite sum accumulated in the publisher's account he can sell it inside our system via partner's digital asset exchange or on the exchange to advertisers, traffic owners or as an option in the long term exchange ADP tokens for another cryptocurrency format.



**For advertisers' connection to the system, the following tariff scale is implied:**

- 1 tariff plan - 1 ETH (\$300) – the advertiser's turnover in the system is less than \$10 000
- 2 tariff plan - 3 ETH (\$900) - the advertiser's turnover in the system is more than \$10 000 but less than \$30 000
- 3 tariff plan - 10 ETH (\$3000) - the advertiser's turnover in the system is more than \$30 000

After ICO all prices will be set in ADP tokens, this is price in ETH only for basic information.

**What does the token price depend on?**

- Pre-ICO – fixed price
- ICO – the price depends on supply and demand

- After ICO – depends on supply and demand, but is supported by Adpump foundation liquidity and demand for tokens from the advertisers

## Token Growth Model

1. The higher the circulation in the system and the demand for tokens are the higher the token price is. Moreover, more traffic the publishers generate, the higher the token price is, including the situation when the affiliates can use them as store of value.
2. The fact that ADP token is the only currency used in the system raises its liquidity and consequently its price.

### We can predict this growth taking into account the following factors:

- Adpump CPA Network is a functioning business with existing clients, publishers and a dream team. We own a running business that we have built within one year. That is why we assume it is possible to rebuild the whole partnership marketing in the next few years.
- A direct relationship between the circulation in the system and ADP tokens rate. Higher ICO Adpump assessment is, higher ADP tokens price is.
- All members of the marketplace use only ADP tokens for mutual settlements, therefore a token price grows.
- Adpump reinvests all the income into the ecosystem maintenance and development.

### Why ADP turns to the next format of digital currency?

- 1) ADP is the first coin for digital marketing in the world, replacing current payment method
- 2) Direct correlation between turnover in eco-system and valuation of ADP: all sides in marketplace use exclusively ADP token, APD can be used as a payment tool out of system
- 3) Trading possibility at all digital asset exchanges

### When ICO is over, there will be several options to sell tokens:

- Directly to advertisers, publishers and traffic sources for the offers that will be launched in ADP tokens, starting from December 2017
- On exchanges, when the ADP token will be quoted there
- In the marketplace when its test version will be launched (March 2018)

- To our internal liquidity fund, as needed, based on the financial model of 5% of the turnover in the system
- To our internal tokens turnover exchange that will be represented by our partner

Others who want to purchase tokens now in order to sell them at a higher price (ideally, it can be done through the interface of our CPA network or in the accounts of the first investors).

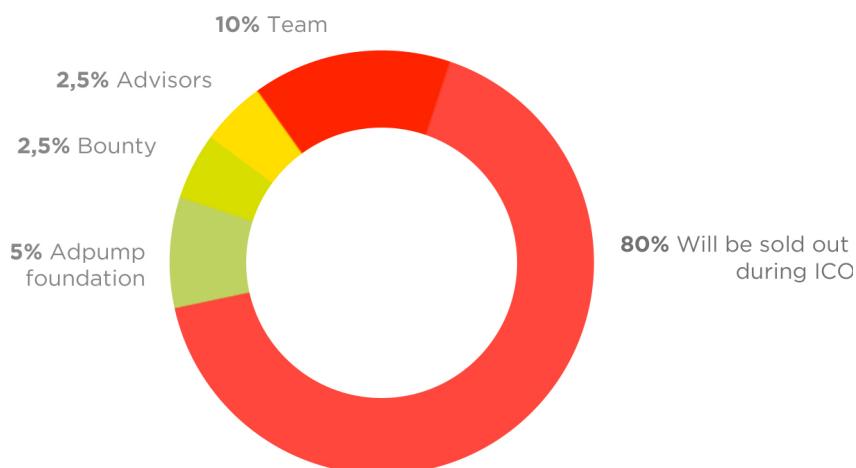
## Tokens Distribution

For Adpump Blockchain Affiliate Marketplace product realization of 100 000 000 ADP tokens will be produced without any extra emission. ADP tokens will be realized according to ERC20 based on Ethereum blockchain.

They will be distributed in the following way:

- 80% - will be sold out during ICO
- 10% - team
- 5% - Adpump foundation
- 2.5% - advisors
- 2.5% - bounty

### ADP TOKEN DISTRIBUTION STRUCTURE



100 000 000 ADP token = 50 000 ETH

100 000 000 ADP token = 15 000 000 \$

1 ADP token = 0,0005 ETH

BTC, LTC, DASH currencies will be calculated at the moment of actual purchase

1 ADP token = 0.15\$ (the data is on 25.10.2017)

The currency of payment: ETH, BTC, Litecoin, Dash, Wire

ADP tokens will be transferred ONLY via Myetherwallet or Mist, do not use asset exchanges as Poloniex, Bittrex and wallets as Jaxx, Parity and others.

The minimum sum of investment is 0,1 ETH (200 ADP)

The maximum sum of investment is not limited

Subsequently, the ADP token can be divided up to 1/10 ^ 18

All in all 100 000 000 ADP token will be emitted with a total capitalization 50 000 ETH or 15 000 000 \$ (the data is on 25.10.2017)

### **Token Sold**

From this sum, 80 000 000 ADP will be sold out which is the equivalent of 40 000 ETH or 12 000 000 \$

We decided to be nontrivial and in order to support the demand for ADP to issue and sell them limited till December 25, 2018

There 5 stages of selling 80% of the total amount of tokens:

1. Till December 25, 2017 - 17 546 000 ADP
2. 1 quarter 2018 - 15 076 000 ADP
3. 2 quarter 2018 - 16 060 000 ADP
4. 3 quarter 2018 - 15 514 000 ADP
5. 4 quarter 2018 - 15 804 000 ADP

If tokens are not sold out at either stage, they are destroyed

The discounts on first stage (Till December 25, 2017)

for 30-100 ETH: 25%

for 101-500 ETH - 35%

for 501 ETH+ - 50%

The rest part of unsold tokens will be divided the following way:

- 10% - Team 10 000 000 ADP token or 5 000 ETH

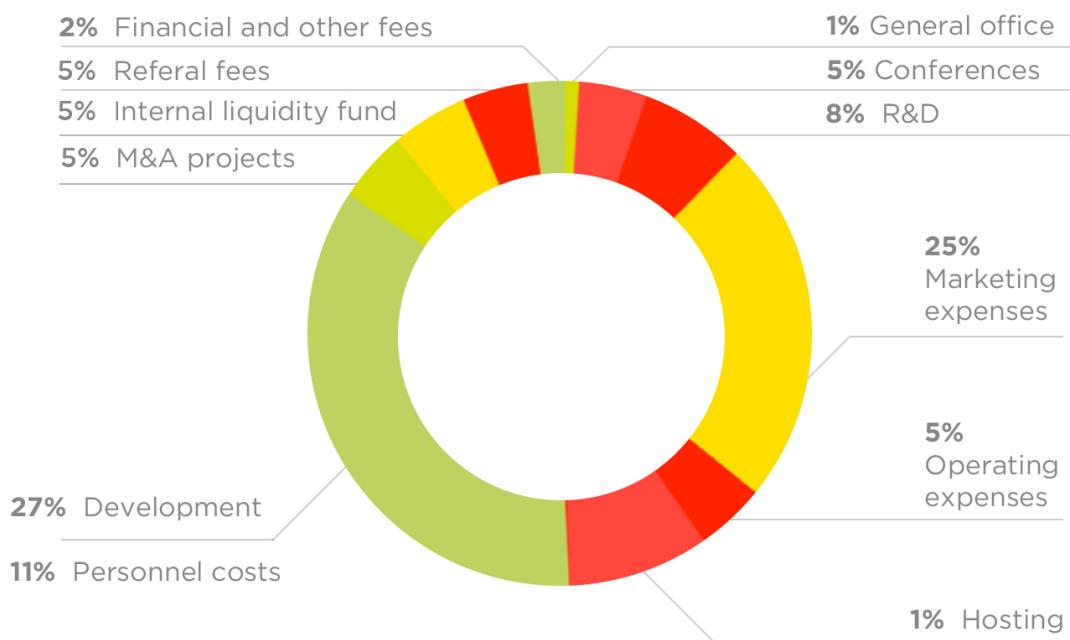
- 5% - Adpump foundation 5 000 000 ADP token or 2 500 ETH
- 2.5% - advisors 2 500 000 ADP token or 1 250 ETH
- 2.5% - bounty 2 500 000 ADP token or 1 250 ETH

2.5% within Bounty program – tokens will be transferred after first stage is finished, tokens can be used starting from December 26, 2017.

Distribution of Adpump foundation , Team and Advisors we will transfer tokens on December 26, 2017, unblocking 8% of them each month starting from January 1, 2018, in November and December - 10%.

At the same time, the main part of the expenses will be sent to the product development, business content, marketing promotion and hosting.

## BUDGET ALLOCATION



## Marketing Development Plan of Adpump Blockchain Affiliate Marketplace

In spite of the fact that both the technological capabilities that Adpump Blockchain Affiliate Marketplace will provide to the publishers and advertisers, and the successful run of ICO will provide the necessary level of brand recognition in CPA marketing sphere, the project will still need media support for reaching stated traffic volume.

Marketing development of Adpump Blockchain Affiliate Marketplace can be narrowed down to the following principal aims for the next two years :

- 1) Placing Adpump Blockchain Affiliate Marketplace into top 3 affiliate resources in the world and turning ADP into the principle digital currency
- 2) Engagement of more than 11 000 advertisers from different categories
- 3) Engagement of more than 1 000 000 publishers with traffic all over the world

Target audience:

- Advertisers of ICO& Blockchain category
- Advertisers of gambling, games, dating, adult category
- Advertisers of traditional e-commerce / travel category
- Publishers with different types of traffic

Geo-targeting of a marketing campaign:

- North America (NA);
- Latin America (LA);
- Europe (EU);
- Asia

Budget distribution and resources for the marketing campaign :

Marketing budget which was initially anticipated in the budget allocation Adpump Blockchain Affiliate Marketplace consists of 25% of the total amount of all collected tokens. Hard cap for marketing budget is 20 000 000 ADP tokens or 12 000 ETH or 3 600 000 \$

These aims will be achieved thanks to the following tools:

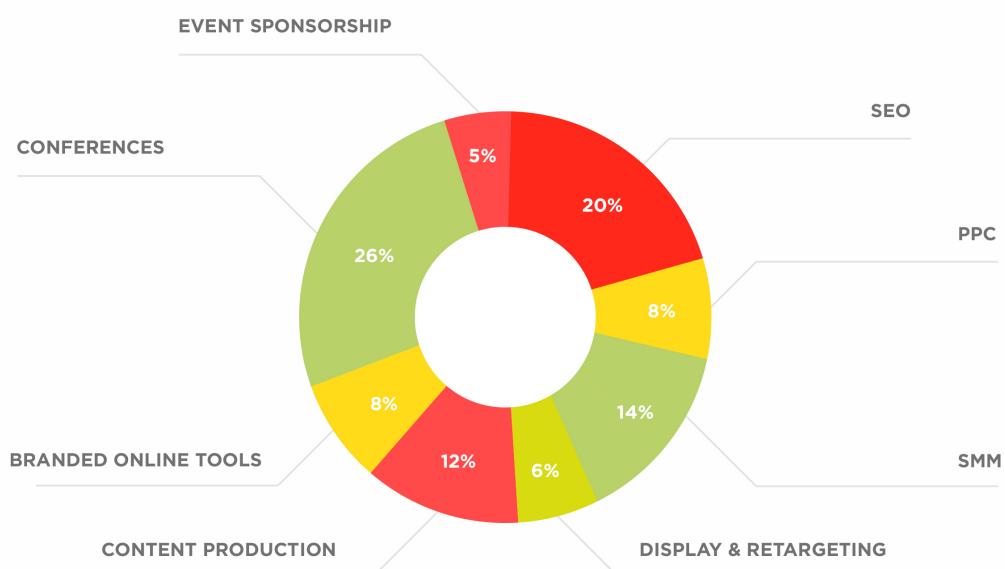
Adpump Blockchain Affiliate Marketplace communication can be divided into two parts: offline and online.

**Online marketing 70%:**

1. SEO 20%
2. PPC 8%
3. SMM 14%
4. Display & retargeting 6%
5. Content production 12%
6. Branded online tools 8%

**Offline marketing 30%:**

1. Conferences 25%
2. Event sponsorship 5%



## Smart Contract

In Adpump Blockchain Affiliate marketplace system Smart Contract represents the algorithm that guarantees all stages of the deal between all participants of the platform to be carried out:

1. Advertiser creates an offer with a specific target action in the platform (CPA/CPL/CPS and тд.) on the basis of ADP token and has the action's cost fixed
2. Offer is being saved in the blockchain and that guarantees the validity of the offer - the offer cannot be changed
3. Publisher achieves the target action fixed by specific parameters. For example, offer with target action as CPS (cost per sale) is achieved by the purchase made by publisher's partner link.
4. Adpump Blockchain Affiliate marketplace as a tracker fixes the moment when the target action is achieved.
5. When offer is confirmed the publisher receives instant payment and tracker it's the commission

In the ecosystem of Adpump Blockchain Affiliate Marketplace the circulation of tokens is exercised by the following participants: advertiser and publisher are the main denominators in this system while Adpump act as a connecting link between the main parts that ensures compliance with the terms of the smart contract in blockchain system.

### **The list of actions to fulfill the terms of smart contract:**

#### **For advertiser**

- 1.1 To create an offer in the system taking into account the following points:  
favourable balance of advertiser  
type of CPA ( CPS- cost per sale, CPL- cost per registration, CPI- cost per app instalment, etc.)  
cost of targeted action  
postclick period (the time of cookie length, for example 30 days )

allowed GEO  
allowed types of traffic  
offer limits if necessary  
validation period

1.2 To write down the conditions of a targeted action in order to make the smart contract valid, namely:

favourable balance of advertiser and resources for publishers to promote an offer

a transaction is carried out with a correct targeted action ( CPS, CPL, CPA, CPI)

the cost of the targeted action is correct in the system

the period of postclick is correct

Transaction GEO is correct

only allowed types of traffic are used

the limit is not exceeded ( if it is one in the offer)

advertiser approves transactions after the processing time

Under these conditions the commission, which has been stated in smart contract, is sent to publisher and withdrawn from advertiser's balance.

## **2. For publisher**

To register in Adpump Blockchain Affiliate Marketplace and insert the traffic sources, links to the web pages, blogs, coupon sites, content site, etc.

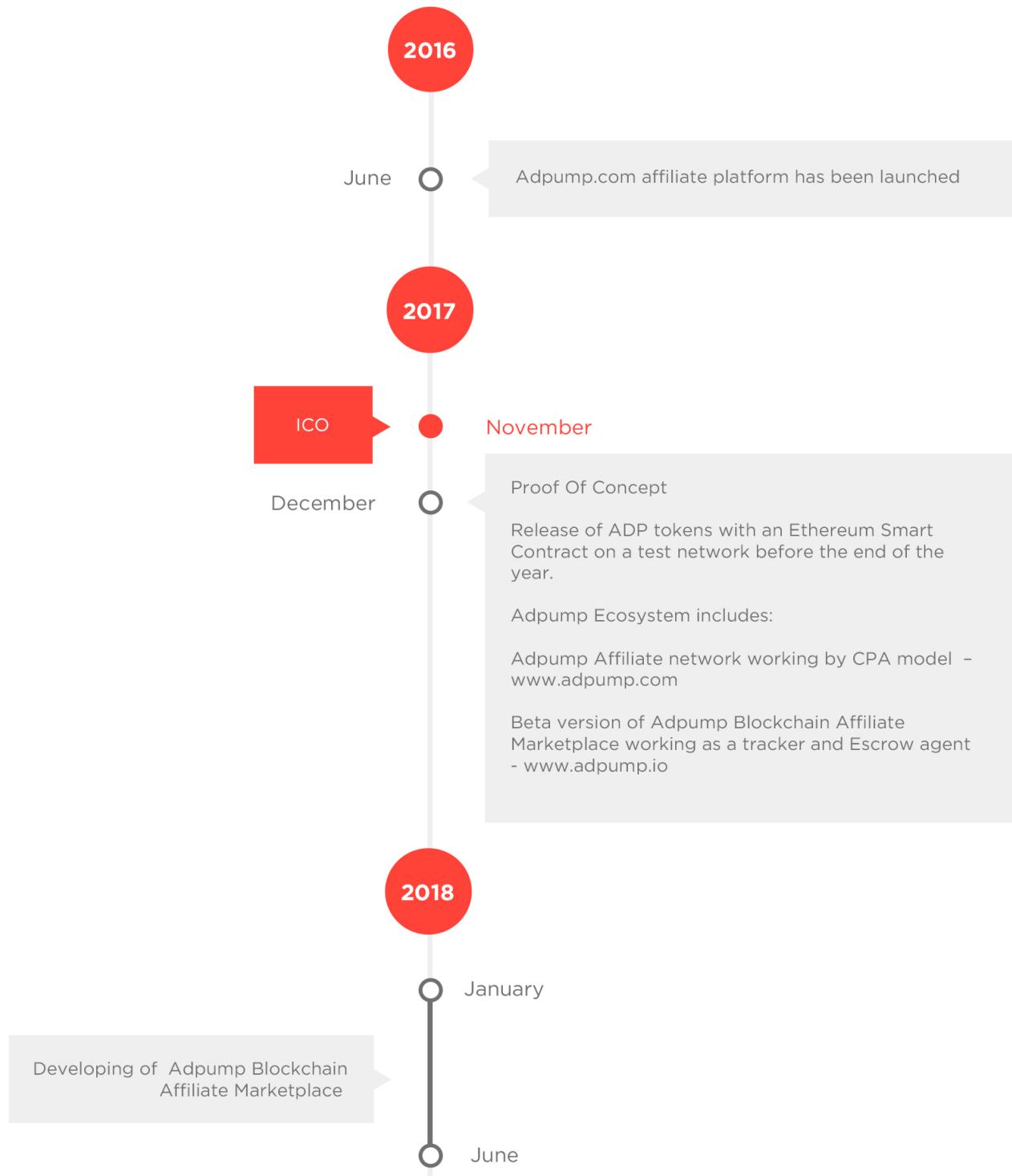
In order to start working with an offer, the following terms must be complied:  
publisher inserts his traffic source and writes down its full name so it would be transparent ( for example, my own content site super7 )

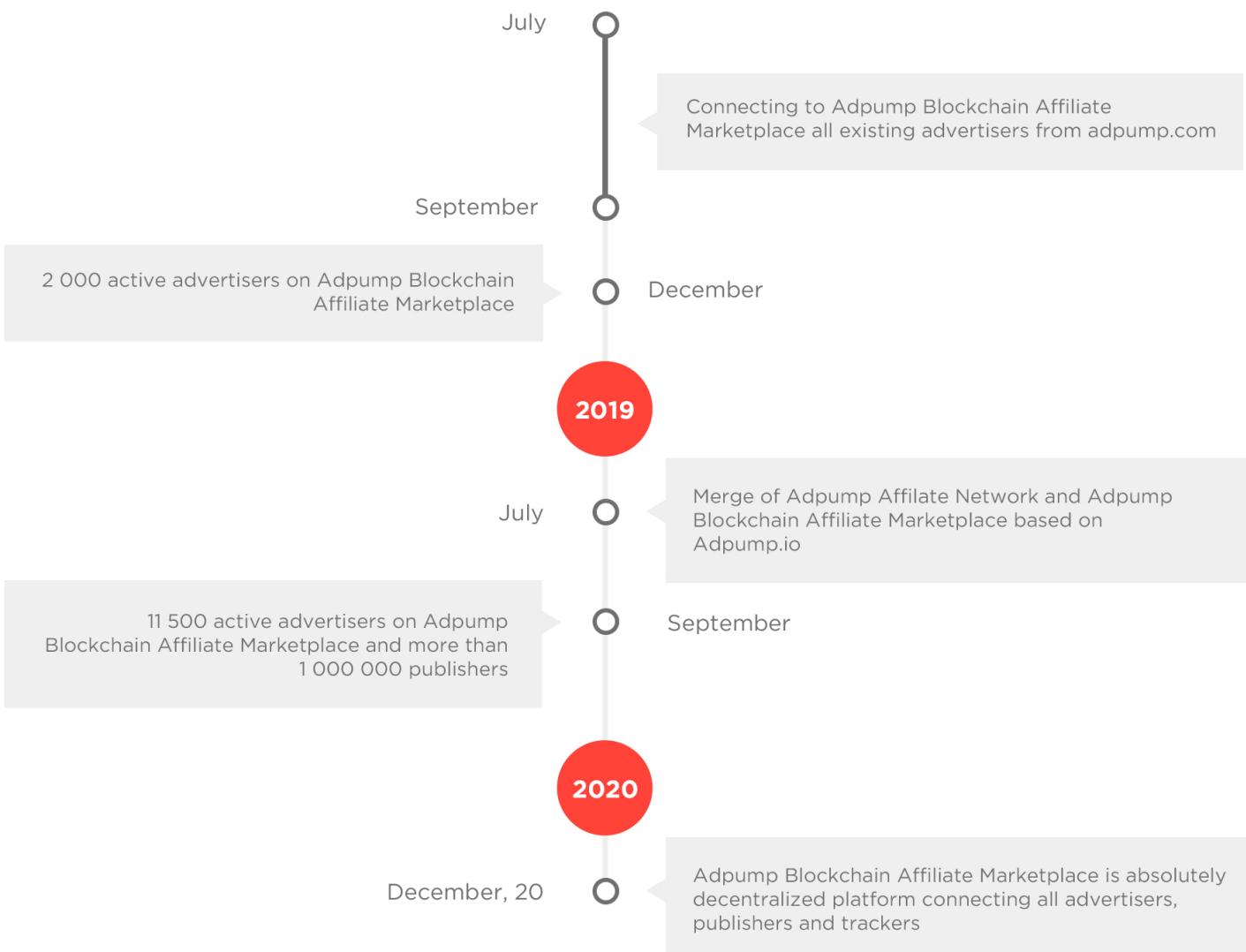
if this type of traffic is allowed in the offer, an advertiser approves a publisher and he can start promotion

if a publisher fulfills all the conditions from point 1.2 , which were written by advertiser, he receives the commission automatically

Under all these conditions publisher's commission is sent according to the smart contract terms.

## Roadmap





# Financial Plan

A financial plan consists of 3 main tables: prognosis of client base growth, the prognosis of income and expenses, prognosis of token value growth in consideration of all factors. The base currency in the system after ICO is going to be ADP.

## Plan of Client Base Growth

There will be 3 basic tariff plans for advertisers depending on the business value of the company (for example we show for this financial model in ETH at the exchange rate in the end of September 2017 when 1 ETH= \$300):

1 tariff plan - 1 ETH (\$300) - the advertiser's turnover in the system does not exceed \$10 000

2 tariff plan - 3 ETH (\$900) - the advertiser's turnover in the system is more than \$10 000 but within \$30 000

3 tariff plan - 10 ETH (\$3000) - the advertiser's turnover in the system is more than \$30 000.

At the moment every commercial project (online store or aggregator) with 100 thousand of total visits per month is ready to have own partner program. Taking into account all companies developing ICO and those working on blockchain the total number of the potential clients makes not less than 100 000.

Primarily during the first year of intensive work we plan to increase client base up to 2300 advertisers by means of aggressive marketing in the 4th quarter of 2018 and by the end of 2020 the total number of advertisers in system will make more than 11 500 advertisers.

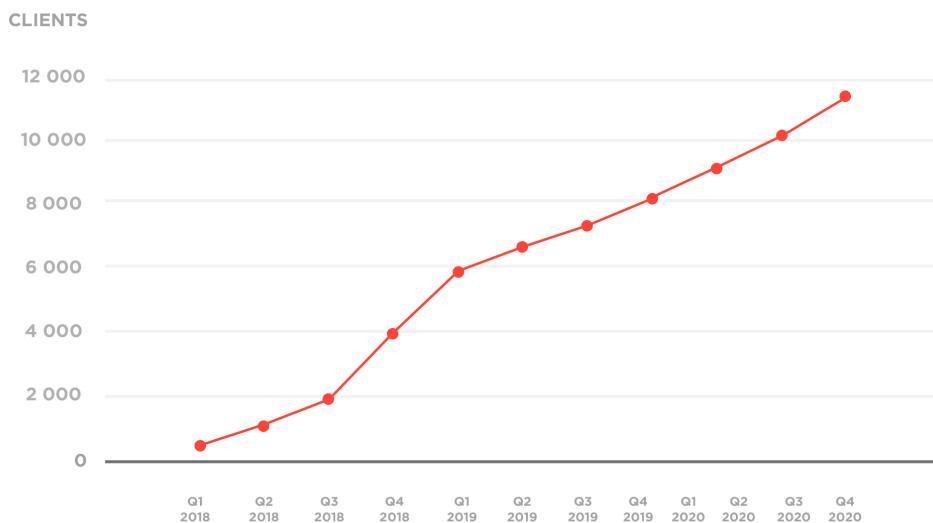
The specified growth will be achieved by means of essential marketing efforts both in the form of direct advertising so as in the form of referral programs and also by growing sector of the companies created on the funds invested during ICO program which requires building of own program.

The project goes on functioning on loss-free scheme from 2019 in accordance with the financial plan, also company itself is not directed to getting income because all financial resources received during the process are supposed to be

reinvested in further development of the ecosystem, and this fact will be the most powerful criterion for the further growth of tokens.

Key expense items: development of the basic and additional products within the ecosystem, marketing, motivation maintenance of all participants of the system, additional percent of invested funds is allocated for acquisition process of other

Month	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
<b>Number of clients (Basic plan)</b>	5	500	1000	1820	3640	5460	6006	6607	7267	7994	8793	9673
<b>Cost basic plan (1 ETH)</b>	3	3	3	3	3	3	3	3	3	3	3	3
<b>Sum</b>	15	1500	3000	5460	10920	16380	18018	19820	21802	23982	26380	29018
<b>Number of clients (Medium plan)</b>	5	25	100	172	344	550	660	793	951	1141	1370	1643
<b>Cost medium plan (3 ETH)</b>	9	9	9	9	9	9	9	9	9	9	9	9
<b>Sum</b>	45	225	900	1548	3096	4954	5944	7133	8560	10272	12326	14791
<b>Number of clients (Individual plan)</b>	1	2	4	8	15	30	46	68	103	144	167	184
<b>Average plan (10 ETH)</b>	30	30	30	30	30	30	30	30	30	30	30	30
<b>Sum</b>	30	57	114	228	456	912	1368	2052	3078	4309	5010	5520
<b>General number of clients</b>	11	527	1104	2000	3999	6041	6712	7468	8321	9279	10330	11500
<b>Revenue</b>	<b>90</b>	<b>1 782</b>	<b>4 014</b>	<b>7 236</b>	<b>14 472</b>	<b>22 246</b>	<b>25 330</b>	<b>29 005</b>	<b>33 440</b>	<b>38 563</b>	<b>43 716</b>	<b>49 330</b>



companies in the segment and also R&D work directed to the improvement of current process and innovations within the ecosystem. Referral payments for all participants attracting new partners into the system will make the separate category of expenses up to 5% of the received turnover.

## Account balance of financial flows

Month since the beginning of project	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
<b>Sales revenue-total, incl.:</b>	<b>0</b>	<b>90</b>	<b>1 782</b>	<b>4 014</b>	<b>7 236</b>	<b>14 472</b>	<b>22 246</b>	<b>25 330</b>	<b>29 005</b>	<b>33 440</b>	<b>38 563</b>	<b>43 716</b>	<b>49 330</b>
<b>Expenses-total, incl.:</b>	<b>8 773</b>	<b>7 538</b>	<b>8 030</b>	<b>7 757</b>	<b>7 347</b>	<b>14 472</b>	<b>22 246</b>	<b>25 330</b>	<b>29 005</b>	<b>33 440</b>	<b>38 563</b>	<b>43 716</b>	<b>49 330</b>
<b>General office (1%)</b>	70	70	80	80	80	145	222	253	290	334	386	437	493
<b>Offline marketing activity (5%)</b>	90	355	567	434	554	724	1 112	1 267	1 450	1 672	1 928	2 186	2 466
<b>R&amp;D (8%)</b>	533	533	533	533	533	1 158	1 780	2 026	2 320	2 675	3 085	3 497	3 946
<b>Marketing expenses (25%)</b>	3 000	1 500	2 000	2 000	1 500	3 618	5 561	6 333	7 251	8 360	9 641	10 929	12 332
<b>Operating expenses (5%)</b>	400	400	450	350	400	724	1 112	1 267	1 450	1 672	1 928	2 186	2 466
<b>Hosting (1%)</b>	80	80	80	80	80	145	222	253	290	334	386	437	493
<b>Development (27%)</b>	2 160	2 160	2 160	2 160	2 160	3 907	6 006	6 839	7 831	9 029	10 412	11 803	13 319
<b>Personnel costs (11%)</b>	880	880	880	880	880	1 592	2 447	2 786	3 191	3 678	4 242	4 809	5 426
<b>M&amp;A projects (5%)</b>	400	400	400	400	400	724	1 112	1 267	1 450	1 672	1 928	2 186	2 466
<b>Internal liquidity fund (5%)</b>	600	600	300	300	200	724	1 112	1 267	1 450	1 672	1 928	2 186	2 466
<b>Referral fees (5%)</b>	400	400	400	400	400	724	1 112	1 267	1 450	1 672	1 928	2 186	2 466
<b>Financial and other fees (2%)</b>	160	160	180	140	160	289	445	507	580	669	771	874	987
<b>ADPUMP ICO tokens</b>	<b>-8 773</b>	<b>-7 448</b>	<b>-6 248</b>	<b>-3 743</b>	<b>-111</b>	<b>-0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-0</b>	<b>0</b>	<b>0</b>

At the profitability point of the company all expenses in percentage ratio to the earned income will make the following numbers:

- Offices (1%)
- Offline marketing activity (5%)
- R&D (8%)
- Marketing expenses (25%)
- Operating expenses (5%)

- Hosting (1%)
- Development (27%)
- Wage payments (11%)
- M&A projects (5%)
- Internal fund of token liquidity (5%)
- Referral payments (5%)
- Financial and other payments (2%)

Long-term forecast of the token cost is one of the most important issues of the financial plan for the potential investors.

### Growth of Token Cost Q4 2017 - Q2 2020

Month	4 Q 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
<b>General number of clients</b>	5	11	527	1104	2000	3999	6041	6712	7468	8321	9279	10330	11500
<b>Average client's turnover in ADP on marketplace per client (ETH)</b>	100	100	110	121	133	146	161	177	195	214	236	259	285
<b>Sum of client's turnover in ADP on marketplace (ETH)</b>		1100	57959	133560	266147	585523	972877	1189086	1455219	1783670	2187924	2679325	3281144
<b>General number of traffic partners</b>	2	4	4	6	8	10	12	14	16	18	20	22	24
<b>Average traffic partner's turnover in ADP in digital marketing per partner (ETH)</b>	120	120	240	480	960	1920	3840	7680	15360	30720	61440	122880	245760
<b>Sum of traffic partner's turnover in ADP in digital marketing (ETH)</b>		480	960	2880	7680	19200	46080	107520	245760	552960	1228800	2703360	5898240
<b>Expectations multiplier</b>		100	20	10	5	5	5	5	5	5	5	5	5
<b>Token valuation (ETH)</b>	100 000	158000	1178380	1364398	1369134	3023614	5094784	6483030	8504897	11683149	17083622	26913423	45896919

So the cost of token from the moment of Pre-ICO (December 2017) till December 2020 will grow for more than 929 times.

Thus, by investing in the company during Pre-ICO period 10 ETH (3000 USD), you will earn 9 290 ETH (2 787 000 USD) by the end of 2020.

## Team



**Nicolas Liakhovski** - Chief Executive Officer

Nick began his career in 2008 in legal advising firm, working on the projects that help to launch new large industrial plants. After this experience he launched his own investment management company. He was a co-founder and CEO of US based business-accelerator investing in european IT startups.

From 2016 year, he is a CEO of Adpump affiliate network, with more than 5 years' experience in affiliate marketing.

After his introduction to blockchain technology in 2015, he is focused on bringing the best promises of cryptocurrency to solve the worldwide problems of digital marketing and building number 1 player in this area.



**Mike Kirillov - Chief Crypto Officer**

Mike has 20 years of experience in the IT industry, experienced engineer and startup expert with strong knowledge of full-stack development software and

hardware projects, co-founder worldwide Mobile DSP. Know how to make things work without a hectic rush.

**Dunskiy Dmitriy - Chief Technology Officer**

17 years of experience in IT sphere. Development of intellectual testing systems. Automatization of business processes. Development, implementation and support of ERP systems. Development and support of CPA. Experience with HighLoad, Big Data and Artificial intelligence. Blockchain enthusiast.

**Helga Rebek - Strategic partnership officer**

After 7 years in marketing for IT startups like Surfingbird, Relap.io, Helga is dedicated to set strategic collaborations between blockchain projects, community, media & Adpump. Her main goal is to provide partners with in-house analytics, market overview & ICOs best cases. If you can imagine what does smartness and cuteness mean, it is about her.

**Alex White - PR & Marketing Director**

Alex began his career as pr manager in sports industry. Has been involved in crypto technologies since 2015 when he became co-inventor of immersion cooling system for mining. Owns and develops farm based on immersion cooling.

**Arapat Abukova** Chief Operations Officer

From 2011 Arapat was responsible for clients relations in pharmaceutical and IT spheres providing the highest level of service and support.

From 2016 in position of Client Success Director in Adpump Affiliate network is responsible for success development of Adpump clients and growth of clients base in the field of affiliate marketing.

## Advisors & Investors

**NICKOLAY DAVIDOV**

Serial entrepreneur,  
Investor of the 2017 year by RBC,  
The mentor of Prisma and MSQRD,  
Co-founder Gagarin Capital

**IVAN BANNIKOV**

Serial entrepreneur,  
Founder Actionpay Group (one of the  
leading CPA network in CIS)

**ALEXANDER VOLKOV**

Mixed martial artist who competes  
in the UFC heavyweight division,  
a professional MMA competitor since 2009  
and Adpump investor

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