

# White Paper



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## Building a Decentralized Ecosystem

### ▲ Foundation Series

By: Gabriel Dusil, Co-founder & Board Member, Adel  
Michal Vavrek, Founder & Board Member, Adel

## Abstract

In this white paper, we discuss the phased rollout of Adel's ecosystem. The first phase includes the launch of Adel through an initial coin offering (ICO). Phases two and three will focus on building and managing the community.

## Creating the Foundation

Adel is a new cryptocurrency system and global community that is self-sustaining and operates within its own macroeconomic ecosystem. This ecosystem will maintain its fiat independence through the use of Adelphoi<sup>1</sup>. It will also have the ability to trade with other economies.



The Adel ecosystem will consist of three phases. Phase one will build the community portion of the ecosystem by creating the Account Module of the community portal and includes the first initial coin offering (ICO) round. Phase two will begin after the first ICO round and will focus on developing the community portal: Forum, Voting, Project Dashboard, and Trading Modules. Phase three will focus on operating and managing the projects and converting them into successful solutions that will benefit the entire community.

## ADEL DEPLOYMENT

### PHASES



## ICO Process

Adel will have three rounds of ICOs to ensure a controlled deployment of funds as various projects are introduced to the community. This

ensures a focus on planning rather than pure capital collection. Adel also wants to further ensure that no single person or small group will be able to dominate the community. A diverse set of stakeholders will guarantee a more democratic outcome as voting will be distributed amongst a greater number of stakeholders. Moreover, this will create confidence in early ICO participants who will be supportive of the values established by Adel.

There will be a total of 100 million non-mineable Adelphoi (ADL) coins available in the Adel ecosystem:

- ▲ 85 million ADL will be distributed through 3 rounds of an Initial Coin Offering (ICO).
- ▲ 15 million ADL will be distributed amongst Adel Ecosystem Ltd. From this amount, 5 million Adelphoi will be released at each round of the ICO. This will ensure transparency and long-term commitment from Adel Ecosystem Ltd.

During the first ICO round, funds in BTC will be immediately placed into Adel's escrow storage – an offline repository residing in a [BitGo<sup>2</sup>](#) account. **ShapeShift** and **Changelly** will be actively supported for ICO collection as they are the market leaders in instant digital currency conversion. Both ShapeShift and Changelly are used to easily convert cryptocurrencies from one to another. Any participant of the ICO will have to identify themselves to meet minimum Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Know your Customer (KYC) requirements.

## Phase 1 ▲ Community

### Initial Coin Offering ▲ 1<sup>st</sup> Round ▲ 33,333,333 ADL

Adel will build the foundation of the community during this phase. This phase includes activities up to, and including, the first ICO round. This includes the website, key marketing materials, white papers, corporate branding guidelines, and a showcase of the unique features of the Adel ecosystem. Phase one establishes the structure of the Adel Board, as well as the senior management team and staff members who will be instrumental in building Adel's foundation. This consists of marketing specialists, blockchain developers, and cryptocurrency experts.

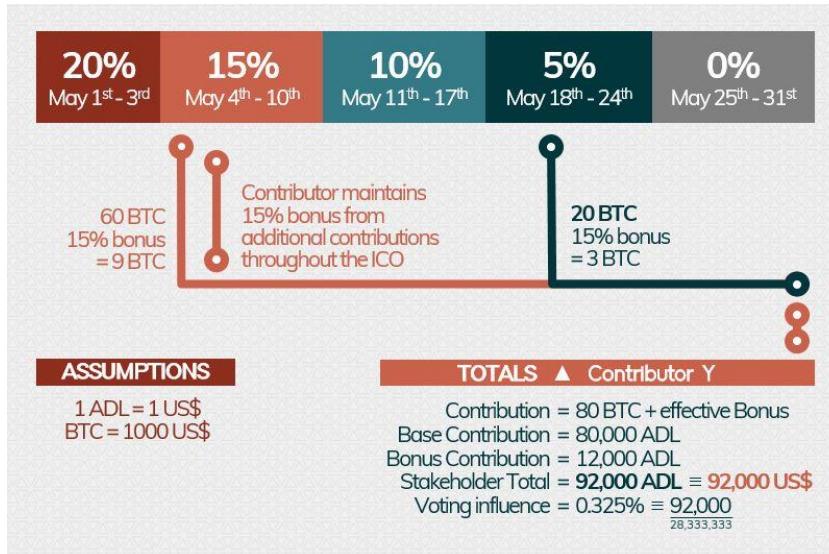
The **first ICO round** will be open for one month during the month of May 2017. A minimum contribution is required to become a stakeholder in this round (refer to the Adel ICO Round 1 announcement for this minimum). The ICO will be open to most of the available

cryptocurrencies. The cryptocurrencies collected will be automatically exchanged for Bitcoin via ShapeShift or Changelly. Tokens not accepted by these exchanges will not be accepted in the ICO. After the first ICO round, the total amount will be proportionally calculated and exchanged for 28,333,333 units of Adelphoi and distributed to each Adel stakeholder. An additional five million Adelphoi will then be allocated to Adel Ecosystem Ltd.

There will be five stages for stakeholders to earn different bonus percentages for their BTC and tokens converted by ShapeShift or Changelly. This bonus refers to the amount of Adelphoi the stakeholder will receive, and will be directly proportional to their voting power in the community:

- ▲ **20% bonus in ADL ▲ First 3 days ▲** 12:00 noon UTC on May 1st till 23:59 UTC on May 3rd
- ▲ **15% bonus in ADL ▲ Next seven days ▲** 00:00 UTC on May 4th till 23:59 UTC on May 10th)
- ▲ **10% bonus in ADL ▲ Next seven days ▲** 00:00 UTC on May 11th till 23:59 UTC on May 17th)
- ▲ **5% bonus in ADL ▲ Next seven days ▲** 00:00 UTC on May 18th till 23:59 UTC on May 24th)
- ▲ **0% bonus ▲ Last seven days ▲** 00:00 UTC on May 25th till 23:59 UTC on May 31st)
- ▲ **15% bonus in ADL ▲ Special bonus for contributions of over 20 BTC ▲** Stakeholders who exceed this minimum will receive an automatic bonus of 15% no matter when they submitted their first contribution.

Stakeholders will be able to keep their bonus should they decide to increase their contribution within the following weeks of the ICO. For example, in the following infographic, if a stakeholder contributes over 1 BTC during the second stage, then they will continue to receive a 15% bonus even if they increased their contribution during the fourth stage of the ICO.



Prior to the ICO Adel will establish a total minimum amount of funds received by contributors of the ICO (refer to Adel's FAQ at [www.adelphoi.io](http://www.adelphoi.io)). In the event that this minimum contribution is not reached, there will be a vote conducted amongst the community members as to whether Adel will continue.

The following materials and applications will be released during this phase:

- ▲ The **homepage**, which will introduce Adel to the cryptocurrency community and the world at large. It will also outline Adel's core values. Our home page will showcase the initial round of green-lit projects, showing a top-level overview, along with their unique technical and business solutions. A series of white papers, including this one, will describe our unique approach to community-based projects. Other white papers will describe our policies, procedures, and underlying technologies and philosophies that fuel our ecosystem.
- ▲ The **Adel Community Portal** will be an extranet portal used to view all of the community's confidential activities. It will include detailed guidelines for project submissions, as well as a landing page.
- ▲ The status of each community member's contributions will be displayed in real time in the **Account Module**. Each community member will be able to see the status of their ADL balance in this module.

## Phase 2 ▲ Projects

### Initial Coin Offering ▲ 2<sup>nd</sup> Round ▲ 33,333,333 ADL

Adel's second phase will begin as soon as the first ICO window has closed and will run until the 2<sup>nd</sup> ICO.

The following materials and applications will be released shortly after the first ICO:

- ▲ The **Collaboration Module** will be the social media platform using third-party services where community members can discuss projects and direct their questions to the project managers and the Project Review Committee. Adel will nominate the members of the **Project Review Committee** who will evaluate ideas, and develop business plans, before they are submitted to the community vote, as well as participate on forums to discuss ongoing projects with the community.
- ▲ The **Voting Module** will be created for community members to vote on projects and other key decisions.
- ▲ The initial deployment of the **Trading Module** will allow community members to easily trade their Adelphoi with other community members.
- ▲ The **Project Module** will also be released during this phase and will contain detailed information on the operations of each project. Postings and overall content will be owned by the project managers. Adel will redistribute success back to community members.
- ▲ A **Market Module** will be used to post job descriptions, and for members to submit their resume to any available position. This module will also list products and services that are available from any project, with favorable conditions for community members.

This phase will further establish the foundation for Adel project submission, approval, marketing, and ongoing operations. Projects involving technological innovation can have either a global or regional reach. They may participate in, but would not be limited to, Business to Business (B2B), Business to Consumer (B2C), or even Business to Government (B2G) environments. Projects will be funded with the funds raised through three rounds of ICO, as well as from future project profits or exits.

A new licensed legal entity will be established as the vehicle for pooled community investments into community-profit participation in projects. This entity will issue shares called Adelshares (ADS). These will be tokenized on the blockchain as the Adelshare (ADS). Adelshares will be purchased only with the Adelphoi coin. When this new legal entity is registered, participants will be offered the opportunity to purchase ADS

with their ADL, to establish profit participation in community-approved projects. ADS allow its holder a respective profit share on the basis of one unit per ADS. Any reward payment will be paid out to shareholders in ADL.<sup>3</sup>

First round ICO participants will be offered preferred conditions when purchasing Adelphoi in subsequent rounds. Each ICO round will be associated with innovative projects that will be funded by capital raised by their respective ICO.

## Phase 3 ▲ Execution

### Initial Coin Offering ▲ 3<sup>rd</sup> Round ▲ 33,333,333 ADL

Adel will focus on expansion and other improvements that are in line with Adel's core values during this phase. Thus, Adel will evaluate the opening of offices in new regions around the globe with due diligence and a justified business case. Adel will select the most qualified representatives and management from its community members for regional offices and projects in those regions.

## Bitcoin Repository

Adel will utilize a BitGo account to collect funds for Adel Ecosystem Ltd. ICO funds will be collected in escrow and will require five out of six signatories to approve the release of funds. These signatories comprise of three Adel Board members and three external and independent parties, well-known in the crypto community. The funds will be released in a phased manner as follows:

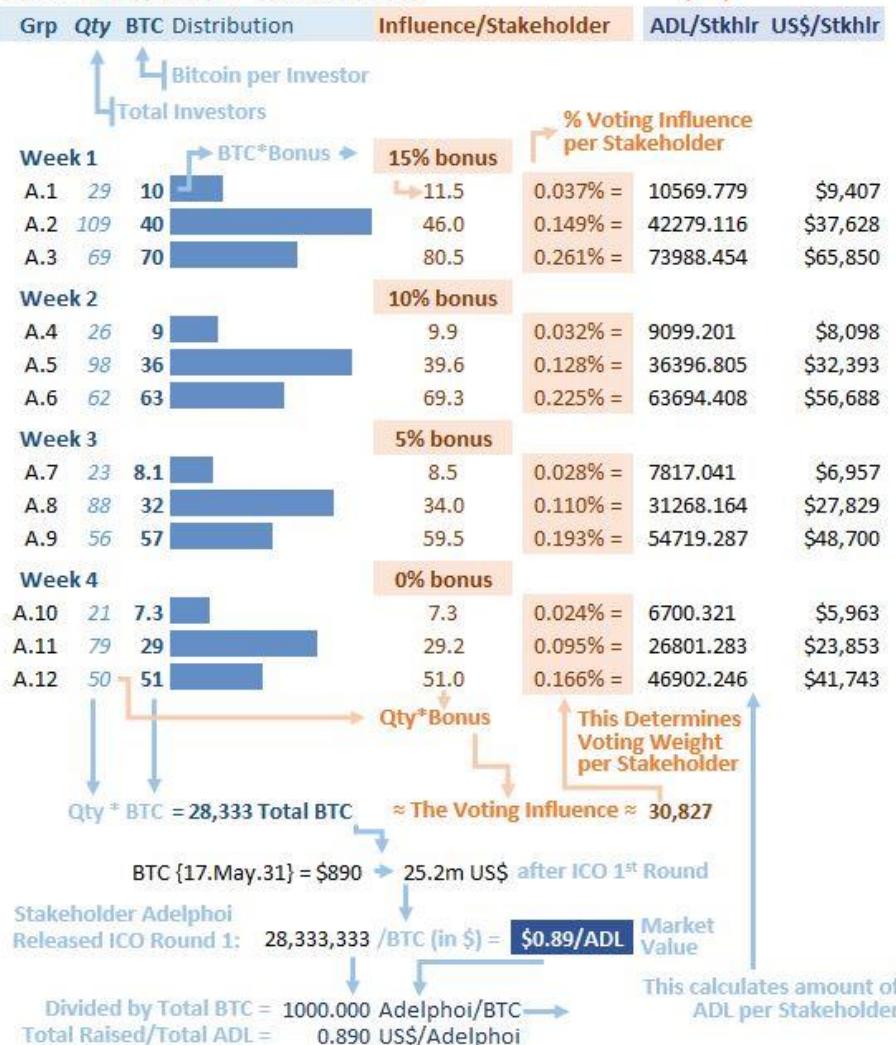
- ▲ 270 BTC escrow funds will be released shortly after the ICO (1st of June 2017) to continue paying developers, legal services, support costs. These funds will be used for building the community portal and its modules, and launching the second phase of Adel Accelerator Ltd, and its Adelshare (ADS) token.
- ▲ Once the ICO is closed, then ADL coins will be distributed to ICO participants, and their balance will be visible in the community's account module. Participants contributing over 1 BTC during the ICO will be invited to become a community member, and depending on their ADL balance additional identification details will be collected in order to meet Anti-Money Laundering (AML),

Counter-Terrorism Financing (CTF) and Know your Customer (KYC) requirements.

- ▲ Selected external exchanges will be contacted prior to the end of the ICO for members to trade their ADL afterwards.
- ▲ The remaining funds over 270 BTC will be released to Adel Ecosystem Ltd. only after the fund license is granted, and the new legal entity which establishes the ADS token is established.

## ICO Example

### ICO Round 1 - Scenario



## Legend

- ▲ ADL = Adelphoi
- ▲ BTC = Bitcoins
- ▲ Stkhldr = Stakeholder = any participant holding any amount of Adelphoi

## Interpretation

- ▲ In this example, 33,333,333 ADL coins will trade based on a starting value of 0.890 US\$ per Adelphoi (ADL).
- ▲ Stakeholder A.2 (in the example above) with 40 bitcoins contributed receives a 15% voting influence bonus, equal to an "effective" bonus of 6 BTC which translates to 15% increase in ADL.
- ▲ At the end of the 1st ICO, A.2 participant (in the example above) stakeholder's voting influence is calculated at 0.149%
- ▲ Stakeholder A.2's ICO round one amount of ADL in their account will be 42,279.116 ADL.

## Notes

- ▲ The Adelphoi value will be established at the end of the first ICO round.
- ▲ 28,333,333 coins will be issued to stakeholders. 5,000,000 will be reserved for Adel Ecosystem Ltd.
- ▲ Those who have contributed a minimum of 1 BTC equivalent in Adelphoi will be invited to the community. After the ICO this minimum will be increased to 64000 in ADL. This is to mitigate the creation of multiple accounts, as well as to provide a clearer voice for those who have a significant stake in the ecosystem.

## About Adel

Adel is a community incubator for blockchain innovation.

- ▲ Adel is a global cryptocurrency community that is self-sustaining and offers its own economic ecosystem with the Adelphoi coin.

Our community focuses on creating, developing, and implementing use cases involving blockchain technology that covers a wide range of digital and physical industries. Projects are chosen by the community and successful ventures are either re-invested in for further growth or issued as rewards to Adel's stakeholders.

## About the Authors

### Gabriel Dusil

Gabriel is a seasoned sales and marketing expert with over twenty years of experience in senior level positions at companies such as Motorola, VeriSign (acquired by Symantec in 2010), and SecureWorks (acquired by Dell in 2011), and Cognitive Security (acquired by Cisco in 2013). His strengths lie in international business development and strategic partnerships, as well as the unique ability to translate complex ideas and technologies into language that decision makers can easily understand. Gabriel has a Bachelor's degree in Engineering Physics from McMaster University in Canada and possesses expert knowledge in blockchain incubation, cloud computing, IT security, and video streaming technologies (Over the Top Content, OTT). Gabriel also runs his own company, [Euro Tech Startups s.r.o.](#), and manages his professional blog at <https://dusil.com>.

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## References

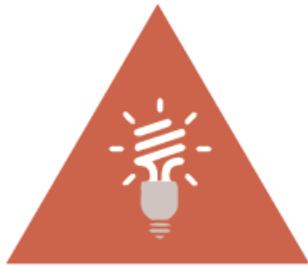
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<sup>1</sup> The token for Adel is called "Adelphoi". The word originates from Ancient Greek meaning brotherhood, or a member of the same community.

<sup>2</sup> <https://www.bitgo.com/>

<sup>3</sup> This plan is subject to change, based on the type of fund license that will be established, and the jurisdiction where this entity will reside.

# White Paper



Adel Ecosystem  
Projects  
Redistribution  
Interaction  
Approvals  
Signatories  
Voting

## An Incubator for Blockchain Technology

### ▲ Foundation Series

By: Gabriel Dusil, Co-founder & Board Member, Adel  
Michal Vavrek, Founder & Board Member, Adel

## Abstract

This paper provides an overview of Adel and its ecosystem. We outline how the community can interact with Adel's staff, as well as activities surrounding project submission, approvals, and operations.

## Adel Ecosystem

### Projects

Adel structures its projects into two main pillars: a) projects introduced by Adel's Research & Development team (**Adel R&D**), and b) submissions from community members, called "Innovators". Our goal is to find new market niches that possess unique competitive advantages in selected target markets, as well as global potential for high returns.

- ▲ **Technology** ▲ These projects will cross a wide spectrum of industries such as finance, banking, insurance, healthcare, egovernment, manufacturing, and numerous others, all with an emphasis on streamlined business strategies.
- ▲ **Innovation** ▲ IT projects will represent applications from a number of fields including, but not limited to: big data analytics, blockchain, business intelligence, IT security, cloud-based services, and other innovative technologies within these Information and Communications Technology (ICT) industries. Projects will preferably be of global character while reaching for, and consisting of, a broad range of innovative solutions.

Projects can assume different forms based on whether the submitters want to keep the idea to themselves during the developmental stage, or release the idea to the community before the community votes on the proposal. This ensures that innovative projects continue to be launched, while minimizing the threat of competitors copying the idea.

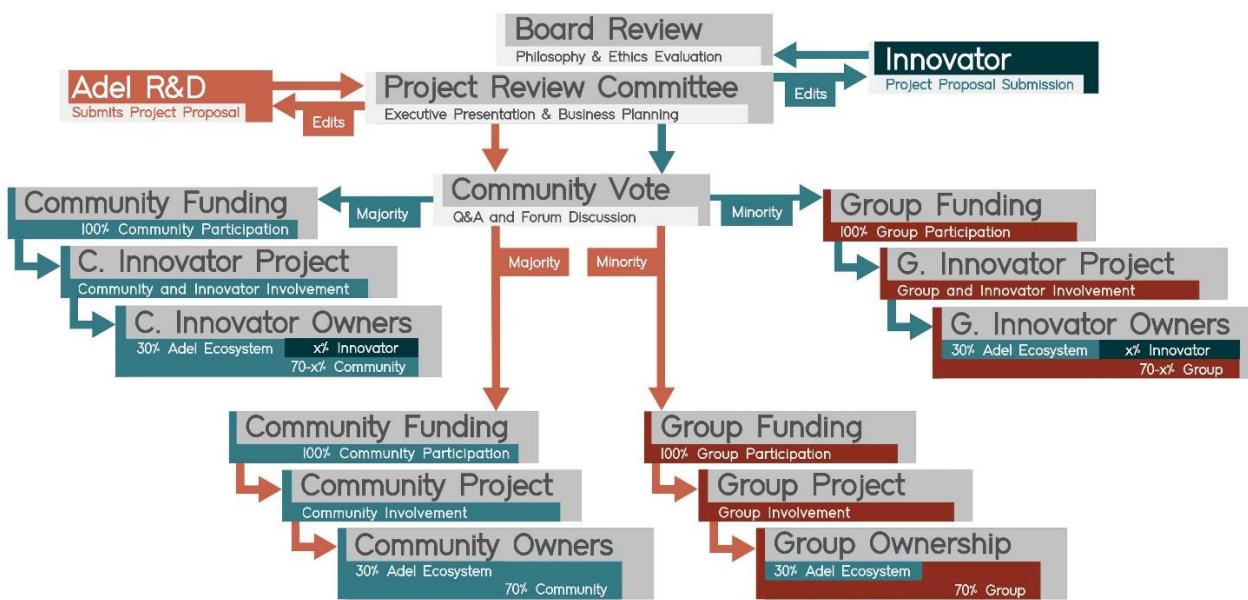
Every project is submitted to the community, which then decides whether to agree or disagree on funding the project with community funds.

- ▲ **Community Projects** ▲ Community projects will be developed by Adel's R&D team and will contain the relevant documentation necessary to develop the idea into a business. If a project is approved, then funding will be provided by communally-available funds from the various stages of the ICO. Once the project is operational, funding from the success of the project will also be available to other projects, provided they are approved by the community. The sale of the project, as well as its returns, will be distributed to all members of the community according to the level of their participation and the amount of Adelphoi they hold.

- ▲ **Group Projects** ▲ These are projects that have not received a majority vote. If this should happen, then a community minority that supports a given project can still green-light it. This way, community members don't have to agree on every single project in order to receive a portion of the rewards. However, if a select number of community members have higher confidence in a

project's success, then they can become funders and receive a bigger portion of the rewards. The interested community minority will be required to use their own Adelphoi for these projects.

- ▲ **Innovator Projects** ▲ These are projects introduced by members of the community<sup>1</sup> and submitted to the **Project Review Committee** for review. Innovator projects come from community members who want to propose their own ideas and have them funded. Innovator projects can be funded by a majority of the community (thus becoming a Community Innovator Project), or by a minority of the community (thus becoming a Group Innovator Project).



Community vs. Group vs. Innovator Projects

As per the above illustration, community and group projects are segmented into four distinct categories, depending on how the community votes:

- ▲ **Community Projects** ▲ Innovation comes from Adel's R&D team
  - ▲ These projects have been approved by a majority of the community.
  - Funding** ▲ **100% community funded**
  - Rewards** ▲ **70% to the community** ▲ **30% for Adel Ecosystem Ltd.**
- ▲ **Community Innovator Projects** ▲ Innovation comes from a community member who wants their idea to be kept secret. For projects like these, the community member is designated the

"innovator". These projects have been approved by a community majority.

**Funding ▲ 100% community funded**

**Rewards ▲ x% to the innovator ▲ 70%-x% to the community ▲ 30% for Adel Ecosystem Ltd.**

- ▲ **Group Projects** ▲ Idea comes from Adel's R&D team. These projects have been declined by a majority of the community, but approved by a selection of minority members who raise the necessary capital to launch the project.

**Funding ▲ 100% group funded**

**Rewards ▲ 70% to the group ▲ 30% for Adel Ecosystem Ltd.**

- ▲ **Group Innovator Projects** ▲ Idea comes from an innovator (community member) who wants their idea to remain a secret. These projects have been declined by the community majority but approved by a selection of minority members who raise the necessary capital to launch the project.

**Funding ▲ 100% group funded**

**Rewards ▲ x% to the innovator ▲ 70%-x% to the community ▲ 30% for Adel Ecosystem Ltd.**

## Redistribution

In order to keep the community funded, rewards from successful projects will be relocated back to the community or distributed directly to community members.

Use of ICO funds will be distributed as follows:

- ▲ A minimum of 70% will be used to fund projects launched on Adel.
- ▲ A maximum of 30% will be allocated for Adel Ecosystem Ltd. to grow the community as deemed necessary.

Project rewards or exits will be redistributed to community members as follows:

- ▲ A minimum of 70% will be distributed to Adel community members.
- ▲ A maximum of 30% will be reallocated to the Adel Ecosystem Ltd. for project funding, operations and management.

Project rewards or exits **for the purpose of reallocation to other projects** will be done as follows:

- ▲ A minimum of 70% will be used for community projects as agreed upon by a community vote.

- ▲ A maximum of 30% will be allocated to Adel Ecosystem Ltd. for growing the community as deemed necessary.

An exit from any project will be agreed upon by a community vote. This may include, but would not be limited to, an acquisition or sale by an external party or discontinuation of the specific project.

## Interaction

Projects will have various outreach channels throughout Adel's community:

- ▲ **Homepage** ▲ Each project will have its own web page outlining the top-level details of the project. This will include an overview of the project, its unique value proposition, associated market research, the competitive landscape, and launch plans.
- ▲ **Community Portal** (members only) ▲ This portal will include a page with guidelines regarding the structure of project submissions. This ensures consistency of quality and will be structured so that projects can be effectively reviewed by the **Project Review Committee**. Only community members who hold more than the minimum amount of Adelphoi will have access to the **Community Portal**. This will minimize submission spam as only serious submitters will take the time to follow the submission guidelines. Submissions that do not adhere to the guidelines will be returned in order to solicit further details. The submitter's idea will remain confidential, under non-disclosure guidelines, ensuring that innovative ideas will have the opportunity to be evaluated without fear of a competitor copying the idea early in the project's development stage. If approved by the **Project Review Committee**, then the project will be submitted to the community for approval.
- ▲ **Voting Module** (members only) ▲ A voting module will be established for all members of the community to facilitate voting on projects and other key community decisions. The influence of each vote will be based on the weight of Adelphoi coins held by a given member on the date and time of the voting deadline.
- ▲ **Collaboration Module** (members only) ▲ This module will be established for forum discussions, blogs and message boards. Community members will agree to forum guidelines. Community-selected forum administrators will monitor the forum to prevent trolling and other modes of forum abuse.
- ▲ **Project Module** (members only) ▲ This module will be set up so that each project will have a page to update the community on its status. This will include, but will not be limited to: operational activities, financial statements, and management assessment.

## Approvals

Business plans for each project will first be submitted to the **Project Review Committee** for evaluation. This committee will then decide whether the project is suitable for a community vote.

▲ **Submission & Review** ▲ The **Project Review Committee** will consist of selected Adel staff, venture capital funding experts, internal advisors, and community representatives. This step will include a question and answer stage with the submitter, as well as any necessary requests for further project details to facilitate making a final decision. A formal presentation of the project via video conference may also be requested. This step is important in order to eliminate projects that could potentially damage the Adel brand, as well as the values that both the Adel community and Adel philosophy represent.

▲ **Approve & Improve** ▲ Once a project is accepted by the **Project Review Committee**, it will be released to the community for approval. The community will then vote to either green-light the project or not. If the project is declined by the majority of the community, it will then be voted on as a **Group Project**. This means that the community will still have an opportunity to support the project and, in this way, get a larger portion of the benefits. If the project does not garner enough support, it will be rejected. The **Collaboration Module** will be available for comments, suggestions, and improvements to the projects.

▲ **Opportunity & Expertise** ▲ When a **Group Project** is approved by the community, specialized positions will be offered internally to community members before soliciting outside specialists. A community member may present their relevant skills to the project at this time and will undergo an interview process and candidate evaluation stage. If approved, then they would be hired and paid for their work. Opportunities to participate will be available to all community members who want to be involved.

▲ **Launch & Operations** ▲ Once a project and its business plan have been approved, the execution plan for each project will be created jointly by the submitter of the project and the Project Review Committee. Budgets, milestones, timelines and deadlines, and progress and achievement markers will be reported to the entire community in the **Project Module**. In special cases, the community may decide to start or further fund a large-scale project by using traditional institutional financing alongside Adel funds. Project plans will be created and updated on an ongoing basis depending on project evolution, cash flow availability, and project operations.

▲ **Rewards** ▲ Once a project is successful and reaches its targets, or if the project is sold, then the distribution of rewards will be divided among all stakeholders according to the proportion of

their Adelshare (ADS) purchases. These rewards will be distributed back to stakeholders in ADL.

## Signatories

The Adel Board consists of three board members. All transactions from the BTC wallet will need to be approved by the Adel Board as signatories. All three are required to be in agreement in order to approve transactions. The **Adel Community Portal** contains a queue that collects three signed signatory approvals which are verified by each of the signatory's public keys. Once three approvals have been received in the workflow queue, the transaction will be approved and funds will be released.

▲ **Signatory Replacement** ▲ In the event of resignation, serious illness, or the death of a signatory, the Adel Board shall appoint a new signatory.

Project, operation, and finance managers will collectively approve transactions from the hot wallet. Separation of duties, IT security measures, and a secure workflow procedure will be implemented to ensure hot wallet transaction integrity.

## Voting

Community members will participate in voting on major decisions that affect the community, the approval of projects, and additional funds required for an approved project. Community members also have the option to offer their skills in the operation or execution of a project and be rewarded for it in BTC or any other token the community member desires and the project manager is willing to use.

▲ **Voting Weight** ▲ The weight of community votes will be directly proportionate to the amount of ADL coins that the members have in their account at the end of the voting deadline.

▲ **Voting Statistics** ▲ The board will exercise management oversight by having visibility into voting statistics during active voting. This oversight will include (but not be limited to) voters who have the highest percentage of voting influence. Statistics will also show the percentage of voters compared to the total member count and will be displayed on a time graph. This will serve to monitor voter distribution and the overall democratic influence on the voting decision.

▲ **Voting Majority** ▲ Adel will calculate how many Adelphoi are in the hands of each stakeholder in order to establish their voting weight. The voting tally is based on the percentage of total voters weighed against the Adelphoi tokens they hold and not on the

number of voters. Therefore, a voter with one hundred ADL will possess 50x more influence on a vote compared to a voter with two ADL. If the minimum voting threshold is not established, then the vote may be open for another 24 hours, giving the remainder of the community a chance to vote. After this time, regardless of the number of votes, the result will be tallied from those who've voted.

- ▲ **Voting Results** ▲ The final tally will not be visible until voting is completed. All votes will be added to Adel's voting blockchain in a batch process at the end of the vote. This will prevent any potential attackers from trying to manipulate the outcome.

## About Adel

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## References

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- ▲ <sup>i</sup> **Conflict of Interest Provisions** ▲ To avoid conflict of interest, Adel R&D team members cannot take the route of an Innovator Project.

# White Paper



## Responsibilities

Roles  
Stakeholder  
Leadership  
Project Review  
Committee  
Project Managers  
Commitment

## Responsibilities in a Crypto-economy

### ▲ Foundation Series

By: Gabriel Dusil, Co-founder & Board Member, Adel  
Michal Vavrek, Founder & Board Member, Adel

## Abstract

Adel is a community where every member is connected through ADL coin participation and voting. This paper outlines the roles and responsibilities of community participants, including its members, project managers and Adel's leadership.

## Responsibilities

Adel is a community where every member is connected through personal and funding participation. This paper outlines the roles and responsibilities of the community's participants, including stakeholders, project managers and Adel's leadership team.

### Roles

- ▲ **Leadership** ▲ The Adel Board will serve as a business advisory body for individual use cases throughout the entire project life cycle. Expert consultations from community members will always be welcomed.
- ▲ **Decision** ▲ Authority to enact final decisions on strategic activities and major fund allocation will reside within the community via the **Voting Module**. Decisions taken by the project team will be discussed, if needed, with Adel's Board or community members possessing relevant expertise.
- ▲ **Dialogue** ▲ To support open debate within the Adel community, a **Collaboration Module** will be available to ADL holders. This module will provide guidance towards addressing important topics regarding operational and strategic areas that affect the entire community, as well as any individual concerns that may arise. Thus, a direct communication line to Adel's staff will always be available to all community members.
- ▲ **Conduct** ▲ All community members will be required to sign the **Community Terms & Conditions** as part of their membership process. Administrative monitoring of the **Collaboration Module** will oversee members who violate the Community T&Cs and perform other abuses. Persistent violators will be added to the Community Blacklist.
- ▲ **Participation** ▲ Any and all community members are welcome to participate in individual projects and advisory activities. Every project will offer an open communication channel for suggestions via the community's **Collaboration Module**.
- ▲ **Regulation** ▲ Guidelines will be provided to the community to promote efficiency in creating relevant project documentation, all of which will be available to community members on the community portal.



## Stakeholder

A stakeholder is anyone holding any amount of Adelphoi (ADL). A stakeholder who holds a minimum number of 64000 ADL will be invited to register and become an Adel community member. This ecosystem is fueled by the voting results of community members whose vote is weighted against the number of Adelphoi they hold. All participants in the community will have to identify themselves to meet minimum Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Know your Customer (KYC) requirements.

Every Adel community member is able to:

- ▲ Share their expertise and opinions in community projects.
- ▲ Transact Adelphoi within the ecosystem.
- ▲ Participate in the Voting and Collaboration module.
- ▲ Fund projects as a majority community participant or as a group participant in minority voting results.
- ▲ Follow the progress of projects and help improve on ideas.
- ▲ Receive rewards in cryptocurrency.

Additionally, members may:

- ▲ Submit proposals as **Innovator Projects**. In this case, the community member is designated as the innovator and will receive a larger portion of the project's rewards.
- ▲ Apply for open positions within **Adel's R&D** team, the **Project Review Committee**, and other teams and groups covering areas such as project management, legal compliance and accounting.

## Leadership

The board consists of top professionals, entrepreneurs, strategists and out-of-the-box thinkers. The board serves as the supervisory body for the protection of the entire community, ensuring no dangerous, illegal, immoral or unethical conduct occurs that could negatively affect or damage Adel's brand. The board also serves as an advisor to projects throughout their operation and supports the transparency of all transactions and processes.



- ▲ **Research & Development** ▲ **Michal Vavrek** ▲ The R&D team will create, develop and enhance project ideas that will be submitted to the community for approval. The R&D team will also be responsible for submitting relevant documentation for project approval.
- ▲ **Marketing & Strategy** ▲ **Gabriel Dusil** ▲ This team will create and execute Adel ecosystem strategies for the community, as well as for individual projects. Activities will include both internal and external marketing strategies, communications, documentation, events, public relations, website design and copyediting.
- ▲ **Legal & Operations** ▲ **Jan Lamser** ▲ This team will ensure compliance with legal and regulatory requirements at national, regional and global levels for all community projects. The team will also be available to the community for individual projects within their respective jurisdictions.



## Project Review Committee

The **Project Review Committee** (PRC) will guide and help the Adel R&D team and innovators to properly document projects for submission and approval. The team will consist of professional consultants to evaluate

ideas and polish their business plans. Consulting from the PRC will reside within the framework of reviewing plans, numbers, projections, strategies and marketing. It will also help steer the project with the best strategy. The **Collaboration module** will be utilized by all community members who wish to provide guidance. Furthermore, consulting from Adel's Board will focus on high-level strategy.

The PRC will have an ongoing relationship with project teams in order to monitor, measure and evaluate key performance indicators (KPIs), cash flow, operations and overall strategy. The PRC will not be involved in daily activities. Their role will be to provide guidance and monitor the project's progress on an ongoing basis. They will not participate as a staff member of any project. It would be up to the project owners (e.g. the project's general manager) to hire staff for specific duties.

## Project Managers

Project Managers are responsible for monitoring community projects by ensuring the highest level of efficiency in resource usage. They are tasked with the responsibility of guaranteeing results and that objectives continue moving towards completion. They are also responsible for reporting the status of projects, as well as other operational activities such as accounting, though this can be delegated by the Project Manager if deemed necessary.

Project Managers will be selected based on their expertise. Community members will be offered "first right of refusal" to participate in that capacity. Approval of the Project Manager, budget, timeline, milestones, business activities and developments will be confirmed by the Adel Board in order to protect the community. Funds will be released according to the developmental stages of the project and approval by the Board. If projects need additional funding outside of the approved budget (as agreed upon by the voting process) then the community will be consulted and its approval will be sought.

## Adel Services

Adel's leaders have a special mandate to lead with integrity and will take all steps necessary to ensure the entire team does the same. This requires a visible commitment to promoting conduct that is positive towards the development of the ecosystem and compliant with all legal requirements. Our actions will demonstrate our belief that profits never overshadow our principles.

- ▲ **Adel Services** ▲ The staff will set up the proper framework starting from the top, and will act in the best interest of Adel and its stakeholders. We will work towards an ecosystem that

will not support criminals, terrorists, or parties wishing to defraud or take advantage of our members through community involvement or projects undertaken by Adel.

▲ **Adel Community** ▲ All community members are connected with our values. Since the entire community can participate in each project, it is in the interest of Adel to ensure that projects meet legal and **Community T&Cs** guidelines in order to protect our members.

**Legal & Regulatory** ▲ Adel will comply with legal requirements relating to cryptocurrency exchange, governance, trading and taxes. We will ensure regulatory compliance and the satisfaction of legal requirements in all markets where we operate. Therefore, any projects that do not meet these requirements will not be approved by the **Project Review Committee**. This ensures the integrity of the Adel ecosystem while also protecting the integrity of each member in the community.

## About Adel

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# White Paper



## Ecosystem

- Advantages ▲ Blockchain
- Advantages ▲ Nxt & Ardor
- Advantages ▲ Adel

## References

## Creating Value with Cryptocurrency

### ▲ Identity Series

By: Gabriel Dusil, Co-founder & Board Member, Adel  
Michal Vavrek, Founder & Board Member, Adel  
Travin Keith, Marketing & Blockchain Advisor, Adel

## Abstract

This white paper outlines Adel's advantages from three vantage points:  
a) Blockchain technology, b) the Nxt (and soon, Ardor) platforms on  
which Adel is built, and c) additional business processes Adel has  
introduced into its ecosystem to provide effective, community-based  
development and funding.

## Ecosystem

Since the inception of Bitcoin in 2009 by Satoshi Nakamoto, there have been numerous developments into blockchain technology. Adel will further these developments by creating an ecosystem to promote the use of blockchain technology and create solutions in various industries. The ecosystem will leverage the expertise of the Adel Board, the R&D team, the Project Review Committee, and members of the community, while at the same time creating a supportive environment for innovative projects. Adel's token, known as Adelphoi (ADL), will be used as a basis for distributing rewards from these projects. The success of these projects will thus directly influence the intrinsic value of Adelphoi.

### Legitimizing Cryptocurrency

All members of the Adel community will work for the benefit of the ecosystem. Projects have the potential to span profitable industries such as IT, banking (FinTech), insurance and healthcare as well as supporting humanitarian initiatives. Participation in these projects will be possible by holding the Adelphoi token. Each project will thus create unique opportunities for community members through the creation of new business and employment opportunities.

## Advantages ▲ Blockchain & Cryptocurrency

Bitcoin is a decentralized, distributed application that uses a public ledger – the blockchain – to store and transmit cryptographically secured tokens. Representation of wealth is recognized when both the sending and receiving parties mutually agree on this premise. The blockchain paradigm requires mandatory publication of the source code under established open source licenses. This has resulted in a vibrant community of developers who have created many variations of the original protocol, ranging from simple copies of the code to truly evolutionary improvements.

### Blockchain v2.0: Utility Beyond Money

The widely-known blockchain evangelist, Andreas Antonopoulos, has likened Bitcoin to 'money being the email of the blockchain'. He was comparing the invention of blockchain to the introduction of the internet in the early 1990s, when people could not differentiate the internet from its first application: email. Once a second application of the internet was introduced – the World Wide Web or WWW – it became clear that email and the HTTP protocol were applications that

ran on top of the internet. Likewise, this explains the confusion of Bitcoin and cryptocurrencies in general to the blockchain, where currency is the first use case of blockchain technology. With this realization, there has been an emergence of innovative applications that plan on taking advantage of decentralized open ledgers, i.e. the blockchain.

There are several well-documented advantages related to using blockchain technologies for financial and administrative purposes. These advantages are listed below in order to demonstrate the unique suitability of emerging blockchain technologies for the administration of economic systems:

- ▲ **Resilience** ▲ Blockchain technology has a high level of redundancy and high availability which is unrivaled in the corporate world. The computers that manage the Bitcoin blockchain are collectively over 43,000 times more powerful than the top 500 supercomputers on the planet combined<sup>1</sup>. One cannot feasibly compromise these networks without acquiring a large amount of computing power to compete with the rest of the network.
- ▲ **Mobility** ▲ Cryptocurrency users do not need to carry credit or debit cards. All they need is access to their online wallet to initiate a transaction. However, cryptocurrency credit or debit cards are slowly becoming mainstream.
- ▲ **Privacy** ▲ Any participant of the ICO will have to identify themselves to meet minimum Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Know your Customer (KYC) requirements. Aside from regulatory requirements, Adel will maintain privacy of client data where feasible. In fiat transfers, the sender's and the recipient's personal details are captured by all transfer intermediaries. These details can be used for invasive marketing purposes or more dangerous purposes such as ever more prolific identity theft.
- ▲ **Cryptographic Proof** ▲ With blockchain technology, one does not rely on the trust of a third party. Thus, blockchain networks are usually called "trustless" systems. Preventing duplicate transactions or improperly generating coins is achieved through the use of an electronic payment system based on cryptographic proof and an open ledger which is auditable to anyone.
- ▲ **A Better Financial System** ▲ Two and a half billion people on the planet do not have a bank account. Cryptocurrencies are perfect for extending financial services to remote locations and for helping to modernize developing countries by bringing them further into the global economy.
- ▲ **Serving Digital Society** ▲ Blockchain has the potential for much more than just cryptocurrencies. New functionalities are being explored that utilize an open and auditable public ledger with the

use of smart contracts, such as the voting feature on the Nxt blockchain.

- ▲ **No Permissions** ▲ No permission is needed to send or receive cryptocurrencies, whether this be from banks, intermediaries, governments, or other trusted third parties. The transfer of coins is agreed upon only between the sender and the recipient, and the owner has full control of his/her funds at all times. No authority can freeze a cryptocurrency account and seize its funds.
- ▲ **Lower Transaction Fees** ▲ Credit card companies charge up to 3% per transaction, and in some cases even more. With some remittance systems, fees can be as high as 10% - 30% of the transferred amount. Cryptocurrency fees, if any, are several orders magnitude smaller.
- ▲ **Account Security** ▲ Account control lies with the user via their private key. This private key can be kept offline (i.e. cold storage) for security purposes. Cold storage ensures that funds are not easily accessible to hackers.

## Advantages ▲ Nxt & Ardor

Satoshi Nakamoto set out to create a decentralized digital currency that does not rely on centralized trust. He set out to programmatically remove the need for centralized trust by creating a decentralized and distributed ledger solution for monetary applications that prevents duplicate transactions and uses an open ledger that could be audited by anyone. Blockchain technologies are widely perceived as providing fiduciary integrity in the present macro-economic climate that is fraught with moral hazard, corruption, and systemic risks.

Since the launch of Bitcoin in 2009, several observations can be made with the benefit of hindsight: the blockchain is revolutionary in its design and has successfully proven its resilience in the goals it set out to achieve. However, weaknesses have surfaced in the services that complement Bitcoin. These services are mainly those that allow secure storage and trading of Bitcoin. These services have become susceptible to attacks from criminal individuals and organizations across the world who seek out flaws in the systems associated with the cryptocurrency with the goal of exploiting these weaknesses for their own benefit.

Since the launch of Bitcoin in 2009, significant developments have been made to the code. As of today, only around 15% of the code initially created by Satoshi remains in the core software. As is the nature of open source software, some developments have soon started outside Bitcoin, such as Litecoin and Namecoin. Eventually, as more attention was drawn to Bitcoin, especially due to the price spike to over \$1000 in 2013, more clones were made. These new systems either proposed significant changes to the technology or just had minor adjustments as

a clone of Bitcoin or another system. Nxt was also being created during this time. Unlike most of the platforms, Nxt was developed from scratch in Java, though it contained some of the same principles that Bitcoin introduced and built on them. The platform introduced a wide range of features to the wider community such as colored coins, later known as Assets, which can be created and transacted on top of the Nxt blockchain. This feature, along with many others, has made Nxt the pioneering platform of what is now called Blockchain 2.0. In 2017, Nxt's core developers will be releasing Ardor, a blockchain platform that utilizes Nxt technology and allows users to create their own blockchains known as child chains, which are secured by the Ardor main chain.

Here we present the most salient features of the Nxt and, soon, Ardor platforms. This second-generation blockchain is utilized to implement different modules in the Adel ecosystem. A community that wishes to establish a viable economic ecosystem needs to address these issues and implement measures to mitigate risk. The following cutting-edge monetary and administrative features illustrate why the founders of Adel have chosen these platforms:

▲ **Proof of Stake** ▲ This is a method used by Nxt (and subsequently by Ardor) to gain network consensus and prevent double spending. In this system, the active node (a device running the Nxt client and actively contributing to the network by forging the next block, thereby processing the pending transactions and acquiring the transaction fees), is determined by assessing the NXT balances of all nodes actively forging and gives a higher chance to forge to those that own a larger amount of NXT (i.e. their stake in the network). In this manner, each unit of NXT is akin to that of a mining rig for the purposes of determining who mines the next block in a Proof of Work system, where a higher level of hashing power gives a greater chance of mining the next block and claim its rewards. Since the determining factor is the balance of NXT and not computing power, the amount of energy used by all forgers is much less than that of a Proof of Work system. This makes it possible to forge NXT even with a Raspberry Pi.

▲ **Phased Transactions** ▲ With Nxt, a set of conditions can be set in order for transactions to execute. For example, one party can set up future transactions on the platform (i.e. set to execute at a particular time) which is perfect for enterprise workflow scenarios and scheduling future payments. Users can also choose to have transactions processed only when another transaction has occurred, or when approved by other accounts. This latter implementation is otherwise known as a multi-signature, or multisig as multiple signatures.

▲ **Monetary System** ▲ With Nxt, users can create their own currencies for their specific needs. This could be used for special events that give out event tokens to be used for redeeming

certain products or services, or for online shops that give out special credits to be used within their store.

- ▲ **Decentralized Voting** ▲ Decentralized polling for secure voting is possible with Nxt and will be used for various Adel projects, as well as for voting on the community itself.
- ▲ **Decentralized Marketplace** ▲ While not directly implemented into the Adel ecosystem, the ability of the Nxt platform to have a decentralized marketplace could be utilized for future projects.
- ▲ **Assets** ▲ Nxt allows for the easy creation of assets on the platform which are representations of certain products, be they digital or physical. An asset will be used to represent the contribution of a user in Adel projects to allow users to exchange these tokens with other users, as well as a determining factor of the amount of rewards they receive.
- ▲ **Asset Exchange** ▲ Traditional cryptocurrency exchanges require the use of a centralized platform, as is the case with BitFinex, Kraken and others. However, such centralized exchanges are always exposed to an inherent risk of failure, as was the case with Cryptsy<sup>ii</sup> and Mt. Gox<sup>iii</sup>. Nxt has developed a peer-to-peer internal exchange that offers decentralized trading, thus eliminating a single point of failure, as well as intermediary trading fees beyond the transaction fees.
- ▲ **Speed** ▲ The average transaction time of Nxt is approximately 60 seconds per block. However, for Ardor, the transaction time can be delayed per child chain in cases where a slower transaction time is desired.

## Advantages ▲ Adel

The Adel ecosystem is relatively independent of governments, international or domestic politics, as well as fiat economies. Its value is in leveraging Nxt and Ardor's state-of-the-art blockchain technology, as well as the Adel ecosystem, and combining these technologies with best-in-class business practices. The Adel ecosystem is designed to implement the latest security features while also adopting best practices in business services. In creating a legitimate business on top of blockchain technology, Adel will demonstrate innovation and leadership with an organizational structure that is both sustainable and profitable.

# ADEL VALUE

JOIN THE COMMUNITY



Here are some of the advantages of the Adel ecosystem:

- ▲ **Collaborative** ▲ The establishment of a **Project Review Committee** which not only ensures that Adel will launch profitable businesses, but also represents legitimate, legal, and ethical projects. This is fundamental to the integrity of Adel and is vital to further legitimizing cryptocurrencies. Successful projects launched on Adel will help prove sustainable, long-term growth, as well as global monetization potential for blockchain technologies. After a project has been launched on Adel, whether it be from a proposal by the R&D team or an innovator from the community, the project manager will be adequately supported by the Adel staff, as well as community members participating throughout the lifetime of the project. This can either be in the form of expert advisory services, finding employees, or even assistance with securing additional external funding, such as with venture capitalists. Adel believes in utilizing expert decision makers to

guide decisions made by the community. Once options have been authorized by the leadership, they are then submitted to the community for consensus, enhancement, and further decisions. This way, Adel establishes efficiency in the decision processes that guide the ecosystem, while also utilizing the experience and expertise of the community.

▲ **Resilient** ▲ By leveraging the emergence of **blockchain-as-a-service**, Adel's ecosystem was created so that participants have a collaborative platform to initiate, develop, showcase, and fund their innovations. Auditable financial transactions for all projects provides the foundation for a collaborative community capable of making important economic decisions. Adel provides a dynamic platform of entrepreneurship, freedom, management, communication, and technology. As a community-based ecosystem, Adel will create an open architecture for joint entrepreneurship while challenging contemporary business principles.

▲ **Prospective** ▲ Community members will enjoy benefits such as access to the community portal which consists of a wide range of modules to collaborate, vote, and view the status of their account and projects. Members are also eligible for employment in any of these businesses and will receive first right of refusal before the general public.

▲ **Flexible** ▲ Adel will have four types of projects that will be possible in its ecosystem:

- If a project is introduced by Adel's R&D team and it receives a majority of the votes, then it becomes a Community Project.
- If a majority vote is not achieved, then it can become a minority or Group Project, if funded by members who support the project.
- If a project is introduced by a community member or group of members (designated as the Innovator) and it receives a majority of the votes, it will become a Community Innovator Project.
- If a majority vote is not achieved, then it can become a minority or Group Innovator Project, if funded by community members who support the project.

▲ **Exclusive** ▲ Becoming a member to Adel's community during the ICO requires a minimum investment of 1 bitcoin. After the 1<sup>st</sup> ICO this minimum will be increased to 64000 Adelphoi (ADL). The voting system establishes the opinion of the majority (according to the amount of Adelphoi held by the respective community member). The collaboration module allow for open and constructive communications between community members who can ask questions, make comments and offer suggestions.

- ▲ **Principled** ▲ As outlined in our white paper entitled "Maintaining Integrity in Equity Funding", Adel's integrity is the foundation of our success and for the sustainability of a profitable ecosystem. This integrity applies to all of Adel's staff, as well as its community members.

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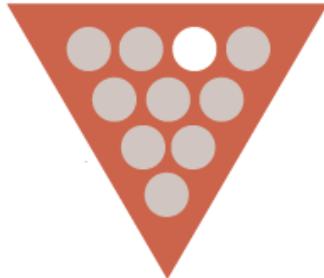
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# White Paper



Market Overview  
Blockchain 1.0  
Blockchain 2.0  
Adel Differentiation

## Differentiation in the FinTech Revolution

### ▲ Identity Series

By: Travin Keith, Marketing & Blockchain Advisor, Adel  
Gabriel Dusil, Co-founder & Board Member, Adel

## Abstract

In this paper, we will discuss some of the existing cryptocurrencies available today, provide an overview of the marketplace, and establish how Adel is positioned within these contexts. Nxt is the platform that Adel will use for their digital marketplace. Adel will migrate to Ardor, the multi-chain development of Nxt, once it is deemed suitable.

## Market Overview

### Blockchain 1.0



The first iteration of blockchain was invented by Satoshi Nakamoto in 2008 and simultaneously introduced the first application of this technology with Bitcoin, a token intended to be used as a form of currency.

- ▲ **Bitcoin** ▲ Bitcoin continues to maintain its position as cryptocurrency's most popular coin despite a number of new tokens which have entered the industry. This is largely due to its status as the first genuinely decentralized cryptocurrency, as well as the first mover advantage it had. After its coverage in mainstream media, numerous 3<sup>rd</sup> party systems emerged to utilize its underlying blockchain technology for purposes beyond a form of currency.
- ▲ **Litecoin<sup>i</sup>** ▲ In addition to the faster average transaction time of 2.5 minutes (compared to Bitcoin's average time of 10 minutes), Litecoin uses the Scrypt algorithm<sup>ii</sup> instead of the SHA-2 hash<sup>iii</sup>, thus allowing memory resources to be valued over processing power. As a result, readily available Graphic Processor Units (GPUs) are used for mining rather than the significantly more expensive Application-Specific Integrated Circuits (ASICs)<sup>iv</sup> used by Bitcoin miners, and are resistant to these customized processors being created specifically for Litecoin. Aside from this difference, Litecoin is very much a copy of Bitcoin, though, as its name suggests, it represents a lighter version.

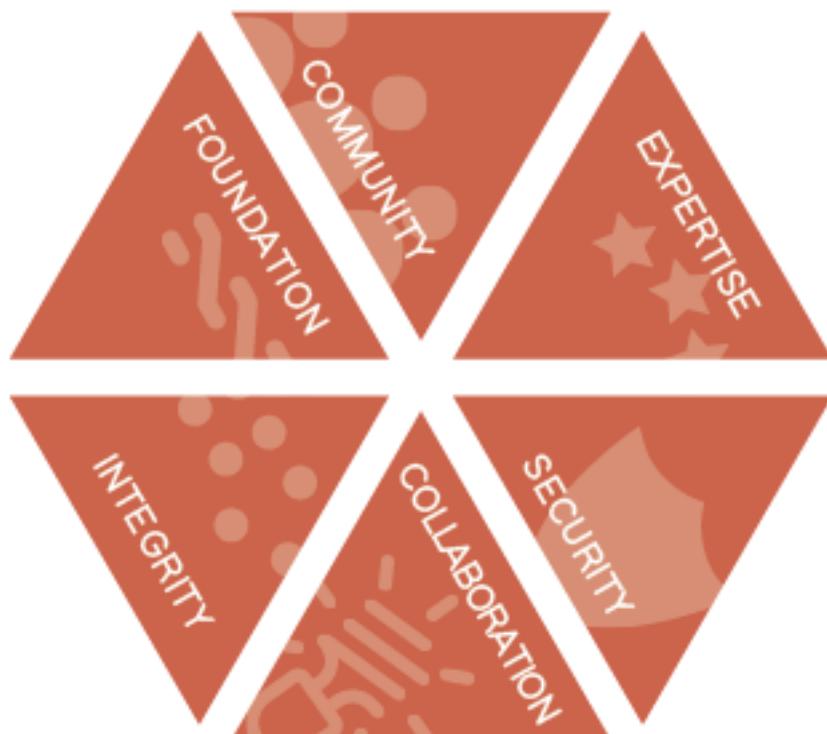
## Blockchain 2.0



These platforms came into focus around 2013 with the [launch of Nxt<sup>v</sup>](#) which used blockchain technology for various applications beyond having its native token serve as a form of currency. While the tokens themselves are also traded on exchanges, they are not intended to be used as a form of currency outside the network.

- ▲ **Ethereum<sup>vi</sup>** ▲ Promoted as a “World Computer” and designed as such, Ethereum intended their token to be used within their blockchain as a form of payment for processing. By enabling Smart Contracts (essentially a protocol that allows the execution of a command when certain conditions are met) Ethereum turned the entire blockchain into a computer as users were now able to put these transactions into the blockchain itself. These Smart Contracts use Solidity<sup>vii</sup>, a programming/scripting language created specifically for Ethereum.
- ▲ **LISK<sup>viii</sup>** ▲ This platform promotes decentralized applications and side chains while using JavaScript as its development platform. LISK focuses on providing developers a platform to build, publish, distribute and monetize applications. Projects are suggested and voted on by the community.
- ▲ **Ripple<sup>ix</sup>** ▲ Ripple focuses heavily on the world of FinTech by having their system used by banks around the world for cross-border payments. They are currently working with large banks to provide customers with international transfers at a lower cost.

## Adel Differentiation



In our forth white paper entitled "Creating Value with Cryptocurrency", we reviewed the value of Adelphoi as a token within the Adel ecosystem and outlined similarities in the ways which other projects on Blockchain 2.0 platforms work. There are, however, a few key differentiators that set Adel apart from existing platforms. Those are:

- ▲ **Nxt & Ardor** ▲ Adel is built on the Nxt platform which has numerous features that will be extended to the Adel ecosystem. It will move to the Ardor platform, a separate blockchain created by Jelurida (a corporation of Nxt's core developers), once it is deemed suitable. This provides projects with a wide range of features that have been thoroughly tested. The platform also utilizes templated smart contracts, known as smart transactions, in order to bring greater levels of security. Implementations of these and other features include phased transactions (i.e. multi-signatory authorization), assets that can represent either digital or physical products, decentralized voting, decentralized trading through asset exchange, and shuffling, otherwise known as mixing, which can be used to increase anonymity levels. The core developers of Nxt have been working on these features since its

introduction in 2013. With this foundation of advanced blockchain features, the Adel ecosystem can focus on project development, best-in-class business practices, and an efficient and self-sustaining community. Adel will continue to capitalize on the features of Nxt and Ardor as both evolve. Other blockchain platforms can only be used if it is not possible or ideal to use the Nxt or Ardor platforms.

- ▲ **Board & Staff Support** ▲ Adel will leverage the expertise of the board and staff. With a wide range of expertise both inside and outside of blockchain-related ventures, this team will act as leaders for Adel, as well as actively contribute to its growth and development. Unlike other projects, the board and staff will be available for advice, consultation, and support to further the success of their projects before they are submitted to the community for voting, throughout the Project Review Committee process, and after the project has been launched. **Innovator and Group projects** will also benefit from the expertise of the Adel board and staff while maintaining their confidentiality.
- ▲ **Community & Participation** ▲ Adel believes that a community-based ecosystem will be a strong differentiator in its funding platform. This follows the decentralized ideology of blockchain, while creating and maintaining efficiency in the decision-making process. Community members also have the option to participate as expert advisors and employees of projects and will have priority before the general public. This enhances accountability and inclusiveness to the success and profitability of new businesses, applications, or inventions.
- ▲ **Integrity & Conduct** ▲ The values established by Adel will help legitimize the ecosystem it represents. Adel's **Community Terms & Conditions** will be adhered to equally by Adel's leadership, staff and community members. This applies to, though is not limited to, forum participation, project submission and approvals, as well as the operation of the projects themselves. Adel will also follow local and regional laws and regulations in its community activities and projects.
- ▲ **Security & Stability** ▲ With the security and stability of Nxt and Ardor, Adel will have a robust platform to work with on top of the latest security features. Our staff will continue to enhance the platform to mitigate against fraud, collusion, and manipulation. IT security experts in the Adel and Nxt/Ardor community will be continually consulted for their support in vetting the Adel platform, as well as to aid in minimizing new threats as they become visible to the development team. High availability, security, and stability will be built into the community portal where a cost versus risk balance justifies the investment in IT best practices.

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- <sup>iii</sup> SHA-2, <https://en.wikipedia.org/wiki/SHA-2>
- <sup>iv</sup> Mining hardware comparison,  
[https://en.bitcoin.it/wiki/Mining\\_hardware\\_comparison](https://en.bitcoin.it/wiki/Mining_hardware_comparison)
- <sup>v</sup> <https://bitcointalk.org/index.php?topic=303898.0>
- <sup>vi</sup> Ethereum, <https://www.ethereum.org>
- <sup>vii</sup> Solidity, <https://solidity.readthedocs.io>
- <sup>viii</sup> LISK, <https://lisk.io>
- <sup>ix</sup> Ripple, <https://ripple.com>

# White Paper



Manifesto

Adel

Nxt

Philosophy

Decentralized

Transparent

Trusted

Efficient

Open Source

Distributed

Private

Principled

Ethical

## Maintaining Integrity

### ▲ Identity Series

By: Gabriel Dusil, Co-founder & Board Member, Adel  
Travin Keith, Marketing Manager, Adel

## Abstract

This white paper outlines the principles of a community-based ecosystem and how this can be sustainable and profitable using cryptocurrencies as its foundation.

# Manifesto

## Adel

### A Community Incubator for Blockchain Innovation

Adel is guided by a transparent and open economy. This ideology gives control back to the community and allows for any member to audit, scrutinize, and improve the ecosystem. This economy protects against negligent behavior as transactions, decisions, and the lifecycle management of projects are visible and auditable by the entire community.

Adel believes in the future of cryptocurrency and blockchain technology. We believe in connecting this technology to projects both inside and outside the digital world. Our goal is to increase and sustain the value of cryptocurrencies by deriving value from the ownership and management of businesses and projects. This will be achieved by creating a secure platform where projects can be proposed, evaluated, and approved by community members. These projects will take the form of technology projects, blockchain innovation, or cutting-edge businesses. **Adel's projects will create opportunities for employment, participation, and innovation.** Project teams within the community will work together to sustain the value of Adelphoi (ADL) through profitable projects that benefit all members within the community.

### The State are the People & the People are the State

As a self-sustaining macroeconomic ecosystem, Adel will utilize the benefits of a decentralized technology and community. The decision-making process will capitalize on the community's knowledge to collectively make the best decisions possible while maintaining strong integrity, ethics, and business principles as overseen by the Adel Board. In this ecosystem, the Adel Board will act in an advisory role, providing services that protect and care for its community, while enforcing the rules that protect the Adel brand and the integrity of its blockchain. The ecosystem will be self-sustaining and efficient in economic terms. Leaders will be appointed in a way that maximizes resources, i.e. with the highest level of expertise, integrity, and due diligence. Profits will either be reinvested or paid back to community members, thus enhancing the economy and providing incremental value to its

community. Socialization and collective responsibility are basic principles that will help stimulate success.

## Nxt

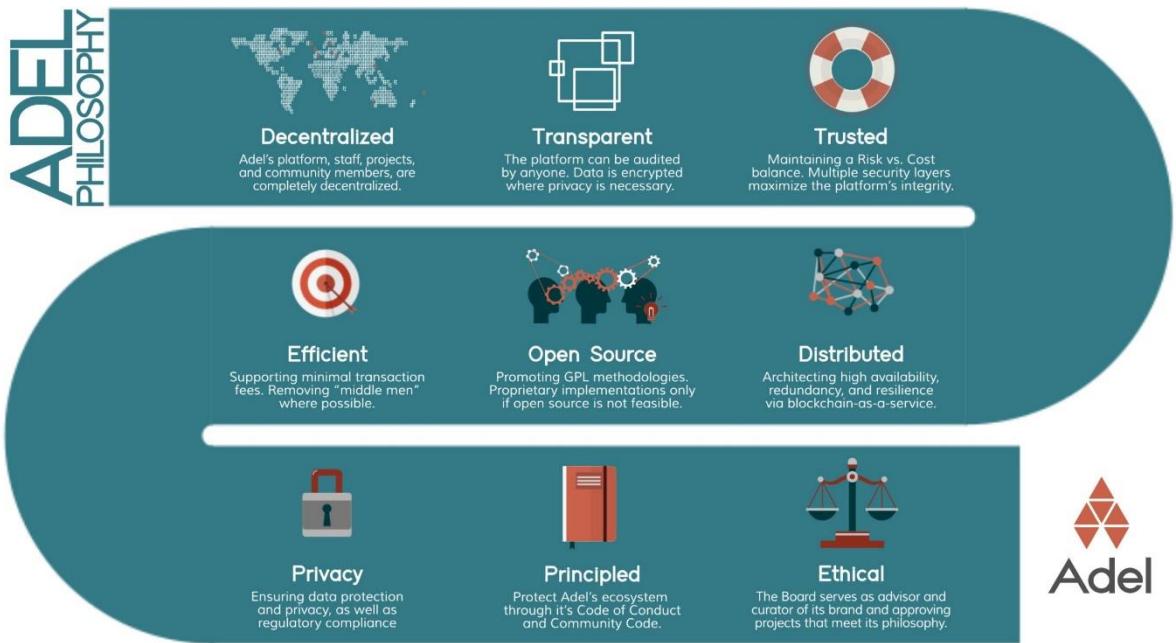
After extensive research, which included the evaluation of different cryptocurrencies and blockchain technology platforms, Adel decided to build on the **Nxt** platform - a blockchain with features that expand the functionality of pioneering cryptocurrencies such as Bitcoin. These features include Shuffling, Voting, Aliases, and Phasing. The source code for Nxt has also been publicly disclosed, optimized, and perfected using (among other techniques) the Error Propagation Method, where the investigation and awarded discovery of deliberately inserted errors serves to help audit the source code itself.

Adel utilize the features of Ardor, the multi-chain development of Nxt, in early 2018. Like Nxt, Ardor will have features that enhance the functionality of blockchain technology, making it an ideal platform for future projects. The Ardor child chain architecture will allow for the easy creation of a dependent blockchain that will be connected to and secured by the main Ardor blockchain. Ardor also solves scalability issues with a pruning feature so that future nodes will only download and keep transaction records on the main chain, as well as child chain transactions from the past 24 hours. However, it is still possible for child chain transactions to be kept, if so desired, with the use of an archival node that keeps all of the transaction records. This scalability is one of the 'Holy Grails' of cryptocurrency and blockchain development.

Nxt has already revolutionized the world of blockchain technology platforms by providing groundbreaking cryptocurrency features, as well as a powerful, modular toolset to build innovative business opportunities. All of Nxt's functionality will be present in the Ardor platform, in addition to the advanced features (such as global scalability) that the Ardor multi-chain architecture will provide.

## Philosophy

The following guidelines represent Adel's philosophy regarding the operation of its community and projects. This philosophy ensures consistency of thought across the Adel ecosystem, as well as within the wider blockchain ideology and principles.



## Decentralized

Our philosophy is global, so it applies to all levels of management and all geographic locations. We expect partners who are acting on our behalf to also adhere to equally high standards. We will continue to seek out business partners that share our beliefs. In addition, the Adel Board has a special responsibility to lead with integrity in ways that reflect positively on Adel's overall project.

- ▲ **International** ▲ Adel is a decentralized global ecosystem, proudly employing staff and serving customers all over the world. Our [Community Terms & Conditions](#) applies to all of Adel. It embraces diversity and respects cultural differences.
- ▲ **Community** ▲ All community members must follow our policies and ethical principles as soon as they accept our [Community T&Cs](#) upon registration.

## Transparent

We value openness and transparency. We keep our commitments to each other, our community, and our partners. Our Community T&Cs are signed by all members and staff. This code outlines the policies of Adel and includes our ethical principles.

## Trusted

Adel will endeavor to programmatically minimize or otherwise remove the possibility of individuals manipulating the voting module to their advantage and compromising the integrity of the Adel community and its projects.

- ▲ **Trust is not Assumed** ▲ The community will be able to audit the platform and projects, as well as create applications that can programmatically audit activities.
- ▲ **Restrictions** ▲ The Adel Board and staff cannot vote on projects. Once a project has been approved by the Project Review Committee, only the community can vote on its approval. This is to remove any bias of the Adel staff from the community's decision.
- ▲ **Safeguards** ▲ To avoid voting manipulation, results will only be available after the voting deadline. In addition, voting weight will be established at the time of the voting deadline. This way, voters trading their Adelphoi during the voting window will not have any voting influence since their vote will only be weighted at the date and time of when the voting window has closed. Also, it will not limit new community members who have joined during the voting window and wish to vote on a specific project.
- ▲ **Blacklist** ▲ A blacklist of community members will be established. In cases of suspected fraud or manipulation of the voting system. Those community members will be added to the blacklist, resulting in future voting restrictions and other limitations in community activities. Arbitration procedures will be established for those that dispute their addition to the blacklist.

## Efficient

- ▲ **Mitigating the Need for Trusted Third Parties** ▲ Adel will provide a platform that can be auditable by anyone who is a community member. In environments, such as healthcare, insurance, IT security, banking, and others where user data is concerned, some data protection, and privacy compliance will be necessary. For these projects, encryption, data anonymization, and other technical solutions will be utilized to meet regulatory requirements.
- ▲ **Mitigating Intermediaries** ▲ Adel supports minimum transaction fees as part of the Ardor platform architecture. Adel will minimize the need for "middle men" in order to simplify the platform architecture where possible and minimize unnecessary transaction fees or **skimming** methods.

## Open Source

Where possible, systems will be free of proprietary solutions such as patents and other forms of intellectual property protection. The overall business processes and structures will be transparent to community members.

## Distributed

Control will remain with the community and not a governing power. The Adel Board will act as a curator by providing leadership and filtering projects that violate Adel's Philosophy. Adel's **Project Review Committee** (PRC) will also provide guidance, options and suggestions, but the final decision will be made by the community. The PRC will also evaluate and approve projects, as well as participate in forums to discuss projects with the community.

- ▲ **Mitigating Centralized Control** ▲ Adel will have a decentralized organization and platform of voting, project submission and project execution.
- ▲ **Mitigating Single Point of Failures** ▲ Adel supports a distributed system architecture with high availability and redundancy where a **Cost versus Risk** balance is justifiable. Since Adel will run on the Nxt blockchain, all of the information pertaining to Adel will be secure. Blockchains have a massive amount of redundancy as one of its key traits, thus eliminating the need for an external backup system.

## Private

Adel will be designed from the ground up to prevent external parties from collusion, fraud, extortion, or the manipulation of Adel and its community. Adel will continue to protect its community from activities that violate its Code of Conduct.

- ▲ **Mitigating Violation of Privacy** ▲ The Adel community, will maintain privacy of its clients, partners and members, while meeting regulatory compliance to Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Know your Customer (KYC).

## Principled

We use our values and ethical principles as decision filters to guide our behavior. We will turn down any business that is illegal, unethical or otherwise violates our philosophy.

- ▲ **Partnerships** ▲ We expect all of our business partners to hold themselves to an equally high standard. We choose partnerships that share our values and high standards regarding legal and ethical business practices. We won't let anyone damage our reputation or our brand by acting illegally or unethically in Adel's name.

## Ethical

Integrity is one of Adel's most important values. At Adel, we are dedicated to delivering a secure and trustworthy platform for community members so they can safely participate in the ecosystem. It's important that the actions we take as leaders of the community deliver on that goal. Adel's staff will contribute their time and expertise to continually manage and improve the ecosystem.

Adel is committed to helping our community succeed by operating legally and ethically in accordance with any applicable laws and regulations. Adel believes that in adhering to these principles we not only protect the Adel brand, community, and its members, but also serve to protect the integrity of blockchain as a brand, and the innovative projects that will be introduced to society.

## About Adel

Adel is a community incubator for blockchain innovation.

- ▲ Adel is a global cryptocurrency community that is self-sustaining and offers its own economic ecosystem with the Adelphoi coin. Our community focuses on creating, developing, and implementing use cases involving blockchain technology that covers a wide range of digital and physical industries. Projects are chosen by the community and successful ventures are either re-invested in for further growth or issued as rewards to Adel's stakeholders.

## About the Authors

### Gabriel Dusil

Gabriel is a seasoned sales and marketing expert with over twenty years of experience in senior level positions at companies such as Motorola, VeriSign (acquired by Symantec in 2010), and SecureWorks (acquired by Dell in 2011), and Cognitive Security (acquired by Cisco in 2013). His strengths lie in international business development and strategic partnerships, as well as the unique ability to translate complex ideas and technologies into language that decision makers can easily understand. Gabriel has a Bachelor's degree in Engineering Physics from McMaster University in Canada and possesses expert knowledge in blockchain incubation, cloud computing, IT security, and video streaming technologies (Over the Top Content, OTT). Gabriel also runs his own company, [Euro Tech Startups s.r.o.](#), and manages his professional blog at <https://dusil.com>.

### Travin Keith

Travin is a seasoned marketer who specializes in web and international marketing. He has worked with over a hundred businesses around the world spanning a wide range of industries. Since 2013, Travin has been involved with cryptocurrencies as a trader, investor, marketer, and community member. He joined the [Nxt Foundation](#) as a board member in 2016, serving as its Marketing Director and a Blockchain Consultant, as well as the representative to [Hyperledger](#), a Linux Foundation Project.

# White Paper



Challenges in Contemporary Economics  
Opportunities for a Distributed Ledger  
Distinctive Features of Project Funding  
Built for Innovation

## Inspiring Innovation

### ▲ Management Series

By: Jan Lamser, Co-founder & Board Member, Adel  
Gabriel Dusil, Co-founder & Board Member, Adel

## Challenges in Contemporary Economics

In most of the developed world, people enjoy improved health, relatively stable economics, unrestricted access to information, and a dynamic increase in personal freedom. However, as the force of globalization has increased over the past decades, we have paradoxically created a gap between individuals and communities, as well as between personal and social identities.

This is particularly the case where money is an underlying driver or motivational factor. The control of monetary policy and national budgeting, as well as project-specific investment allocation and

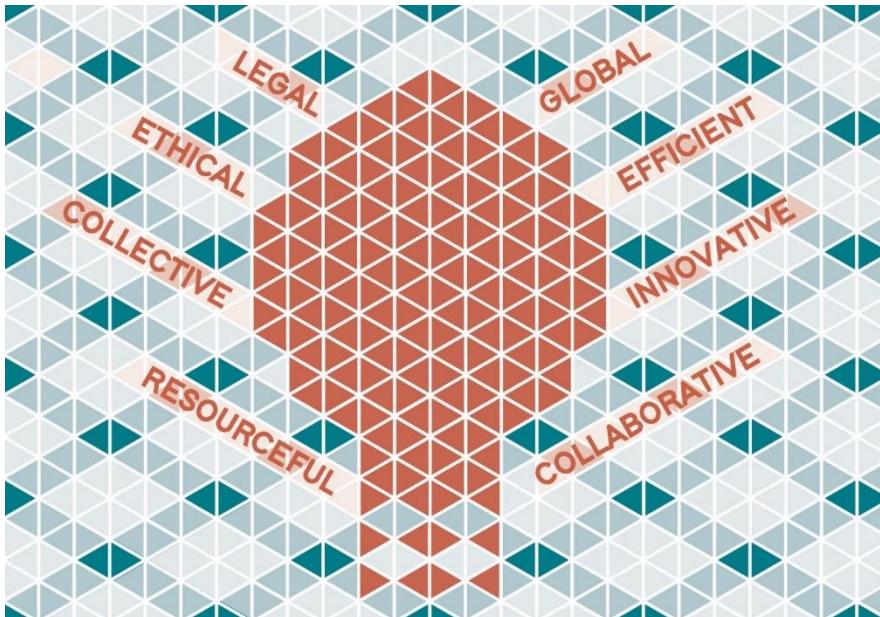
respective yields, are confined to licensed experts who are largely regulated and centralized. These professionals are attuned to the prevailing globalization paradigm. Some of these authorities, by attempting to portray stability and growth, generate gigantic budget deficits which have the paradoxical effect of creating market volatility and instability in the longer term. By trying to mask the issues, they ignore real economic problems and create new instability. The Greek public debt resolution<sup>i</sup> and Jean-Claude Juncker's (European Commission President) plans of exorbitant public spending<sup>ii</sup> are just two examples. The regulatory framework for banking, investments, and the economy as a whole is nominally aiming at maintaining stability. However, such protection can be seen as little more than a precursor to control, exclusion, and the formation of a technocracy<sup>iii</sup>. As a result, financial resources are deployed through the complex hierarchical structures of stock exchanges, banks, and fund management. This system is caught in a prevailing technocratic paradigm with very little opportunity for individuals to influence out-of-the-box thinking and FinTech proposals. As a result of this rigid structure, many entrepreneurial initiatives have limited access to institutionalized investment funding. Spontaneity and creativity is impeded by a heavily formalized process, established by sizeable institutions that have evolved over the last couple of centuries. Because of this, innovation is impeded as entrepreneurs are required to follow an arduous, compliance-based paradigm.

There is currently a lack of flexible investment options that allow a new project to pool enough resources to gain critical financial support and, at the same time, establish constructive influence and involvement over how they are deployed. A good idea, or successful project outside the mainstream, may not be able to access the funding opportunities that a more traditional, less disruptive project will have access to.

Furthermore, projects that threaten monopolies in established markets run the risk of being trampled by large companies with seemingly endless legal resources or lobbying influences. This has resulted in many innovative or disruptive ideas being disqualified from investment consideration. The oil industry's efforts to stifle electric car innovation throughout the second half of the twentieth century is just one example<sup>iv</sup>. Another is the systematic destruction of urban rail systems in the US at the beginning of the 20<sup>th</sup> century. As a consequence, the ability to borrow or invest is compromised or restricted for some projects. The adage "Neither a borrower nor a lender be"<sup>v</sup> rings true in regards to this particular form of exclusion. The choice, therefore, is not between the innovator or investor, but between risk management policies and/or political affiliations.

There are a number of attempts to circumvent these obstacles, such as crowdfunding websites like [kickstarter.com](https://www.kickstarter.com) which launched in 2009, as well as P2P lending schemes<sup>vi</sup>. Nevertheless, systems that can pool resources to finance viable, innovative projects on a larger scale and redeploy these resources gradually have not been created thus far.

## Opportunities for a Distributed Ledger



A distributed public ledger using blockchain technology in combination with cryptocurrency fills an opportunity gap in today's investment environment. Adel provides such a platform and is underpinned by a community-based scheme that combines elements of:

- ▲ Venture Capital
- ▲ Collective Intelligence
- ▲ Participatory Economy
- ▲ Co-working Entrepreneurship
- ▲ Code of Ethics and Integrity
- ▲ Cryptocurrency Technology

Adel will be built on the Nxt platform and will move to Ardor when suitable. This provides a robust infrastructure for this ecosystem. Adel allows stakeholders to pool financial resources using cryptocurrency. This eliminates traditional intermediaries and focuses momentum on projects decided by the community. At the same time, this model allows a majority consensus to co-exist with projects supported by only a minority of the community. With the decision power in the hands of the community, activities and decisions related to business, both analytical and operating, are controlled within the ecosystem. However, external professionals and associations outside of the ecosystem will be solicited to improve performance where necessary.

## Distinctive Features of Project Funding

Adel provides a dynamic platform of entrepreneurship, freedom, management, communication and technology. The team has experience and expertise across multiple areas of business, as well as backgrounds and successful track records in various industries. As a community-based ecosystem, Adel will create an open architecture for joint entrepreneurship and challenge contemporary business principles. The unique structure of Adel is as follows:

- ▲ **Open Economic Interactions** ▲ This allows certain roles that have been standard in classic investment vehicles to be eliminated (i.e. fund managers, brokers and auditors). Thanks to the distributed ledger system, many of these roles are no longer necessary as many administrative tasks can be automated through the use of the secure Nxt blockchain system. Administration overhead is thus decreased, leading to a much higher degree of agility and versatility. There is individual and community supervision on resource deployment, while maintaining a high standard of compliance and fiduciary accountability. Individual expertise and responsibility is also solicited for specific contributions without agency intervention.
- ▲ **Scrutinizing Outdated Assessment Processes<sup>vii</sup>** ▲ By facilitating collective deliberations, Adel has the agility to filter social biases, political ideologies, and traditional economic beliefs. These are deeply ingrained preconceptions that could negatively influence the viability of new ideas. In some cases, they severely undercut innovation and the resources available to support them. Resource pooling with Adel is designed to be free of such indoctrinated ideologies. Adel institutionalizes the evaluation and relevance of ideas based on a pool of engaged individuals and their perspectives. This collective accountability allows for the funding of initiatives that may be legitimately rejected by a majority, but agreed upon by a select minority who may choose to maintain a vested interest in the project.
- ▲ **Cryptocurrency Roots** ▲ Rooted in the distributed ledger, as well as blockchain and cryptocurrency communities, Adel does not derive its value from fiat currencies. While not rejecting the concept of fiat value, Adel's approach is more nuanced and versatile. Adel allows for a larger set of funding possibilities for a given project proposal, including large or smaller group contributions<sup>viii</sup>. Adel opens up opportunities for new ideas and projects and potentially enhances their chances of success through intense interaction and community wisdom, all while securing communal or sub-communal resources and support.
- ▲ **Collective Intelligence** ▲ The formula that Adel subscribes to is **People, Process, and Technology**. This contrasts with prevailing beliefs that technology alone leads to success. It is human nature to be suspicious of individual motivations and personal

agendas, but project resources require human engagement, both in selling the business case and in the launch and operational functions of the project. At Adel, the experience and involvement of individuals is subject to communal approval and will be monitored by the **Project Review Committee**.

- ▲ **Expert Knowledge** ▲ Cognitive science has shown that combined schemes which engage both experts and collective groups are the most effective. This has proven to be superior to alternatives that give full authority to an expert or leader or the community alone<sup>ix</sup>. Adel combines effective managers, individual experts, and a participative community. In an entrepreneurial context, this provides a balance of analytics, integrity and prudence, all of which contribute to the success of the ecosystem.
- ▲ **International Community** ▲ Adel is a global platform that aggregates disparate parties interested in joint innovation. Participation is set by the Code of Conduct which is entirely non-discriminatory. Its main purpose is to ensure legal and regulatory compliance. This not only protects the Adel brand, but the integrity of the blockchain initiative and its reputation as well.

While Adel is driven by a team with European roots, its ambition is global. Project participation may involve contributing as an analyst, technology expert, fiduciary enforcer, manager, developer, or back-office participant, to name but a few. This community model enables participation from individuals who have local cultural experience and/or industry expertise. Adel enables innovation through resource placement in all phases of project development, encouraging experts, project leaders and controllers to both invest and participate in the community in a role that advances the development of a particular project.

## Built for Innovation

Adel is inspired by the social structures that have evolved from a distributed public ledger and related blockchain applications. This community is relatively independent of collective governmental bodies by design. If certain jurisdictions become involved, the community can call on parties with appropriate skills and expertise to act on its behalf when there are none in the community who are capable or willing. Adel will have a constantly open dialog with the community while relying on its wisdom and expertise.

Adel represents a number of unique funding features. While associated with cryptocurrency, venture capital, startup incubation, and a cooperative platform, Adel is, above all, a technology-driven means for

experts to collaborate. There are support systems in place to assist with successful project execution while acting as a distributed ecosystem in terms of process, procedure and power.

## About Adel

Adel is a technology incubator for blockchain innovation.

- ▲ Adel is a global cryptocurrency community that is self-sustained, and offers its own economic ecosystem with the Adelphoi token. Our community focuses on creating, developing and implementing use cases involving blockchain technology that covers a wide range of digital and physical industries. Projects are chosen by the community and successful ventures are either re-invested in for further growth or issued as rewards to Adel's stakeholders.

## About the Authors

### Jan Lamser, Co-founder

Jan served for twenty years as a Senior Executive Officer and Board Member at [československá obchodní banka, a.s.](#) (part of the [KBC Group](#)), the #1 commercial banking institution in the Czech Republic. He is one of the best business strategists in the region with a reputation for visionary talent and abilities. Jan is a FinTech entrepreneur and leading spokesperson for blockchain innovation in Central and Eastern Europe. He is also an associate of the [Czech FinTech Association](#) (CEFTAS), Deputy Chairman of the [Institute of Computer Science](#), and has authored several articles on distributed open ledger technologies.

### Gabriel Dusil

Gabriel is a seasoned sales and marketing expert with over twenty years of experience in senior level positions at companies such as Motorola, VeriSign (part of Symantec), and SecureWorks (part of Dell). His strengths lie in international business development and strategic partnerships, as well as the unique ability to translate complex ideas and technologies into language that decision makers can easily understand. Gabriel has a Bachelor's degree in Engineering Physics from McMaster University in Canada and possesses expert knowledge

in cloud computing, IT security, and video streaming technologies (Over the Top Content, OTT). Gabriel also runs his own company, [Euro Tech Startups s.r.o.](#), and manages two blogs: <https://dusil.com/> and <https://gabrieldusil.com/>.

## Resources

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i "Explaining Greece's Debt Crisis", 16th June, 2016,  
[http://www.nytimes.com/interactive/2016/business/international/greece-debt-crisis-euro.html?\\_r=0](http://www.nytimes.com/interactive/2016/business/international/greece-debt-crisis-euro.html?_r=0)

ii "Germany plans €10bn extra public spending", By Stefan Wagstyl, 6th November, 2014, <http://www.ft.com/cms/s/0/a973366a-65dd-11e4-898f-00144feabdc0.html#axzz4JHxgV7MT>

iii The self-referencing nature and overwhelming power of technology – oriented rationality as predicted in mid-20th century by Horkheimer, Adorno, Heidegger and others - is about to come true in contemporary global finance.

iv "Who Killed the Electric Car?", Wikipedia,  
[https://en.wikipedia.org/wiki/Who\\_Killed\\_the\\_Electric\\_Car%3F](https://en.wikipedia.org/wiki/Who_Killed_the_Electric_Car%3F)

v Act I, Scene III of William Shakespeare's play, "Hamlet".

vi "30 Peer-to-Peer Lending Experts Reveal Their Top 3 Investing Tips", by Warren Lee, <http://thelendingmag.com/peer-to-peer-lending/>

vii Paraphrasing Adorno's key book on contemporary rationality, Adel promotes "negative economic dialectics". This means that Adel stands against ideologies embedded in contemporary economic global frameworks.

viii As opposed to mainstream economic frameworks dwelling on the ideology of economic equilibrium, Adel is inspired by Schumpetrian thinking which underscores the creative power of free innovation. Destructive and outdated business concerns portraying instability as a natural state of the economy are avoided.

ix

[http://www.nasa.gov/centers/goddard/about/organizations/OCKO/case\\_studies/#.V8CH0Zh97uo](http://www.nasa.gov/centers/goddard/about/organizations/OCKO/case_studies/#.V8CH0Zh97uo)

[https://en.wikipedia.org/wiki/History\\_of\\_banking](https://en.wikipedia.org/wiki/History_of_banking)

[https://en.wikipedia.org/wiki/General\\_Motors\\_streetcar\\_conspiracy](https://en.wikipedia.org/wiki/General_Motors_streetcar_conspiracy)

# White Paper



Risks  
Security  
Protection

## Protecting the Community

### ▲ Management Series

By: Travin Keith, Marketing and Blockchain Advisor, Adel  
Gabriel Dusil, Co-founder & Board Member, Adel

## Abstract

In this paper, we outline established procedures to mitigate risk to Adel's ecosystem while protecting its brand, infrastructure, and the integrity of blockchain solutions.

## Risks

This section will go over some of the risks that Adel faces from a community perspective and how it plans to face them.

- ▲ **Collusion** ▲ While it is impossible to fully remove the chance of unethical collusion, Adel has taken measures to mitigate this risk. For example, any suspected collusion or other nefarious behavior will result in the community member being blacklisted. Stakeholders that collude to damage Adel in any way only serve to damage themselves as they also have a vested interest in the community's success. The paradox is this: in order to have a significant impact on the community voting system, this individual would require a sizable amount of Adelphoi to influence the voting outcome, thus increasing their exposure and risk.
- ▲ **Fraud** ▲ A certain level of trust is necessary within the community in order to approve, launch, and operate projects. This is especially true since every action is not on the blockchain itself. As stated under **Fiduciary Integrity** in the next section, steps will be taken with project leaders and staff to ensure that all projects are carried out efficiently, legally, and profitably. However, the risk of members behaving fraudulently still exists. For this reason, Community Terms & Conditions arbitration will be established with the board's assistance.
- ▲ **Manipulation** ▲ Voting fraud and manipulation will be eliminated by only revealing voting results after the voting window has closed. In addition, only stakeholders with a minimum amount of ADL will be invited to the community to become community members. Furthermore, community members will vote based on the proportional weight of Adelphoi they hold. This will prevent fraudsters from creating multiple accounts in order to sway the community vote.
- ▲ **Abuse** ▲ Moderators will maintain order to prevent spammers from taking over a discussion for specific projects or in the Adel community's general discussion area. These moderators will be selected in terms of their incentive to keep their respective forum discussions free from spammers, as well as their ability to do so. If an abuse of power has been demonstrated by the moderator, then the issue will be reviewed in order to determine an appropriate course of action. Community members may be blacklisted if forum rules are not met or moderator warnings are not obeyed.
- ▲ **Confirmation Bias** ▲ A confirmation bias is where people remember something in a way that confirms their own pre-existing belief. However, that belief may still be wrong. This can become an issue throughout the various decision processes in Adel where a community argument ensues because of a past decision or event. To avoid this issue, there will be a log of important events in the ecosystem, as well as a logged chat room. Furthermore, all voting decisions will be logged on the blockchain.

- ▲ **Money Laundering** ▲ This refers to income with no regulation to maximize profits for as little cash outflow as possible. Money is accumulated through illegal means and flows into socio-economically productive industries. Adel's philosophy is to follow regulatory compliance around **Anti-Money Laundering (AML)**, and to ensure that community participants adhere to these procedures. It is of the utmost importance that the team, the community, and the Adel brand are protected.
- ▲ **Terrorism Financing** ▲ Adel's compliance to AML will mitigate risk to **Counter-Terrorism Financing (CTF)** by requiring all members of the community to be identified through AML guidelines. The exchange of financial information under CTF rules ensures the protection of the Adel ecosystem and assists law enforcement in their fight against terrorism.



## Security

In this section, we will outline procedures created by Adel to mitigate harm to the integrity of its ecosystem, to Adel as a brand, and to the infrastructure created, all in order to realize Adel's project goals.

- ▲ **Code of Conduct** ▲ The **Project Review Committee** will ensure that projects comply with Adel's Philosophy, which includes its ethical

and integrity framework, together with the Adel Board. In addition, the distribution of salaries or capital gains cannot be fully automated and will require manual actions. Where people are involved, some trust will always be necessary. Trust is inherent in the operational oversight of each project. A level of trust is established with project leaders, experts, and operational staff, in order to successfully deliver on the project's goals. Community members will not be anonymous in an effort to mitigate risk. They will be required to reveal their identity when they enter the Adel community.

▲ **Leadership** ▲ The board will adhere to the Community T&Cs at all times. Any breach of the code will be dealt with a review procedure conducted by an impartial team. The results of the procedure will determine the proper course of action. All reviews will be handled on a case-by-case basis while taking into consideration previous decisions made. In more serious cases, the board can decide to suspend or remove a member. All board members and staff are required to sign and adhere to the Community T&Cs.

▲ **Technology** ▲ The blockchain currently used by the Adel ecosystem is the Nxt platform, and will move to Ardor once it is deemed suitable. Because of this, the security of projects and the ecosystem itself will be dependent on the security of Nxt. To ensure platform resilience and integrity, Adel will maintain a strong relationship with Jelurida, the Nxt and Ardor core development team, as well as the community itself. In cases where Adel can be of assistance to the platform, Adel will contribute resources to protect the integrity of the platform. Adel is also blockchain agnostic, meaning that any project developed in its ecosystem can reside on any blockchain platform.

▲ **Community** ▲ Adel will establish an open and productive communication channel with the community. Integrity will be established through a Community T&Cs that will be agreed upon by each member as soon as they join the community. Abuse, negligence, or any unethical behavior will be investigated and may result in the community member being blacklisted from the forums, voting, or project participation.

▲ **Fiduciary** ▲ While Adel is working to eliminate the need for trusted third-party authorities, there are some cases where trust is necessary - especially with actions external to the blockchain. For example, the approval of projects will be initially submitted to a **Project Review Committee**. This will include members that have expert oversight in venture capital investments, as well as legal, operational, and technical expertise.

▲ **Know Your Customer, KYC** ▲ Project managers, the board, and staff members will demonstrate due diligence to the best of their abilities to ensure projects comply with legal and regulatory requirements. If further legal advice is required, the community will be solicited for their expertise and will have their credentials assessed. If none are available, then assistance outside of the community will be sought and brought in. Projects that do not satisfy legal and regulatory

requirements will either be rejected or modified during the assessment process.

## Protection

Integrity is one of Adel's most important values. At Adel, we are dedicated to delivering a secure and trustworthy platform for community members so they can safely participate in the ecosystem. It is important that the actions we take as leaders of the community deliver on that goal. Adel's staff will contribute their time and expertise to continually manage and improve the ecosystem. We are committed to helping our community succeed by operating legally and ethically in accordance to any applicable laws and regulations. Adel believes that in adhering to these principles we not only protect the Adel brand, community and its members, but also serve to protect the integrity of "blockchain as a brand", as well as innovative projects that will be introduced to society and leverage this new technology.

## About Adel

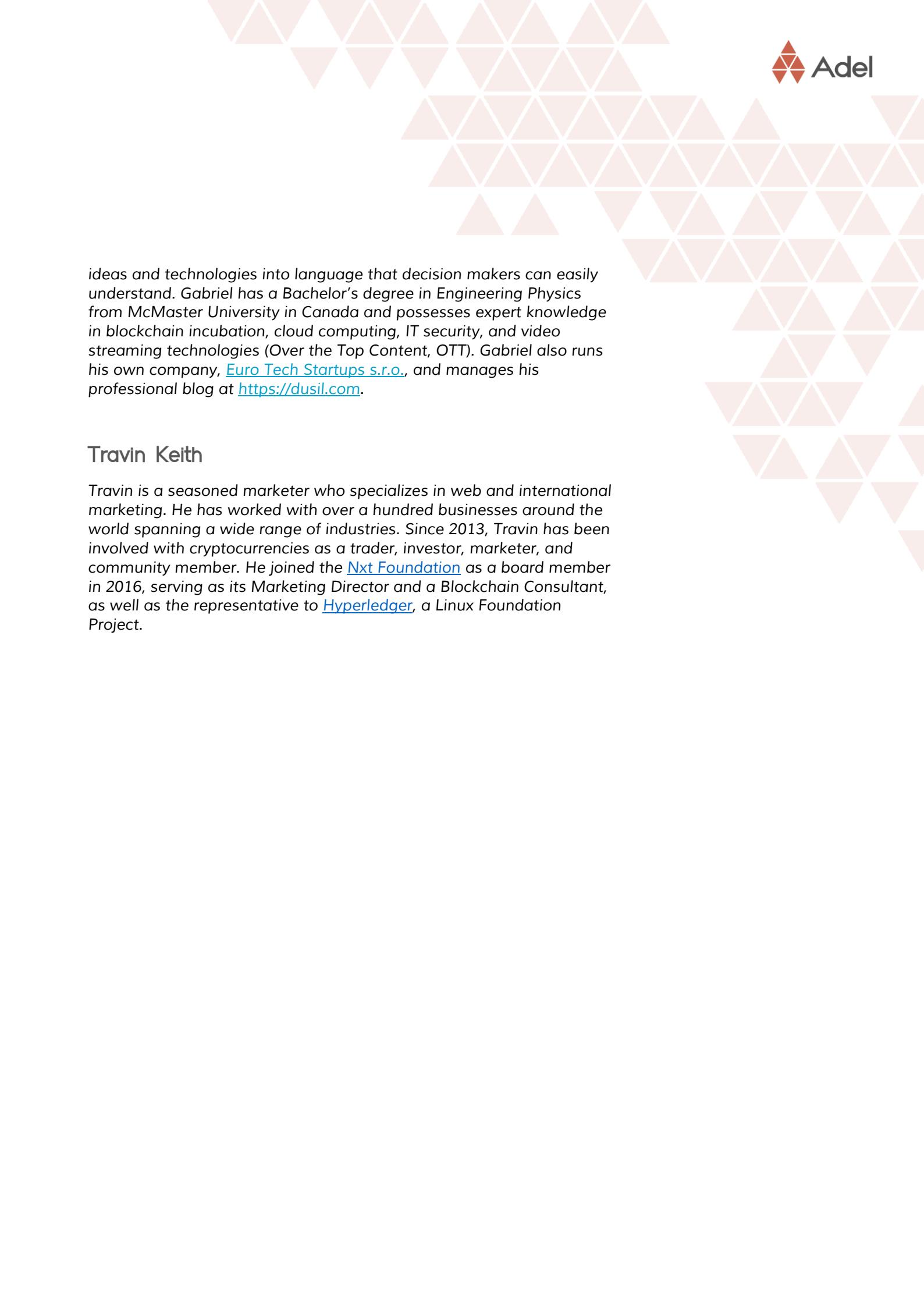
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## About the Authors

### Gabriel Dusil

Gabriel is a seasoned sales and marketing expert with over twenty years of experience in senior level positions at companies such as Motorola, VeriSign (acquired by Symantec in 2010), and SecureWorks (acquired by Dell in 2011), and Cognitive Security (acquired by Cisco in 2013). His strengths lie in international business development and strategic partnerships, as well as the unique ability to translate complex



ideas and technologies into language that decision makers can easily understand. Gabriel has a Bachelor's degree in Engineering Physics from McMaster University in Canada and possesses expert knowledge in blockchain incubation, cloud computing, IT security, and video streaming technologies (Over the Top Content, OTT). Gabriel also runs his own company, [Euro Tech Startups s.r.o.](#), and manages his professional blog at <https://dusil.com>.

## Travin Keith

Travin is a seasoned marketer who specializes in web and international marketing. He has worked with over a hundred businesses around the world spanning a wide range of industries. Since 2013, Travin has been involved with cryptocurrencies as a trader, investor, marketer, and community member. He joined the [Nxt Foundation](#) as a board member in 2016, serving as its Marketing Director and a Blockchain Consultant, as well as the representative to [Hyperledger](#), a Linux Foundation Project.

# White Paper



Abstract  
Proposals  
Approvals

## Managing the Ecosystem

By: Gabriel Dusil, Co-founder & Board Member, Adel  
Michal Vavrek, Founder & Board Member, Adel

### ▲ Management Series

## Abstract

This document frames the procedures established by Adel for community projects. We discuss the guidelines for proposal submissions, reviews and approvals, as well as management and operational oversight. We also outline fund allocation to approved projects and reward distribution to stakeholders.

## Idea Incubation



Ideas are created and prepared by either the Adel R&D team or submissions from community members, known as Innovators. These will mostly concentrate on blockchain projects that favor global reach and potential. When the proposal originates from the R&D team, the recipients of the rewards will always involve the entire community. Submissions will need to follow the following business planning guidelines to ensure an efficient and streamlined review of the idea:

- ▲ **Executive Summary** ▲ Presentation that summarizes the project for the **Project Review Committee** (e.g. PowerPoint, Prezi, or other canvas).
- ▲ **Invention Overview** ▲ Product, solution, or service.
- ▲ **Marketing Strategy** ▲ Strategic, tactical and operational goals, market landscape overview, competitive analysis, and unique selling proposition (USP).
- ▲ **Sales Strategy** ▲ Strategic, tactical and operational goals, monetization possibilities, channels to market, regional focus, and vertical or horizontal market focus.
- ▲ **Capital Costs** ▲ Research and development, production, and launch costs for the first three years of operation.
- ▲ **Operational Costs** ▲ Staffing, expertise, operations and management, and a draft organization chart.

In order to stimulate new ideas, the **Project Review Committee** will manage an idea incubator where all members of the community can enhance their business plans. The R&D team will also be a source of ideas as a service to the community.

If a project idea comes from an individual member of the community, and if the inventor would like their idea to be public, then the **project** will be treated as if it had been submitted by the Adel R&D team (Figure 1). However, if they wish to maintain ownership of their idea, then it will become an **Innovator Project**. All the documentation stated above is still required for Innovator Project submissions. Once a project is successful and reaches its targets, or if the project is sold, then the distribution of funds will be divided among shareholders according to the proportion of their Adelshare (ADS) purchases. These rewards may be distributed back to stakeholders in ADL.

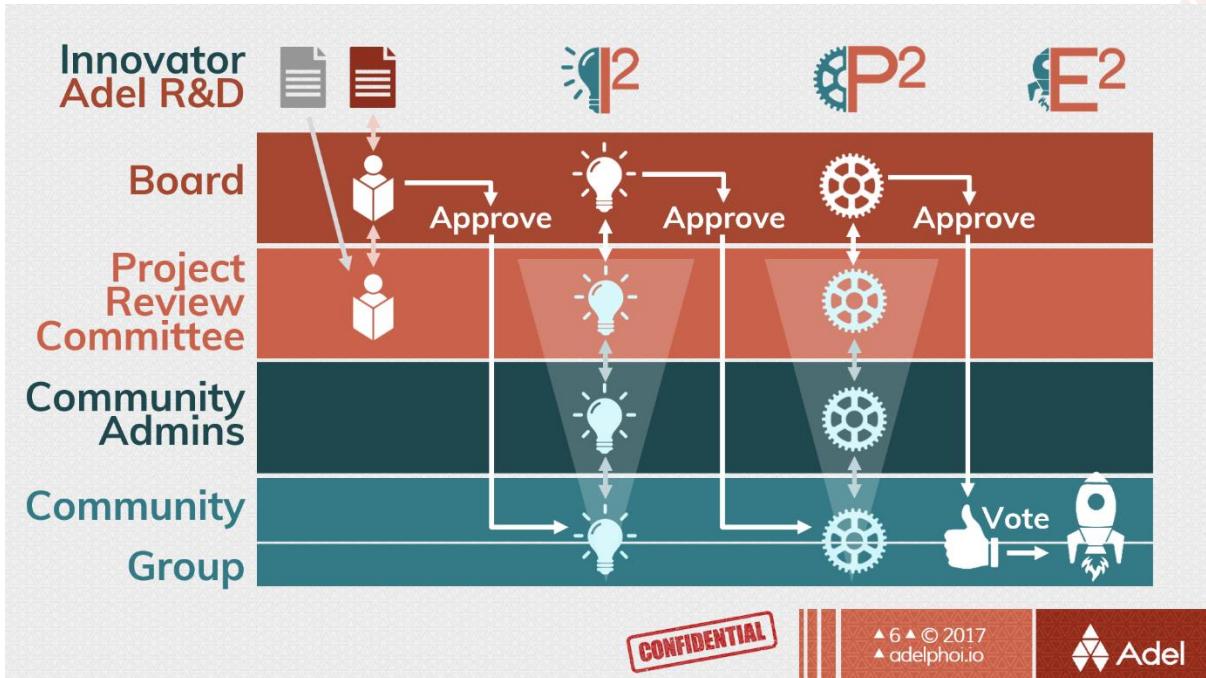


Figure 1: Idea Incubation to Enterprise Execution

The **Project Review Committee** will monitor a project's progress and success metrics. This will include the management of individual project managers who will report to the committee on a regular basis. The **Project Review Committee** reports to the Adel Board on project progress, and community participation will occur on a periodic basis. The community will see a summary of these activities in the **Project Module**.

Ethical, moral, and legal standards will be monitored throughout the operation of projects. Violation of the Adel Philosophy will be addressed by a committee consisting of staff, Board members and legal experts. If a project is ongoing and successful, then rewards are distributed to holders of Adelshare (ADS) in a particular project.

## Approvals

Final approval for every project is based on a community voting result. Members decide if the project will be funded from community funds or passed on to individual funding and become a Group Project. The **Board** serves as a curator of the community in order to remove

unacceptable activities due to legal concerns, impracticality, or if the project violates Adel's philosophy.

Part of the approval process is the **Project Review Committee's** review of all relevant documentation necessary for approval. Cost analysis will be reviewed to determine whether there are sufficient funds necessary for the initial project's capital, as well as ongoing costs for the first three years of operation. Project plans that are voted on and approved by the community will include acceptance of the business plan, including all costs involved. Funds released for each project will be approved by the Adel Board.

- ▲ **Human Resources** ▲ With regards to the appointments of responsibility, the security of community funds prevails. Therefore, the members of each project will be identified according to Adel's Anti-Money Laundering (AML) procedures.
- ▲ **Mentoring** ▲ Mentoring for each project and its management will be provided by the Board and the project management team in order to maximize the return on capital utilized.
- ▲ **Participation** ▲ Members will participate in the entire Idea to Project Supply Chain. They can present ideas, help improve on the market viability of the idea, help create the business plan, and solicit their expertise in the employment of a project.
- ▲ **Motivation** ▲ Motivation for members of the project team will be in the form of rewards and salaries. Some members will also be stakeholders in the project, so this is added motivation to ensure their contribution is successful in the form of project rewards paid to the member in Adelphoi (ADL).
- ▲ **Employment** ▲ The project team will be selected from knowledgeable experts within the community who have demonstrated expertise in the project's respective area(s). If expertise cannot be sourced within the community, then the role will be filled by an external candidate.
- ▲ **Project Management** ▲ Management of the overall project portfolio will be monitored by a Project Manager who will report to the **Project Review Committee**.

## About Adel

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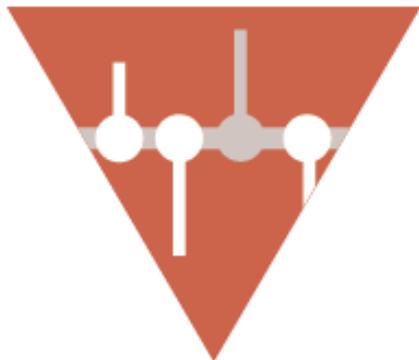
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# White Paper



Framework  
Roadmap  
Phase 1  
Phase 2  
Phase 3  
Ecosystem

## Designing a Blockchain Incubator

### ▲ Roadmap Series

By: Gabriel Dusil, Co-founder & General Manager, Adel  
Michal Vavrek, Founder & CEO, Adel

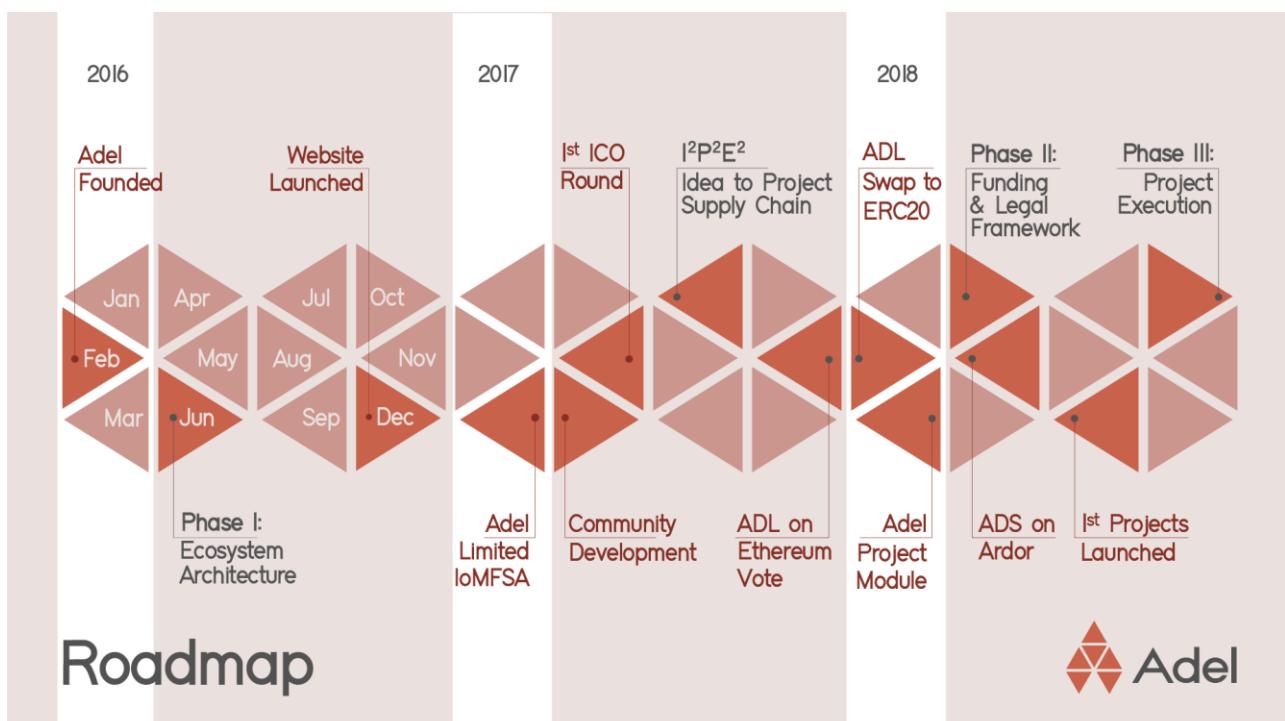
## Framework

Adel is an incubator for blockchain innovation. Members are active participants in the formation and creation of innovative projects. They participate by proposing, collaborating, and improving ideas, as well as helping progress them to the business planning stage. Members who participate in the formation of the idea and business plan can become

future investors in projects, and can even participate as full-time employees once the project is launched. All participants can utilize their expertise to help fuel innovation and create viable projects. All members can have an integral role in the project's formulation and success.

## Roadmap

To create an effective and efficient startup incubator, Adel has established a phased deployment to build the ecosystem:



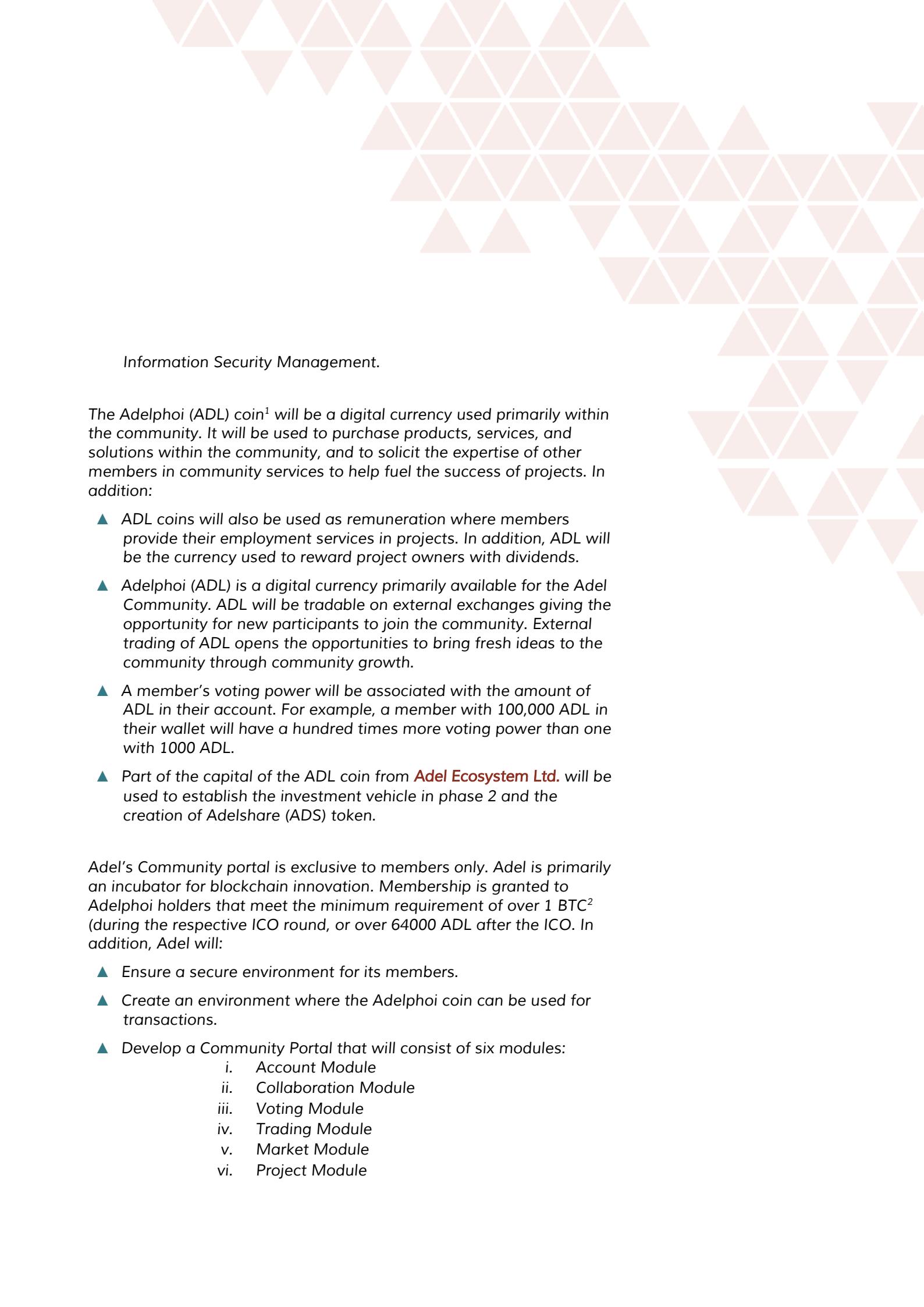
- ▲ **February 2016** ▲ Adel is founded
- ▲ **June 2016** ▲ Phase I ▲ Ecosystem Architecture
- ▲ **December 6<sup>th</sup>, 2016** ▲ Website is launched

- 
- ▲ **March 17th, 2017** ▲ Adel Ecosystem Ltd. registered in Isle of Man
  - ▲ **May 1st, 2017** ▲ ICO, round 1 begins
  - ▲ **June 2017** ▲ Community module development begins
  - ▲ **June 2017** ▲ Idea to Project Supply Chain begins
  - ▲ **Q3 2017** ▲ ADL listed on exchanges
  - ▲ **Nov 27<sup>th</sup>-30<sup>th</sup> 2017** ▲ Community votes ADL Swap to Ethereum
  - ▲ **Feb 15<sup>th</sup>, 2018** ▲ ADL Swaps to Ethereum
  - ▲ **Q1 2018** ▲ Ardor is released
  - ▲ **Q1 2018** ▲ Phase II ▲ Funding & Legal Framework
  - ▲ **Q2 2018** ▲ Project Module is released
  - ▲ **Q2 2018** ▲ ADS becomes an asset on Ardor
  - ▲ **Q3 2018** ▲ First projects are funded & launched
  - ▲ **Q4 2018** ▲ Phase III ▲ Project Execution

## Phase I ▲ Ecosystem Architecture

Adel has established a Limited Liability Company (LLC) in the Isle of Man called **Adel Ecosystem Ltd.** The role of this company is; to formulate great ideas into business plans; facilitate and curate community activities; and protect the Adel brand and filter projects that are deemed to violate its ethical, moral or legal philosophy. In addition, Adel's role is to ensure the **Idea to Project Supply Chain** is progressing efficiently and effectively. Furthermore:

- ▲ Control resides with community members. The community participates in project creation and has the voting power to choose which projects are approved. All members can be active participants in the creation of ideas, building business plans, and in the execution of projects.
- ▲ This legal entity will adhere to Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF), and Know your Customer (KYC) requirements.
- ▲ Adel will also implement security solutions that follow International Organization for Standardization, such as ISO 27001 for



## Information Security Management.

The Adelphoi (ADL) coin<sup>1</sup> will be a digital currency used primarily within the community. It will be used to purchase products, services, and solutions within the community, and to solicit the expertise of other members in community services to help fuel the success of projects. In addition:

- ▲ ADL coins will also be used as remuneration where members provide their employment services in projects. In addition, ADL will be the currency used to reward project owners with dividends.
- ▲ Adelphoi (ADL) is a digital currency primarily available for the Adel Community. ADL will be tradable on external exchanges giving the opportunity for new participants to join the community. External trading of ADL opens the opportunities to bring fresh ideas to the community through community growth.
- ▲ A member's voting power will be associated with the amount of ADL in their account. For example, a member with 100,000 ADL in their wallet will have a hundred times more voting power than one with 1000 ADL.
- ▲ Part of the capital of the ADL coin from **Adel Ecosystem Ltd.** will be used to establish the investment vehicle in phase 2 and the creation of Adelshare (ADS) token.

Adel's Community portal is exclusive to members only. Adel is primarily an incubator for blockchain innovation. Membership is granted to Adelphoi holders that meet the minimum requirement of over 1 BTC<sup>2</sup> (during the respective ICO round, or over 64000 ADL after the ICO. In addition, Adel will:

- ▲ Ensure a secure environment for its members.
- ▲ Create an environment where the Adelphoi coin can be used for transactions.
- ▲ Develop a Community Portal that will consist of six modules:
  - i. Account Module
  - ii. Collaboration Module
  - iii. Voting Module
  - iv. Trading Module
  - v. Market Module
  - vi. Project Module

## Phase II ▲ Funding & Legal Framework

This phase will entail the creation of a new legal entity to establish an investment license. This entity will introduce a new token called the Adelshare (ADS) and will represent a member's profit participation in projects. Once ADS tokens are established, then participants will buy these profit participation tokens using their Adelphoi (ADL) coin. These will be tokenized on the blockchain as the Adelshare (ADS).

- ▲ This legal entity will adhere to Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF), and Know your Customer (KYC) requirements.
- ▲ In this second phase, ADS will represent profit participation in projects, and can only be purchased with ADL coins.
- ▲ Profit participation of ADS allows its holder a respective profit participation based on one unit per ADS.
- ▲ Purchasing Adelshares (ADS) will only be possible for Adel members.

## Phase III ▲ Project Execution

The process flow for projects begins with submitting ideas to the Adel Board and the Project Review Committee for review and discussion. Ideas then proceed to the marketing stage to prepare a high-level overview document and/or presentation, its market positioning and landscape, value proposition, and unique selling points. The main purpose of this high-level document is to communicate this idea to the rest of the members.

Then the project enters the business planning stage with the guidance of the Project Review Committee and its community members. When a project plan is nearing completion then it is ready for a community vote. Members will vote on the project based on the combined weighted value of ADL in their wallet (and ADS, once this token is available). The voting process anticipates three main outcomes:

- ▲ There will be members who vote **no** to a project's business plan.
- ▲ There will be members who vote **yes** to a project's business plan<sup>3</sup>.
- ▲ There will be **non-active** voters who do not vote at all.



Approved projects will take one of four forms:

▲ **Community Projects** ▲ **Majority Approved Projects** ▲ Voting results are tallied and if the community's **yes** result is greater than 50%, then it is designated a Community Project. Here is an example of how community funding will work:

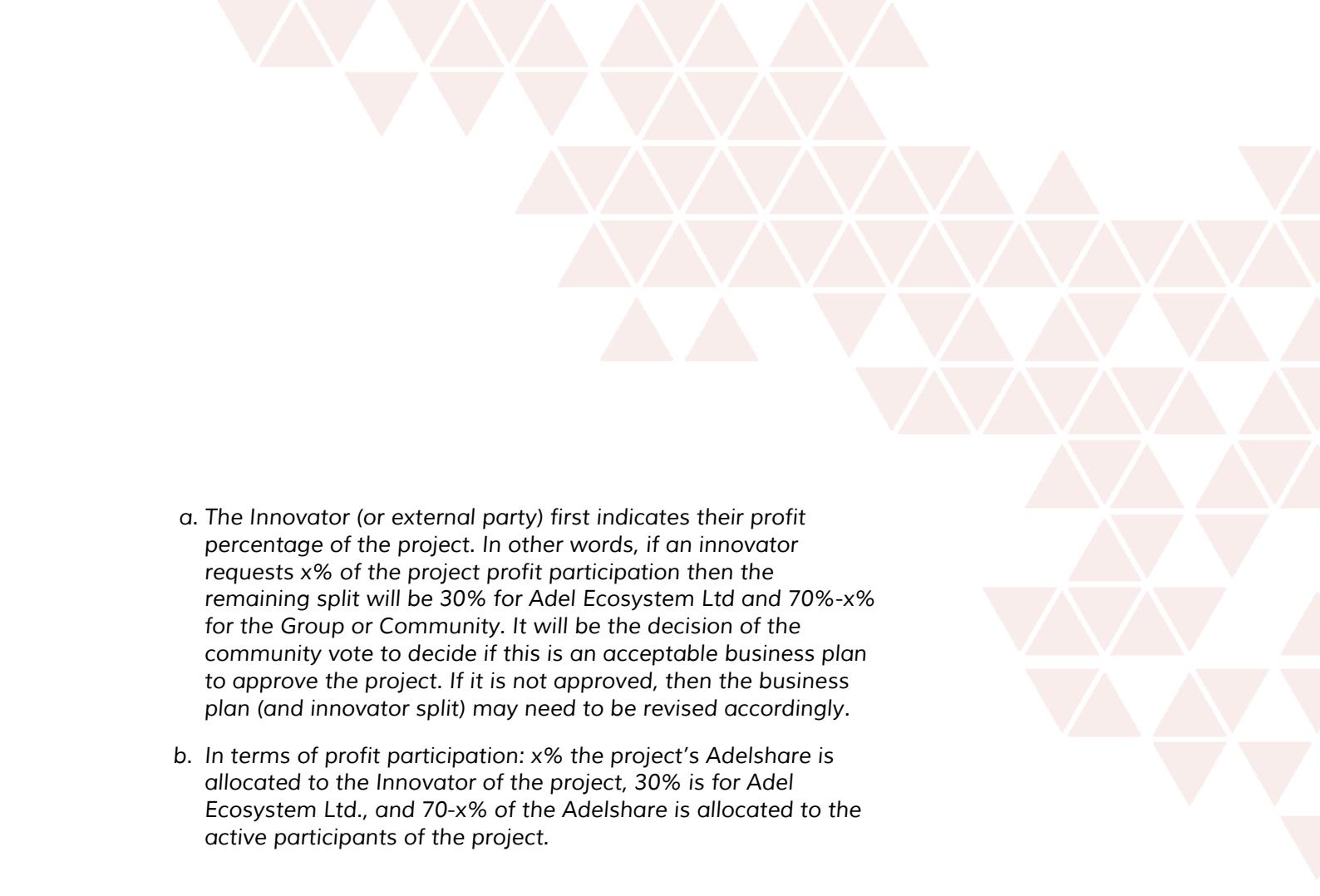
- a. Once the second phase investment vehicle is established, members will be invited to create a community-pooled fund by using their ADL to purchase ADS. Their wallet will reflect their profit stake in the pooled fund as a representation of their profit participation and for future dividends for community projects.
- b. When the threshold of ADS is raised for the community fund, the seed capital will be released from the BTC repository (collected during the ICO) to begin funding the community project.
- c. In terms of profit participation, 30% of community projects will be allocated to Adel and 70% will reside with members who own the ADS tokens.

▲ **Group Projects** ▲ **Minority Approved Projects** ▲ If less than 50% of the community says **yes** to a project, then the project can become a Group Project:

- a. Projects are funded by members who have purchased ADS in the project – forming a "group". Group participants can choose how many ADL from their wallet they wish to use to purchase ADS tokens. Adelshares are the representation of a member's profit participation in a project.
- b. Once the required ADS profit participation tokens have been purchased by members then Adel's BTC repository will be used as seed-fund the project.

Only active voters in a group project (those that actually voted "yes" or "no" in the voting window) can fund the project and become a participant to that project. This is to ensure a maximum number of members participate in the voting process:  
**You need to vote to participate.**

▲ **Innovator Group Projects** ▲ **Innovator Community Projects** ▲ These are projects where an idea is submitted by an Innovator (a member of the community) or from external party with an existing product or service.

- 
- a. The Innovator (or external party) first indicates their profit percentage of the project. In other words, if an innovator requests  $x\%$  of the project profit participation then the remaining split will be 30% for Adel Ecosystem Ltd and  $70\%-x\%$  for the Group or Community. It will be the decision of the community vote to decide if this is an acceptable business plan to approve the project. If it is not approved, then the business plan (and innovator split) may need to be revised accordingly.
  - b. In terms of profit participation:  $x\%$  the project's Adelshare is allocated to the Innovator of the project, 30% is for Adel Ecosystem Ltd., and  $70\%-x\%$  of the Adelshare is allocated to the active participants of the project.

## Ecosystem

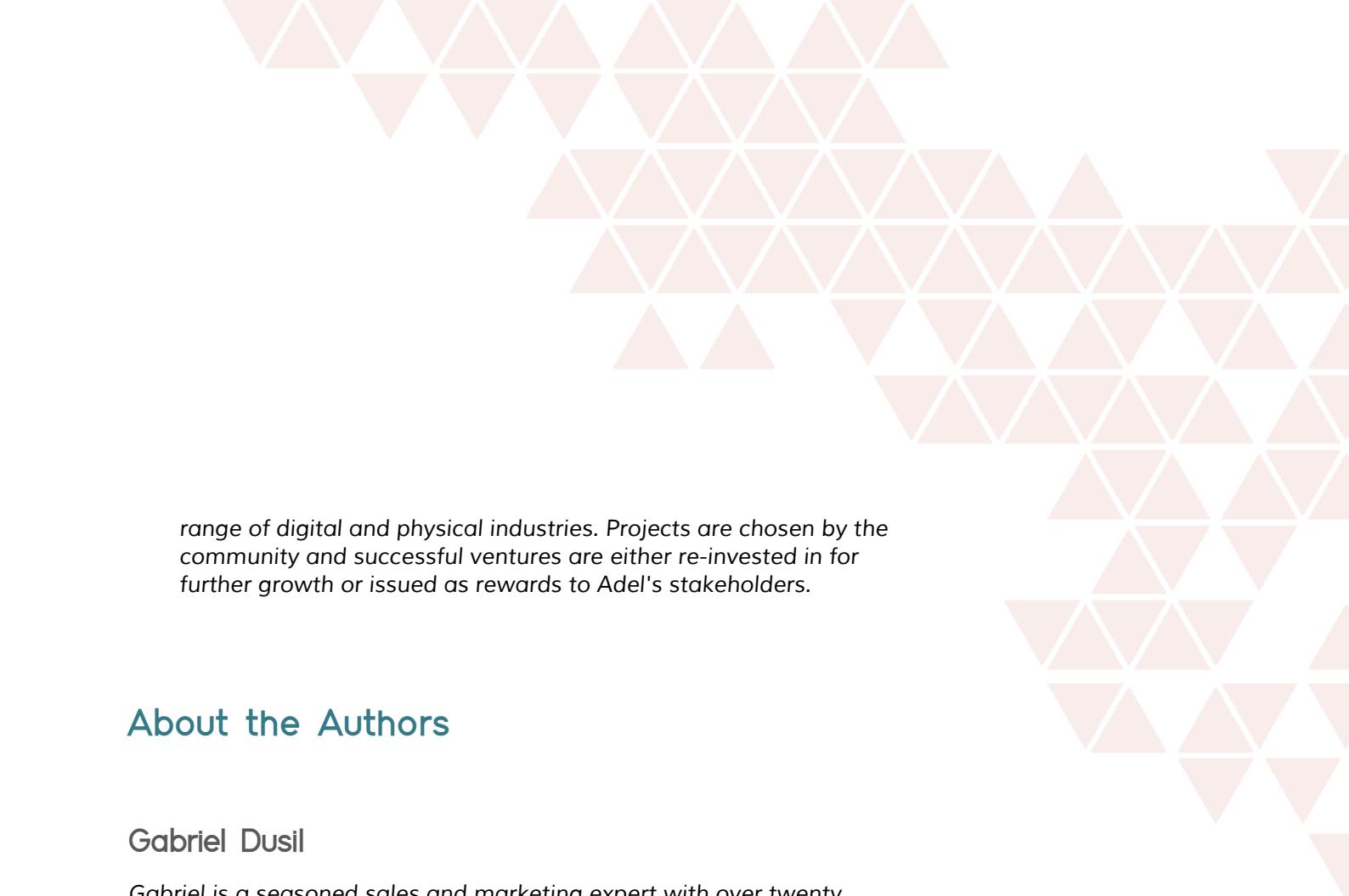
Building our ecosystem will be a learning process. Not just for the community members, but also its leadership. Our goal is to find balance between a healthy ecosystem where innovation and collaboration can flourish, while maintaining a best effort approach to legal compliance and future legislation. There are many challenges that the ecosystem will face. Particularly a market where technology leads and legislation lags.

Adel is trail-blazing blockchain startups into mainstream economics. We seek to build a path that is safe, ethical, and principled. There are many obstacles along the way, but we have accepted them as an opportunity and a challenge. It is our mission to create a strong and stable incubator for blockchain innovation, and build projects that will change the future.

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## References

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<sup>1</sup> There will be no asset rights or dividends associated with the Adelphoi coin.

<sup>2</sup> This minimum incorporates ICO contribution bonuses earned throughout different stages of the ICO.

<sup>3</sup> If the amount of "yes" votes is deemed too small to be even a group project, then it could be shelved and revisited at a future date if ample enhancements can be made. Or the project plan could be combined with another idea to make it more viable. As more projects enter the community, then there are more possibilities for combining innovative ideas.

# White Paper



Cornerstone  
ICO Compensation Plan  
Participant Example  
ICO Thresholds  
ICO Voting  
Future Developments

## Foundation of a Community Accelerator

### ▲ Roadmap Series

By: Michal Vavrek, Founder & Board Member, Adel  
Gabriel Dusil, Co-founder & Board Member, Adel

## Abstract

Adel is passionate about creating a robust platform for blockchain innovation. We have great plans for the ecosystem. It is our intention to move forward with building the Adel ecosystem and progressing with our roadmap<sup>1</sup>. For this reason, and in light of the ICO funding progress to date, we have prepared this revised and compelling roadmap for participants of the ICO.

Our platform represents a unique opportunity for blockchain startups to be successful. Adel has strong leadership and expertise to make this happen, and it is our feeling that participants of the ICO also believe in our vision. The following plan, outlined in this paper, is a win-win from several angles:

- ▲ ICO participants have the ability to receive a **new 20% Post-ICO bonus** on their contributions - in addition to the **ICO Bonuses** achieved through the ICO.
- ▲ Contributors will receive **higher market value** for their ADL coins.
- ▲ The Adel Reserve (explained below) will enable the ability to **raise further capital** for new projects.
- ▲ Members of the community will benefit from the **liquidity** of the ADL coin.

## Cornerstone

Adel strongly believes in the vision of a collaborative community that will collectively create the foundations for launching successful projects.

Adel initially established 900 BTCs as a minimum to begin phase two<sup>2</sup> of the ecosystem's development. This phase entails: building the community, creating a legal structure for community members to participate in the community, and launching a selection of voted projects. From this minimum, 30% (270 BTC) was allocated to fund this process.

Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF) and Know your Customer (KYC) compliance processes were necessary steps to protect the community. With cryptocurrencies becoming mainstream, it is only a matter of time before all projects comply with effective legislation and regulatory oversight. Adel took on this challenge as the first ICO to be compliant to regulations. With the proposed amendment of the European Union 4<sup>th</sup> AMLD (Anti-money Laundering Directive) explicitly regulating providers of virtual currencies services, which now awaits EU Parliament 1<sup>st</sup> reading, it is more than likely that compliance will be enforced on all crypto exchanges and wallet providers. On the other hand, these measures have attracted serious business executives who are interested in building Adel.

By establishing our legal entity, Adel Ecosystem Ltd., and registering as a Designated Business with the Isle of Man Financial Services Authority, Adelphoi is in line with valid laws and its AML compliance procedures are duly documented. We have also stated our future intention to release the Adelshare (ADS) token so that members will have profit participation and profit sharing rights. In addition, we have hired a team of finance, legal, and investment experts to design the second phase of our strategy. We are proud to say that the foundations laid in phase one complement the processes we will have road mapped in phase two.

Adel fully intends to bring the community together and have everyone who invested over 1 BTC to become part of the community. Adel is ready to take on any project blockchain idea and turn it into a successful mainstream product. However, before we do this, we need to hold a vote in order to decide the path Adel should take based on the following proposal.

## ICO Compensation Plan

With 900 BTC as our publicized minimum, this entailed a reserve of 30% (i.e. 270 BTC) to implement Adel's second phase. The remaining 70% BTC would be used to fund community projects. In light of the current ICO crowdfund status, we have prepared a revised plan to ensure that enough seed capital will exist to sustain Adel's growth for the foreseeable future. For this reason, we propose following:

Adel will establish a fixed rate for the Adel coin (i.e. based on the minimum amount required in the ICO). This fixed rate will be the initial market value for the ADL coin on exchanges:

$$\begin{aligned} \text{ADL Fixed Rate} &= \frac{28,333,333 \text{ ADL}}{900 \text{ BTC}} = 31,481.5 \frac{\text{ADL}}{\text{BTC}} \\ &= 0.00003176 \frac{\text{BTC}}{\text{ADL}} \end{aligned}$$

The following example is based on Adel collecting **380 BTC** from ICO contributions. The calculations below will be readjusted based on the final amount collected at the end of the 1<sup>st</sup> ICO (the accompanying

spreadsheet can be used to calculate the final figures). Therefore, Adel will distribute a proportional percentage of 28,333,333 ADL coins to ICO participants, calculated as follows:

$$\begin{aligned}
 \textbf{ICO Participant Allocation} &= \frac{380 \text{ BTC}}{900 \text{ BTC}} = 42.2\% \\
 &= 28,333,333 * \frac{380 \text{ BTC}}{900 \text{ BTC}} \\
 &= \mathbf{11,962,963 \text{ ADL}}
 \end{aligned}$$

- ▲ Adel will offer a new **favorable rate to ICO participants** to reward their confidence in Adel's vision. On this basis, an additional **20%** will be allocated from the **Adel Reserve** (see below) for **Post-ICO Participant Bonuses** (this is in addition to bonuses received during the ICO):

$$\begin{aligned}
 \textbf{Post-ICO Participant Bonuses} &= 11,962,963 * 20\% \\
 &= \mathbf{2,392,593 \text{ ADL}}
 \end{aligned}$$

- ▲ An **ADL reserve**, retained by the Adel Ecosystem to raise funds for future project profit, will be calculated as follows:

$$\begin{aligned}
 \textbf{ADL Reserve} &= 28,333,333 - \text{Participant Allocation} \\
 &\quad - \text{PostICO Participant Bonuses} - \text{ICO Bonuses} \\
 &= 28,333,333 - 11,962,963 - 2,392,593 - \text{ICO Bonuses} \\
 &= \mathbf{13,977,778 - \text{ICO Bonuses}}
 \end{aligned}$$

- ▲ The exact value of the ICO bonuses will not be known until the end of the ICO, and will be calculated from the contributions of all ICO participants.
- ▲ The **ADL Reserve** will initially be traded on exchanges at the fixed rate calculated above = **0.00003176 ADL per BTC**. The BTC obtained will remain in escrow until the investment entity and the Adelshare ADS token is established (roadmap: phase two).

Adel is currently negotiating with exchanges to list our ADL coin. Listing ADL on exchanges will allow for a new wave of investors to join the community after the ICO, and potentially raise the value of ADL substantially after the ICO.



## Participant Example

The accompanying spreadsheet can be used to calculate the Adel Wallet for any ICO participant. In this example, we assume that a participant has their Dashboard showing the following details:

- **Your Share:** **2.276%** (Voting power will be recalculated based on active members)
- Your Contributions: **5.0072 BTC**
- Adel Coins: **644,866 ADL** (Wallet is recalculated below)
- Voting Bonus (Account tab): **0.8763** (or **17.50%** averaged ICO bonus = "effective BTCs").

▲ First of all, the participant's Adel coins are recalculated based on the fixed rate above, **31,481.5 ADL per BTC**, as follows:

$$\begin{aligned} \textit{Post - ICO Wallet} &= 5.0072 \text{ BTC} * 31,481.5 \frac{\text{ADL}}{\text{BTC}} \\ &= 157,634 \text{ ADL} \end{aligned}$$

- ▲ Secondly, their voting bonus is converted to an **ICO bonus** as follows:

$$\begin{aligned} \textbf{ICO Bonus} &= 157,634 * 17.50\% \\ &= \mathbf{27,587 ADL} \end{aligned}$$

- ▲ Thirdly, their **Post-ICO Participant Bonuses** is calculated as follows:

$$\begin{aligned} \textbf{Post-ICO Participant Bonus} &= 157,634 * 20\% \\ &= \mathbf{31,527 ADL} \end{aligned}$$

- ▲ This participant's effective ADL return on investment is their **ICO bonus + Post-ICO Participant Bonuses**:  $17.50\% + 20\% = 37.53\%$ .  
▲ From the figures above, their wallet and total bonuses are calculated as follows:

$$\begin{aligned} \textbf{ICO Wallet} &= 157,634 + \textbf{ICO Bonus} + \textbf{Post-ICO Participant Bonus} \\ &= 157,634 + 27,587 + 31,527 \text{ ADL} \\ &= \mathbf{216,748 ADL} \end{aligned}$$

- ▲ Revised Dashboard:
- Your Contributions: **5.0072 BTC**
  - ICO Contributions in ADL: **157,748 ADL**
  - ADL ICO Bonus (17.50%): **27,587 ADL**
  - Post-ICO Participant Bonus (20%): **31,527 ADL**
  - Total Wallet: **216,748 ADL**
  - The participant's actual voting power will be calculated proportionally, based on the active members holding over 1 BTC in their wallet.

## ICO Thresholds



- ▲ Up to 270 BTC ▲ BTC funds up to 270 BTC will be released to Adel to fund phase two. BTCS raised from the sale of ADL on the exchanges from the **Adel Reserve** will be placed in escrow. Any BTC raised above 270 BTC will be stored in escrow.

$$\text{ICO Threshold \#1} = 900 \text{ BTC} * 30\% = 270 \text{ BTC}$$

- ▲ Up to 643 BTC ▲ This is the upper limit of the "ICO Compensation Plan" outlined above. This threshold is needed because the remaining **Adel Reserve** will be used to pay the 20% **Post-ICO Participant Bonuses**, plus the theoretical maximum of 20% paid for the **ICO Bonuses**, calculated as follows:

$$\begin{aligned} \text{ICO Threshold \#2} &= \frac{900 \text{ BTC}}{1 + (20\% + 20\%) \text{ bonuses}} \\ &= 643 \text{ BTC} \end{aligned}$$

- ▲ Above 643 BTC up to 750 BTC ▲ In this bracket, **ICO Bonuses** will be calculated on a weighted distribution as outlined in White Paper #1. But ICO participants will still receive an additional 20% **Post-ICO Participant Bonus** for their participation:

$$\begin{aligned}
 ICO\ Threshold\ #3 &= \frac{900\ BTC}{1 + 20\% \text{ Post } \cdot ICO \text{ bonus}} \\
 &= \mathbf{750\ BTC}
 \end{aligned}$$

- ▲ **Above 750 BTC** ▲ All bonuses will be calculated on a weighted distribution as outlined in White Paper #1. Voting will be held by members contributing over 1 BTC during the ICO to decide on the ICO Compensation plan above.
- ▲ **Above 900 BTC** ▲ All bonuses will be calculated on a weighted distribution as outlined in White Paper #1. No voting will be held because the ICO minimum will have been achieved.

## ICO Voting

As per the use of funds, **270 BTC** from the BTCs collected from the ICO will be released from escrow immediately after the ICO in order to build the community, portal modules, and create a legal structure for community members to participate in community investments through the ADS token (as per originally planned). BTC collected from the **Adel Reserve** and sold on the exchanges will be escrowed and released after the investment vehicle is established (phase two). In addition:

- ▲ All community members who contributed over 1 BTC will vote on the release of the **270 BTCs** to Adel based on the above plan, proportional to their voting power. The final decision on how to proceed will be made by those who have voted.
  - If the community votes "Yes", then Adel will proceed with the Post ICO Strategy (above). Adel will also assess if these funds will allow at least one global project to be launched.
  - If the community votes "No", then all BTC contributions will be refunded without bonuses. Adel will then retain all **28,333,333 ADL** to be then sold to interested parties at an initial fixed rate of **1 ADL = 0.00003176 BTC**.
- ▲ ICO Terms & Conditions will be updated to reflect the changes in this white paper.

- ▲ Participants who would like a refund of their ICO contributions before the community vote of this plan can send their request to [ico@adelphoi.io](mailto:ico@adelphoi.io). Refunds will be issued based on the email address of the participant and their BTC refund address (provided in the settings menu of their ICO module). Refunds will only be accepted before the voting window commences on these planned changes to the ICO Terms & Conditions.

In summary:

- ▲ Participants can be refunded their contributions, if they wish, before voting commences on this plan.
- ▲ Participants will be able to receive their contributions back in BTC if this plan receives a majority "No" vote from the community members who contributed over 1 BTC.
- ▲ If a majority vote to this plan is "Yes", then participants will be issued ADL coins based on their ICO contribution as per the example calculations in this paper, plus an additional 20% **Post-ICO Participant Bonus**, plus their **ICO Bonuses**.

## Future Developments

The Adel Board has ambitious plans to launch the community portal and to launch global projects owned by the community through the ADS token. Areas which have not yet been publicized and are planned for a new white paper include:

- ▲ Plans to open the first professionally managed cryptocurrency investment platform to effectively manage funds collected and traded on speculation. This will be part of a risk management strategy for community funds, and any licenses and legal entities to realize this goal will be pursued.
- ▲ Adel also plans to open a cryptocurrency trading platform for community members.
- ▲ Regarding projects, the focus will be to propose and communally enhance FinTech projects such as cryptocurrency exchange with financial instruments, Exchange-Traded Fund (ETF) investment funds, and a P2P ATM, all of which will be available for the community to vote on.

- ▲ In addition, Adel continues to strategize on business plans that will maximize value for the Adel community.

## About Adel

Adel is a community incubator for blockchain innovation.

- ▲ Adel is a global cryptocurrency community that is self-sustaining and offers its own economic ecosystem with the Adelphoi coin. Our community focuses on creating, developing, and implementing use cases involving blockchain technology that covers a wide range of digital and physical industries. Projects are chosen by the community and successful ventures are either re-invested in for further growth or issued as rewards to Adel's stakeholders.

## About the Authors

### Michal Vavrek

Michal is an entrepreneur with international experience specializing in global business development and project management. He graduated from Indiana University's Kelley School of Business with a degree in Finance and International Business and worked in various capacities in New York, Zurich and Prague. Michal is an active cryptocurrency entrepreneur with an extensive background in Forex algorithmic trading strategies and is always seeking new opportunities that maximize blockchain technologies.

## Gabriel Dusil

Gabriel is a seasoned sales and marketing expert with over twenty years of experience in senior level positions at companies such as Motorola, VeriSign (acquired by Symantec in 2010), and SecureWorks (acquired by Dell in 2011), and Cognitive Security (acquired by Cisco in 2013). His strengths lie in international business development and strategic partnerships, as well as the unique ability to translate complex ideas and technologies into language that decision makers can easily understand. Gabriel has a Bachelor's degree in Engineering Physics from McMaster University in Canada and possesses expert knowledge in blockchain incubation, cloud computing, IT security, and video streaming technologies (Over the Top Content, OTT). Gabriel also runs his own company, [Euro Tech Startups s.r.o.](#), and manages his professional blog at <https://dusil.com>.

## References

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<sup>1</sup> Reference: White paper #10, "Designing a Blockchain Incubator".

<sup>2</sup> Reference: White paper # 1, "Building a Decentralized Ecosystem"