

CONFIDENTIAL



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*Media in the Trillion Dollar Cryptocurrency Economy*

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**Whitepaper**  
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# Opportunity

## Introduction

### Media in the Trillion Dollar Cryptocurrency Economy

ClearCoin is a technology company that powers the real-time buying and selling of media on decentralized applications and the broader digital environment. In 2017, the cryptocurrency economy added hundreds of billions of dollars of market capitalization. In the next ten years, the cryptocurrency economy could add trillions of dollars of market capitalization [1]. This emerging industry has produced new decentralized applications, platforms, and distributed blockchain ledgers. New media opportunities have arisen as a result of the mainstream adoption of blockchain. Blockchain has gained acceptance because its distributed ledger technology solved the double spending problem for digital currencies. Blockchain solves similar problems for supply chains. ClearCoin works with the supply chain of the \$563 billion media and advertising industry [2]. ClearCoin (CLR) tokens power its distributed ledger blockchain technology that can improve the supply chain of the rapidly growing media and advertising industry. ClearCoin's solutions increase efficiencies and reduce the reported \$16 billion of annual ad fraud.

[1] <https://coinmarketcap.com> & <https://clearcoin.co/blockchain/trillion-dollar-cryptocurrency-economy/>

[2] <https://adexchanger.com/ad-exchange-news/friday-06162017/>

## Problem & Solution

### Problem Worth Solving

Recent years have brought many new digital advertising formats to the market. New display formats, new social formats, new video formats, and even emerging formats like virtual reality are growing in the market. With the huge growth in digital advertising spending, there has also been a growth in inaccuracies and fraud. In the

way that blockchain solved the double spending problem for digital currency, blockchain can solve the ad fraud and inaccuracy problem for digital ads.

The digital advertising market continues to add billions of dollars every year. Digital advertising is susceptible to fraud, uncertainty, and inaccuracies. A study by WPP's GroupM says ad fraud could cost businesses \$16.4 billion in 2017. The \$16.4 billion represents 20% of the total market, a very significant number. It is very important to advertisers to find a solution to the growing ad fraud problem. It has been stated by many in the industry that they are seeking a solution.



*Chart data by eMarketer.*

The digital advertising industry is fragmented and growing new fragments. Bridges are needed to keep Advertisers and Publishers close together. By keeping them close together, costs are lowered, efficiencies are increased, and transparency is increased. Blockchain presents a number of unique solutions for the advertising industry to use efficiently.

## Our Solution

ClearCoin's global advertising technology built on top of blockchain is a bold solution to the aforementioned problems. The global advertising platform connects advertisers and publishers and tracks all transactions in a proof-of-history ledger. The proof-of-history ledger is built on blockchain and helps combat ad fraud and inaccuracies.

The ClearCoin token is used to transact on the platform and can be used to support other members of the ecosystem like advertisers and publishers. The ClearCoin (CLR) token is built on the Ethereum blockchain while ClearCoin's inventory tracking blockchain is built on Hyperledger. ClearCoin (CLR) is the only token issued by ClearCoin. The ClearCoin ad platform accepts CLR tokens as a form of payment.

The ClearCoin global advertising platform will serve up key ad formats like Display, Mobile, Video, Native, Social, Audio, Television, Content, and Search. The technology will support other companies in the ecosystem such as Marketers, Brands, Agencies, Ad Networks, Publishers, Publisher Networks, Demand Side Platforms, Supply Side Platforms, and Data Providers.

## Target Market

### Market

In 2017, total ad spend is set to hit \$563 billion. The advertising market continues to see media dollars shift away from television and print toward digital formats. There are hundreds of billions of dollars up for grabs in the market. There are global advertising platforms billing \$2 billion per year that are taking on a monumental amount of traffic.

The largest internet companies in the world like Google and Facebook are seeing billions of dollars of revenue come from advertising. Digital advertising is a dominant force of equity value creation in the 21st century. Facebook and Google combined generated \$106.27 billion of advertising revenue in 2016.

Facebook and Google have an aggregation of the top media on the internet and that explains their large share of the digital advertising revenue. Even with over \$100 billion

going to Facebook and Google, there are still hundreds of billions of dollars left over for other companies to capitalize on.

The digital advertising industry started with advertisers reaching publishers directly. As the number of advertisers and publishers grew very rapidly, networks were born to help aggregate both supply and demand. Thus, there were advertiser networks and publisher networks that would group people together to create efficiencies.

As numbers continued to grow, advertising bidding platforms entered the industry to create better pricing through bidding and auctions. Then came aggregation of the demand sources and demand-side platforms were born. The demand-side platforms bid on these platforms which are hooked into publisher networks and supply-side platforms.

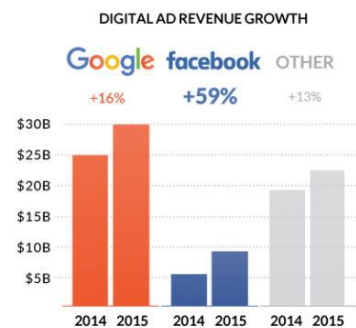
All of these intermediaries have created a new cost for the buyers of digital advertising inventory. While some efficiencies have been created, inefficiencies have also been created. More than anything, members of the industry seek transparency and a reduction of ad fraud.

Google and Facebook still own 57.6% of the digital ad market according to a study by AOL and Millennial Media.

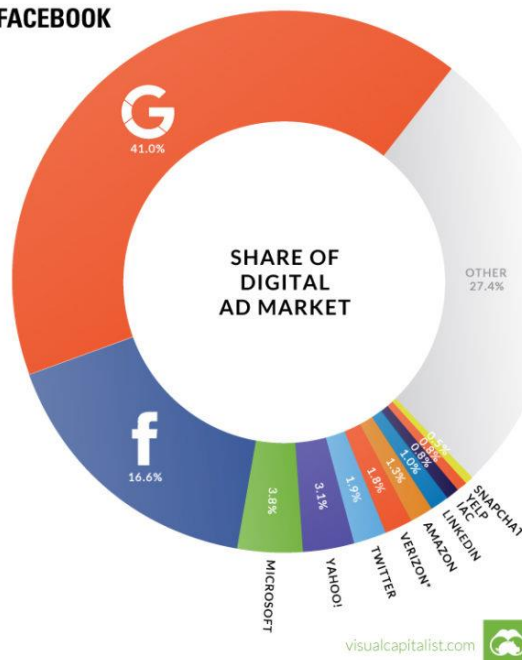
## Chart of the Week

## THE DOMINANCE OF GOOGLE AND FACEBOOK

Google and Facebook control **57.6%** of the digital ad market, and their slices of the pie are only growing.



\*AOL and Millennial Media  
Source: eMarketer



visualcapitalist.com

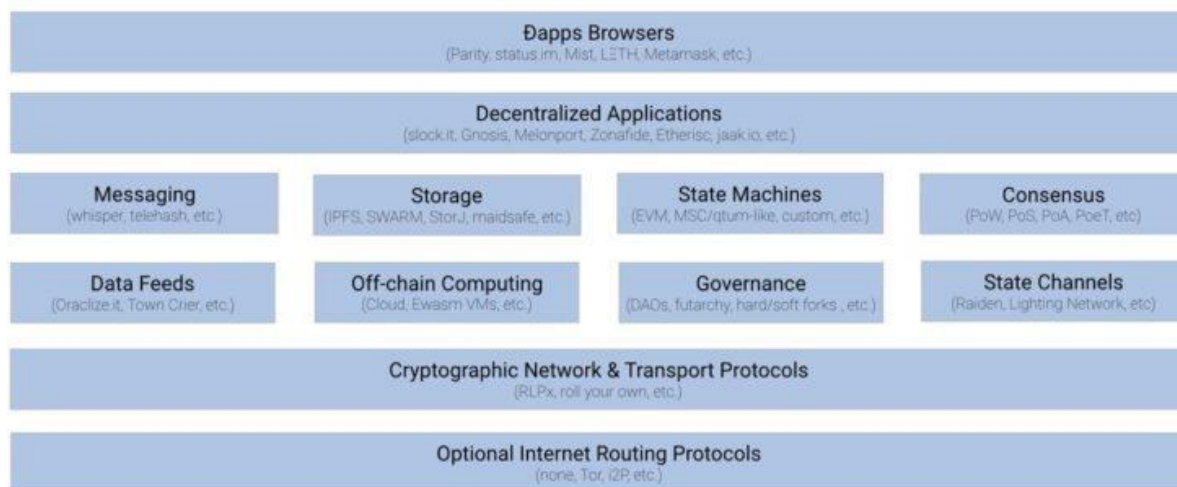
Chart data by AOL & Millennial Media & eMarketer

As we are in the dawn of Web 3.0, we believe a blockchain ad technology could gain a significant share of the overall market that is available.



## The Web 3.0 Abstracted Stack

Diagram v1.0 by @stephantul - 26 May 2017



We intend to be a major ad platform for the innovations of the Web 3.0 stack.

## Market Size & Segments

The digital share of the \$563 billion advertising industry continues to grow. In 2017, the share of digital advertising is 34.8% of the total market. The \$16.4 billion of digital advertising fraud expected to happen in 2017 can be solved by our proof-of-history ledger. It is expected that the \$16.4 billion of digital advertising fraud can increase over the years as overall advertising spending increases.

## SO Analysis

### Strengths

Produced by a team that has had great success in building successful advertising technology platforms. A team that has closed millions of dollars of investments and generated millions of dollars of revenue in the advertising technology industry. A technology that will solve problems that are persistent in the industry. Founders who have made technological integrations with other companies in the digital advertising industry.

### Opportunities

Billions of new dollars are being added to the industry every year and those dollars need new and innovative platforms to put their money into. The money in the industry will always gravitate toward the innovative and efficient new solutions that come available on the market. Old solutions that have been acquired often slow down or stop their innovation which creates opportunities for new players to take business away from them.

## Market Trends

The digital share of advertising industry spend has been growing consistently in the last decade. The digital share of the industry is expected to hit \$335 billion by the year 2020.

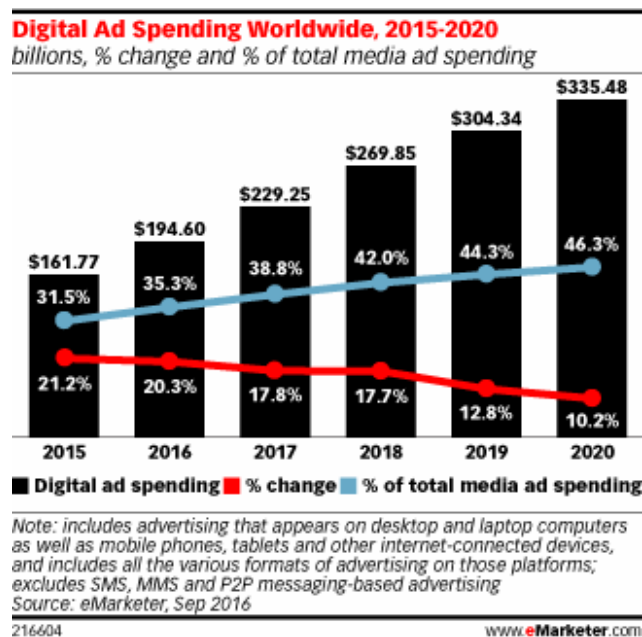
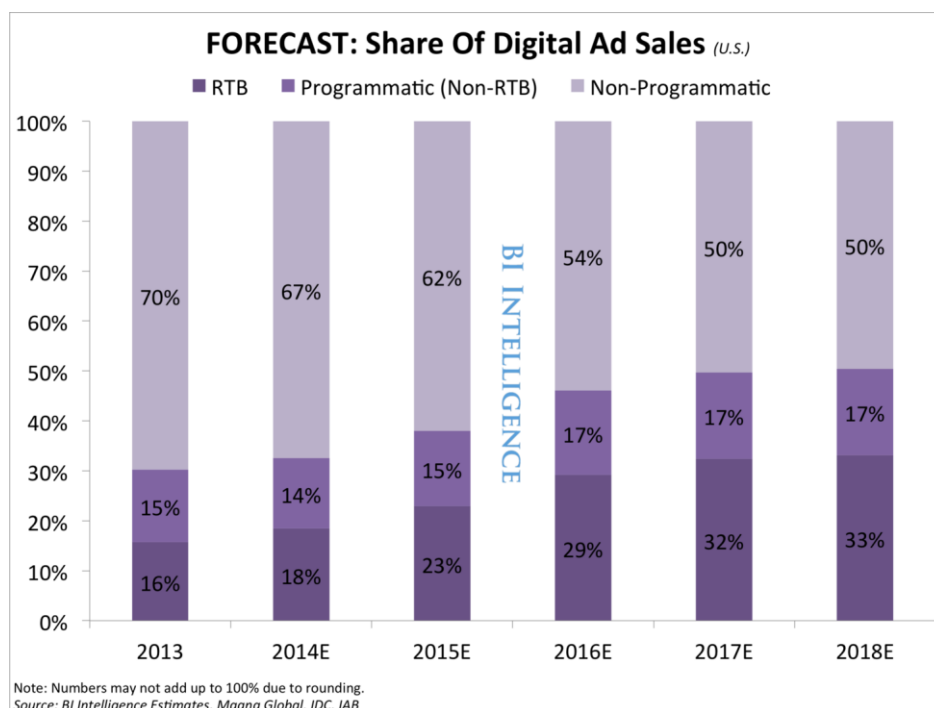


Chart data by eMarketer.

At that time, digital's % of total media ad spending will be 46.3%. It is reasonable to expect the growth will continue and cross the 50% threshold in future years.

While the digital share of the advertising industry continues to grow, this has also resulted in increased ad fraud. Presently, ad fraud may represent 20% of all digital ad spending, based on a study by WPP's GroupM. We intend that our blockchain transparency tools will help bring clarity to the industry.

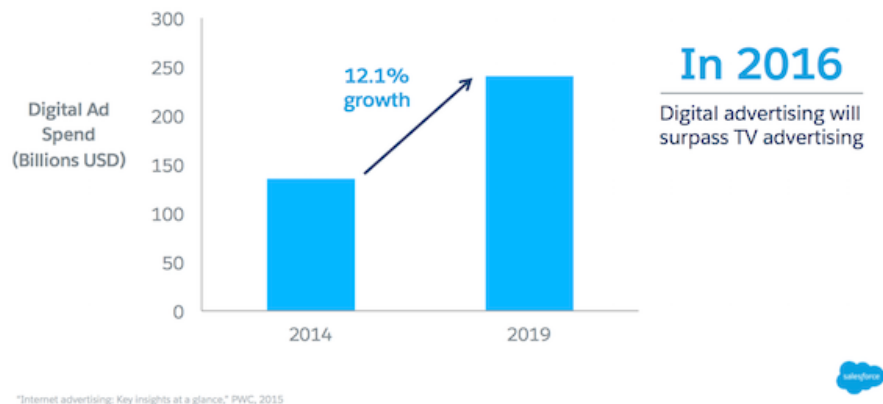
Programmatic ad buying continues to grow in market share. Programmatic ad buy was at 31% in 2013 and growing to 50% in 2018 according to a study by BI Intelligence Estimates, Magna Global, IDC, and the IAB.



*Chart data by IAB, IDC, Magna Global, & Business Insider.*

2016 was the first year for digital advertising to surpass television advertising according to a study by PWC.

### Digital Ad Spend Continues to Grow Rapidly



*Chart data by Salesforce & PWC.*

## Future Markets

The future segments of the advertising technology market include virtual reality, augmented reality, voice activation, and artificial intelligence. Our solution is built to incorporate current digital advertising formats and future digital advertising formats. The idea of the platform is to allow for any advertising format to be transacted by the technology.

In the future, we believe all advertising impressions, digital or not, could be tracked on the blockchain. The proof-of-history ledger would help advertisers and publishers determine performance, authenticity, and results of their advertising campaigns. We would intend our company's proof-of-history blockchain ledger to be the industry standard.

## Competition

### Current Alternatives

There is a vibrant digital advertising ecosystem in the world today. As of this in mid-2017, the digital ad ecosystem has not used the powerful blockchain technology that will positively build on the industry. There are many acquisitions and consolidations that have taken place in ad tech in the last ten years. There are platforms that are transacting billions of dollars every year.

Even with the alternatives, there are still billions of dollars of new spending happening every year. Companies gravitate toward the most innovative and efficient solutions that provide the best results for them and their clients. Many of the acquired companies have ceased new innovation as they integrate themselves into larger and more established companies.

### Our Advantages

Our team has been building advertising technology for many years. The team has made millions of dollars of revenue in ad tech with major clients that are household names. Additionally, the team has closed millions of dollars of venture capital from major investors to build advertising technologies. Our technology is centered around creating transparency and reducing fraud. These are chronic problems that we are bringing a unique approach to.

Many legacy advertising technology platforms have already been acquired and their innovation has slowed down or stopped completely. We are bringing the most innovative technology to an industry that is generating billions of dollars of revenue every year. The industry keeps adding billions of dollars every year as well so that creates an opportunity for us to place ourselves in a formidable position.

# Product

## Technology

### Technology

The ClearCoin technology stack is composed of five elements:

1. Blockchain Media Buys
2. Supply API for Decentralized Applications & Partners
3. Demand API for Partners
4. Blockchain Ad Protocol
5. Proof-of-History Ledger

#### 1. Blockchain Media Buys

Any media buy that our company does will be tracked on our blockchain product which uses a proof-of-history ledger tracking technology. We are currently able to take on managed services media buys for customers who hold over 5,000,000 CLR. Managed services for buyers of this size means a white glove service where our team handles the planning to buying to tracking in cooperation with the buyer. We are making this available now because it is the utility of our utility token. There are ad buyers today who will be able to use the utility token for media buying. By mid 2018, our ad platform will allow holders of any amount of CLR tokens to use the ad platform to execute ad buys.

We are building a user interface that will allow advertising buyers to execute their campaigns natively on our platform. The platform is powered by ClearCoin (CLR). The users of the platform will follow three steps to execute an advertising campaign. The three steps are outline below as Media Planning, Media Buying, and Tracking & Analytics. These are the three main steps for a user to execute an ad campaign on the platform. It allows for targeting, buying, and tracking of the ad campaign.

#### Step One: Media Planning

- Target the type of person you want to reach by demographics and psychographics.
- Demographic segmentation: Age, Gender, Household Income, Occupation, Marital Status.
- Psychographic segmentation: Personality, Motives, Lifestyles, Geodemographics.
- Target by ad format: Video, Search, Social, Native, TV, Audio, Virtual Reality.

### Step Two: Media Buying

- Flight time: campaign runs for 30 days, 60 days, or how many ever days.
- Frequency: capped impressions per day or budget per day.
- Cost model: cost per click (CPC), cost per thousand (CPM), cost per action (CPA), and cost per view (CPV).
- Target by publisher. For example: New York Times, BuzzFeed, Vice, The Economist, Los Angeles Times.

### Step Three: Tracking & Analytics

- Total impressions, clicks, actions, or views (CPM, CPC, CPA, CPV) - sortable by date
- Sentiment tracking - how do people feel about the ad (often done by survey. Do they see the brand positively or negatively?)
- Brand lift & Ad recall - measurement of behavior and perception of brand from the time the consumer is aware to when they buy. Google also measures Brand lift and Ad recall.
- Return on Investment - a quantification of the money returned to the advertiser who invested.

## 2. Supply API for Decentralized Applications & Partners

As the blockchain ecosystem is producing a new wave of decentralized applications, we intend to be the partner of choice of decentralized applications that are seeking to fill advertising inventory. While not all decentralized applications will need advertising inventory filled, there are many that will. Our supply partnerships with decentralized applications will embed our company deep in the blockchain ecosystem.

We are able to partner with other supply partners who do not fall in the category of decentralized applications. We can partner with any source of supply that can be tracked on our proof-of-history ledger. Our API will help us create and build these relationships quickly and effectively. The supply API is designed to provide a revenue opportunity to those publishers who need their ad inventory filled.

The Supply API is designed to help supply partners gain access to the buyers in our system who are seeking ad inventory.

### 3. Demand API for Partners

Demand comes in many forms in the advertising industry. It can come from an agency, a trading desk, a demand side platform, direct from the brand, and many other sources. Our Demand API is designed to help demand partners access the inventory that we have available to them. We can work with many types of demand partners in ways that help increase the transparency and effectiveness of their campaigns.

Demand partners are able to work with us through the API, through managed services, or directly through our user interface. The available features to demand partners are described in section one which is about Blockchain Media Buys. The Media Planning, Media Buying, and Tracking capabilities mentioned in that section will become available to our demand partners.

### 4. Blockchain Ad Protocol

The Blockchain Ad Protocol is protocol designed and implemented by our company. The protocol is built with the intention to track advertising impressions on the tamper-proof blockchain ledger that we have built. The intention of our Blockchain Ad Protocol is to get advertising technology companies to commit to using the ledger to help combat fraud and inaccuracies. The tamper-proof ledger allows for greater transparency and tracking of advertising impressions that are delivered.

ClearCoin is certain to lead the use of the Blockchain Ad Protocol by implementing it in our own ad buys. We will offer as a paid service for other companies to do the same. This will provide a tamper-proof ledger that can be presented to the clients who are



paying for ad impressions. The pricing for the service is likely to come as a small percentage of the total media buy.

The Blockchain Ad Protocol includes smart contracts between advertisers and publishers. We intend that smart contracts between advertisers and publishers will create an arena where all impressions delivered are tracked on the Proof-of-History ledger. This will help advertisers combat fraud and inaccuracies. The smart contract system between advertisers and publishers will allow them define campaign flight time, impressions, views, actions, or other metrics that are relevant to the campaign.

## 5. Proof-of-History Ledger

ClearCoin's revolutionary proof-of-history blockchain tracking technology is going to set the standard for the industry for years to come. In the way that blockchain solved the double spending problem for cryptocurrencies, blockchain will solve the ad fraud problem for the \$563 billion ad market.

The proof-of-history blockchain will use a ledger to record all digital advertising impressions that it has access to. Our blockchain will use encrypted data to protect the privacy of users. The ledger will serve to separate real ad impressions from fraudulent ones. The information will be a security layer against fraud in the ecosystem.

The proof-of-history blockchain serves as the foundational level to ClearCoin's total advertising solution. ClearCoin's platform will create the most direct way for advertisers to transact with publishers and users. The platform will eliminate inefficiencies and intermediaries who are creating waste in the advertising ecosystem.

The proof-of-history blockchain sits underneath the global advertising technology that integrates with demand-side platforms and supply-side platforms. The global advertising technology can also integrate with marketers, publishers, ad networks, publisher networks, agencies, brands, and data providers. The global advertising technology is a middle ground marketplace for the industry that takes a small fee to complete ad transactions.

The global advertising technology will record all transactions on the blockchain. Similar ad are transacting \$2 billion of advertising transactions every year. ClearCoin as a payment protocol in this platform will ideally be used by the advertiser to pay the publisher. The currency can serve as a settlement tool in cases of Net 30 or Net 60 payment windows.

The global advertising technology may accept fiat currency and its own ClearCoin currency together as adoption for cryptocurrency and tokens grows worldwide. ClearCoin will receive a 10% fee for each advertising transaction that happens on its platform. ClearCoin expects to become a marquee advertising platform with its revolutionary technologies.

We are using Ethereum blockchain for the hosting of the ClearCoin token. The ClearCoin token is built on ERC20 standards. We are using an independent blockchain for our proof-of-history ledger tracking technology. As the digital advertising industry is producing well over 10 billion ad impressions per day, we are building technology that will be able to track over 100,000 impressions per second.

Our global advertising platform will feature a bidding system to auction ad inventory. The bidding system will connect advertisers and publishers so they can transact ad inventory quickly and efficiently. All transactions will be recorded on our proof-of-history blockchain ledger. All dollars will also be recorded in our ledger.

During our token sale, users who register for the site are able to buy ClearCoin (CLR) tokens and store them on our platform as well. This is made possible by assigning a wallet address to each user. We will have the capability for users to move the tokens to their own wallet that is ERC20 compatible. That gives the user two options: the ability to store the tokens inside of the CLR platform and the ability to store the tokens in their own ERC20 wallet.

The flow for a user who is setting up an advertising campaign on the platform will follow these steps.

We have many communication options listed on our website including Slack, Reddit, Bitcointalk forums, Twitter, Facebook, LinkedIn, Instagram, and many other platforms.

### **Additional Information on our Built-In Platform Wallet**

At the time of this writing, the most successful platform for launching tokens is Ethereum. The ERC20 token standard has been adopted by most the lion share of companies that raised funds through ICOs. ERC20 tokens are tracked on publically scannable block explorers like Etherscan. See The ClearCoin (CLR) Token Contract on Etherscan to learn more about how our token is tracked on the website. ERC20 tokens can be sent to any Ethereum address.

Some wallets are considered “ERC20 compatible” because they allow you to input a token contract address so you can see how much of that token you have. Publically scannable block explorers like Etherscan and Ethplorer will show you your token balance regardless of whether or not your Ethereum wallet address will show you. With that said, it’s important to only send ERC20 tokens to wallet addresses that are ERC20 compatible. A few that come to mind are MyEtherWallet, MetaMask, and Mist.

Many platforms have discussed the idea of having a built-in wallet for their utility token. It makes sense because the platform is used to secure services with that token so the platform should be able to hold the token. At ClearCoin, we already have a built-in ERC20 compatible wallet for holding ClearCoin (CLR).

### **Transferring your ClearCoin (CLR) to Another Wallet Address**

This feature is to come available by the end of the token sale. The token sale is a four-month process but it may end sooner than that.

### **Private Key for the Wallet**

The private key belongs to the account that you signed up with. The private key is set to be encrypted just as your password is encrypted. The private key is only used when you choose to send your tokens to a different wallet. Many of you have used exchanges like Kraken and Poloniex or a service like Coinbase. You never see the private key on these platforms. They are using the same methodology that we’re using.

### **Receiving ClearCoin (CLR) Tokens to your Platform Wallet Address**

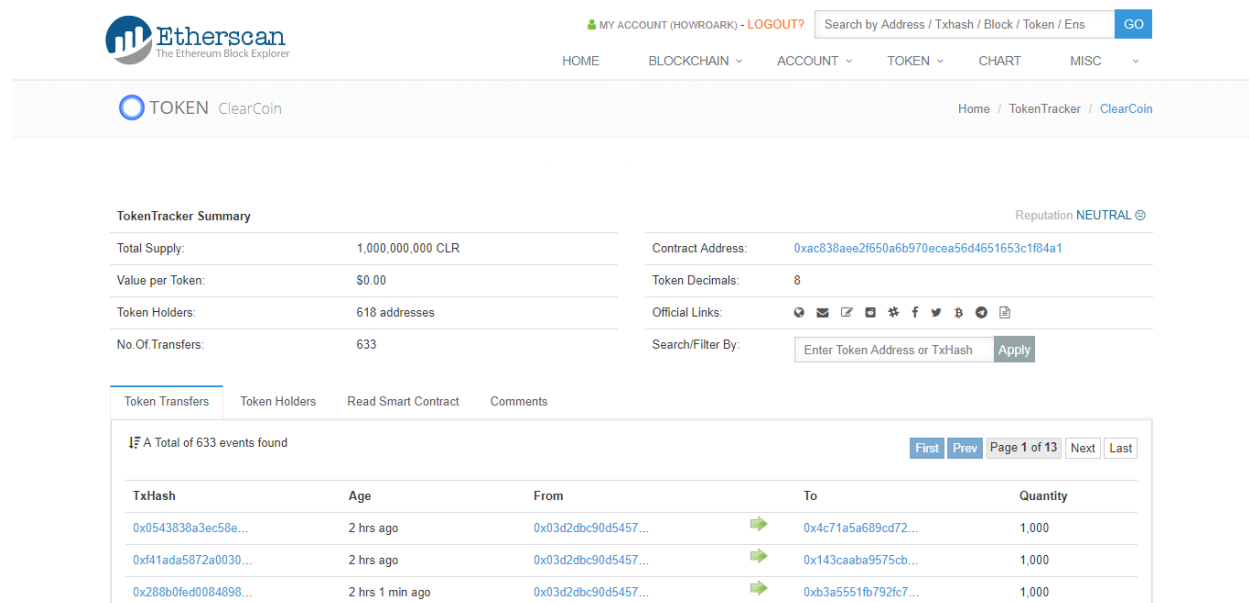
By default, all token sale purchases will be sent to your built-in platform wallet address. You can learn more about this process on The Guide to Buying ClearCoin (CLR) Tokens blog post.

### **Additional Information on the ClearCoin (CLR) Token Contract on Etherscan**

We are really big fans of the Etherscan Ethereum Block Explorer tool. The service offers a seamless and integrated way to explore block activity on the Ethereum network. In addition to the activity of Ether (ETH), all ERC20 tokens can be explored on the platform. This means that all transactions, token holders, and other data are publicly available for scanning. The identities behind user addresses are generally unknown. Etherscan is a great example of the promise of a good blockchain because it is a tool that allows people to publically scan the ledger for activity.

The ClearCoin (CLR) token contract address is 0xac838aee2f650a6b970ecea56d4651653c1f84a1 and our token contract can be explored using that address. All token transactions are listed within that contract address. Additionally, the token holders and smart contract data can be reviewed.

The current view of the contract on Etherscan appears as follows. The reputation will remain NEUTRAL on Etherscan until an exchange listing happens.



The screenshot shows the Etherscan TokenTracker page for ClearCoin. The top navigation bar includes links for HOME, BLOCKCHAIN, ACCOUNT, TOKEN, CHART, and MISC. The main header displays the Etherscan logo and the token name 'ClearCoin'. The TokenTracker Summary section provides key statistics: Total Supply (1,000,000,000 CLR), Value per Token (\$0.00), Token Holders (618 addresses), and No. Of Transfers (633). The Reputation is listed as NEUTRAL. The Contract Address is 0xac838aee2f650a6b970ecea56d4651653c1f84a1. The Token Decimals are 8. The Official Links section includes icons for various social media and utility links. The Search/Filter By section has a text input field and an Apply button. Below the summary, there are tabs for Token Transfers, Token Holders, Read Smart Contract, and Comments. The Token Transfers tab is active, showing a table of transactions. The table has columns for TxHash, Age, From, To, and Quantity. It displays three transactions, all with a quantity of 1,000. The first transaction is from 0x0543838a3ec58e... to 0x4c71a5a689cd72... The second is from 0xf41ada5872a0030... to 0x143caaba9575cb... The third is from 0x288b0fed0084898... to 0xb3a5551fb792fc7... The table is paginated, showing Page 1 of 13.

TxHash	Age	From	To	Quantity
0x0543838a3ec58e...	2 hrs ago	0x03d2dbc90d5457...	0x4c71a5a689cd72...	1,000
0xf41ada5872a0030...	2 hrs ago	0x03d2dbc90d5457...	0x143caaba9575cb...	1,000
0x288b0fed0084898...	2 hrs 1 min ago	0x03d2dbc90d5457...	0xb3a5551fb792fc7...	1,000

## The Scannable Ledger

Etherscan served as an inspiration for the scannable ledger product that we are building. Part of our product offering is all advertising impressions from media buys tracked on our blockchain. We understand that advertiser and publisher identities are important to be secret. In solving the ad fraud issue, a scannable ledger of impressions that are deemed to be authentic and inauthentic seems like a logical step forward for the industry.

Public search engines for the advertising industry seem to be more accepted now as evidenced by the popularity of Moat, an advertising search engine. The advertising industry has embraced Moat as a key player for brand intelligence and analytics. Making the work of the advertising industry public is an ongoing trend. Display ads can live a long time on the Moat search engine and video ads can live a long time on YouTube. The next stage is helping advertisers ensure all of their impressions are indeed authentic.

## Partners & Resources

ClearCoin intends to work with all relevant members of the advertising ecosystem. This includes demand-side platforms (DSP), supply-side platforms (SSP), ad networks, publisher networks, data providers, and more. Integrating with the ecosystem will help us collaborate with others to combat ad fraud and bring true transparency to the advertising market. Other types of partners we can take on include ad servers, data management platforms, publisher tools, attribution tools, measurement and analytic platforms, data suppliers, and more.

Our own API's will give us an opportunity to create new relationships with relevant companies in our industry. The advertising technology community is a highly cooperative group and new technology partnerships keep the market efficient. New partnerships ensure that the best technology comes available to the whole market quickly. Partnerships with technology companies is a benefit and that extends in the agency holding company business and their trading desks.

The five major agency holding companies are WPP, Omnicom Group, Interpublic Group, Publicis Group, and Dentsu. Agency trading desks include Accuen, Xaxis, Vivaki, Cadreon, Accordant Media, Adnetik, and others. Trading desks and their agencies bringing a significant demand in the form of billions of dollars of advertising spend every year. Partnerships in the agency world are important to help them grow their business and deliver on the latest improvements in technological efficiency.

The intention is that greater technological efficiency will result in budgets spent more efficiently and with a greater return on ad spend (ROAS). We intend that our technological breakthroughs will result in greater efficiency and ROAS.

## Intellectual Property

ClearCoin is securing patents on the revolutionary technologies described in this whitepaper. The company is pursuing an aggressive Intellectual Property strategy which includes patents on the main product and legal action against those who infringe on our patents. The company is securing appropriate trademarks as well.

## Roadmap

Here is the roadmap that is also posted on our website.

June 1, 2018 - The user interface becomes available for all users to execute their media buys.

December 1, 2018 - The Proof-of-History ledger becomes fully available for the public to scan and browse.

June 1, 2019 - Blockchain Media Buys are now being tracked automatically on the Proof-of-History ledger. The technology is made available for other companies to use.

December 1, 2019 - The Blockchain Ad Protocol is available for our company to track media buys and other companies that would like to do the same.

June 1, 2020 - The Supply API is fully available for decentralized applications and other publishers.

December 1, 2020 - The Demand API is fully available for partners with media buying demand.

During the entire period there will be improvements to ad targeting, ad buying, and tracking and analytics. We will consistently improve the availability of ad formats, ad inventory, and buying options.

## Marketing & Sales

### Marketing Plan

Marketing for us starts with having a remarkable company with good technology. Technology that truly improves efficiency will spread by peer recommendations. There are marketing technologies that we can use ourselves to build and grow our relationships to members of the advertising community. These are relationships that result in greater revenue and publicity.

There are a number of ways to reach a customer. Communication tools have been growing in number since the dawn of time. Now with the digital medium, there are a number of areas where you can reach a customer. Their email inbox, their search engine, their social news feed, their video platform of choice, and many more. Good marketing has a good frequency of communication, an agreement of reality with the customer, and a level of affinity in the marketplace.

Any platform that is available to us to build a positive communication with the end customer is a platform that we will use. We think of marketing as an inbound process or an outbound process. An inbound process is the customer finding the company. They may find the company through a blog post, social media post, or a landing page. Creating content is creating an asset that lives forever and can be searched by anyone forever. An outbound marketing process is usually broadcast to a larger audience.

Our team members are pioneers in important digital advertising segments like video, viral, native, and content. Their background in marketing these new segments and creating market space for the segments is very relevant to ClearCoin. The marketing plan is to build a new segment within the industry to clearly distinguish the company and its position within the ecosystem.

One part of our marketing strategy is intended to create new market space within our industry. Being a leader in developing blockchain technologies for the digital advertising industry is important to us. We believe that creating a good product is an effective form of marketing. Having a good product inspires people to talk about their positive experience with the product.

The majority of our early budgets are allocated to product development with a smaller amount allocated to marketing. One reason is our founders are familiar with the lowest cost and most efficient forms of viral marketing available today. We're able to reach greater amounts of people with a lower budget. Our team members have executed viral advertising campaigns for the largest brands in the world including Coca-Cola, Pepsi, Procter & Gamble, and more. This knowledge and execution of viral advertising will help with the marketing of the ClearCoin product.



## Sales Plan & Key Customers

The first set of customers for ClearCoin will be demand-side platforms and supply-side platforms. These companies are seeking a transparent way to combat ad fraud and provide value to their customers. We see ourselves as the blockchain solution for them to take advantage of this new technology.

ClearCoin will use key relationships in the advertising industry for its first set of customers. The first set of customers will be members of the ecosystem with demand-side partners and supply-side partners. Adding demand-side and supply-side partners will generate new revenue for the business. Members of the advertising ecosystem are early adopters when there is a new technology that gives better results.

We are accepting managed services blockchain media buys at this time. Companies that are interested in executing a media buy larger than \$100,000 can participate. These campaigns will be tracked on our proof-of-history blockchain ledger. The campaigns will likely be the first campaigns to be tracked on this ledger. The ledger is an important part of ClearCoin's technology offering for the advertising industry.

Companies continue to seek out advertising that delivers the greatest return on ad spend (ROAS) and connection to their customer. These technologies have changed and evolved over the years. We see our position in the market as very relevant to the time. There is a proliferation of new websites and content being created all the time. New advertising inventory is coming available all the time.

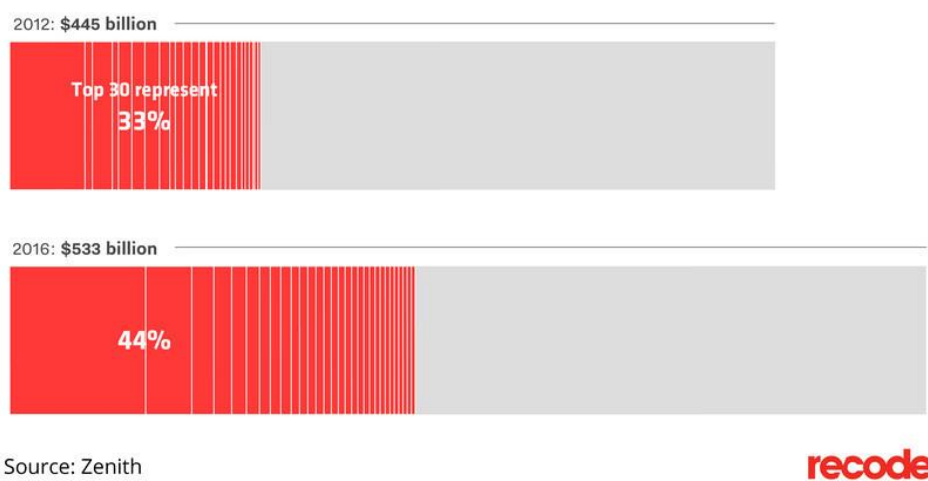
There is a problem of advertising impressions that are non-human. There are security companies and APIs that exist to help in the tracking of non-human activity. Our proof-of-history ledger is tamper proof and cannot be changed by anyone. We believe the availability of our ledger will help the advertising industry steer clear of non-human activity that results in wasted budgets.

The above factors we believe will convey the value proposition of our technology to the market. We intend to be cooperative with the existing community of advertising technology companies. There is a great deal of partnership in the advertising technology community and that serves to benefit new and old companies alike.

The plan is to have the globe's top advertisers and publishers participate on our platform. Our founders have acquired this tier of customers in their previously founded advertising technology companies. With our message of the greatest transparency, best cost, reduction in ad fraud, and an increase of ad safety, we believe the industry will adopt our technology with great enthusiasm.

### Bigger slice of global ad revenue

The top-30 companies by global ad revenue represent an increasing share of the total.



*Chart data by Zenith Optimedia.*

It is a well known fact that major companies are spending the most on digital advertising. A study by Zenith puts global ad spending by the Top 30 companies at 44%. Historically, our team has made a habit of working with Fortune 500 companies on advertising campaigns. We intend to continue working with the largest companies as the greatest amount of ad revenue is coming from those companies.

## Milestones & Metrics

ClearCoin makes adjustments based on statistical data. The metrics for the business include, but are not limited to, the following segments.

- Number of advertisers on the platform
- Number of publishers on the platform
- Advertising spend on the platform
- Advertising transactions
- Impressions delivered
- Gross Margin
- Market capitalization of CLR tokens
- Price of CLR tokens

# Company

## Overview

### Ownership & Structure

ClearCoin is organized as a corporation in Delaware under the name Oath Capital, Inc. Any ClearCoins (CLR) held by the company's treasury are owned by Oath Capital, Inc. The company is planning to rename the Delaware corporation to ClearCoin, Inc.

### Company history

Our company started with a leading ad tech founder that has been in the technology business for his whole career. Jay started building technology in 2003 for a gaming website when he was in his first year of high school. He has went on to start successful technology ventures.

November 1, 2008 - Bitcoin Whitepaper - Satoshi Nakamoto publishes a research paper describing a design for a digital currency called Bitcoin.

November 11, 2008 - Viral Media Solutions - What became Viral Media Solutions was founded by Jay Singh in Amherst, Massachusetts.

December 31, 2010 - Amherst, Massachusetts - Satoshi Nakamoto chooses Gavin Andresen of Amherst, Massachusetts to be the Chief Developer of Bitcoin source code.

April 15, 2011 - Ad Tech at Scale - Viral Media Solutions has worked on advertising technology campaigns for major brands like Coca-Cola, Pepsi, Procter & Gamble, and Sears.

March 1, 2012 - ViralGains - Jay Singh begins development on ViralGains, a leading advertising technology company that has gone on to close \$30 million of venture capital.

November 27, 2013 - 2013 Rally - Bitcoin price tops \$1,000 for the first time. Jay is fundraising for ViralGains at global accelerator 500 Startups in Silicon Valley where he meets cryptocurrency startup founders.

January 1, 2015 - New Algorithms - By the start of 2015, Jay has finished up his work with ViralGains and starts developing new technologies and algorithms which serve as the basis for ClearCoin.

January 1, 2017 - ClearCoin - The research and development for ClearCoin goes full-time.

November 18, 2017 - The ClearCoin token sale is live. Blockchain-based media buys are available to anyone with 5,000,000 CLR or more. The token sale will run through March 31, 2018.

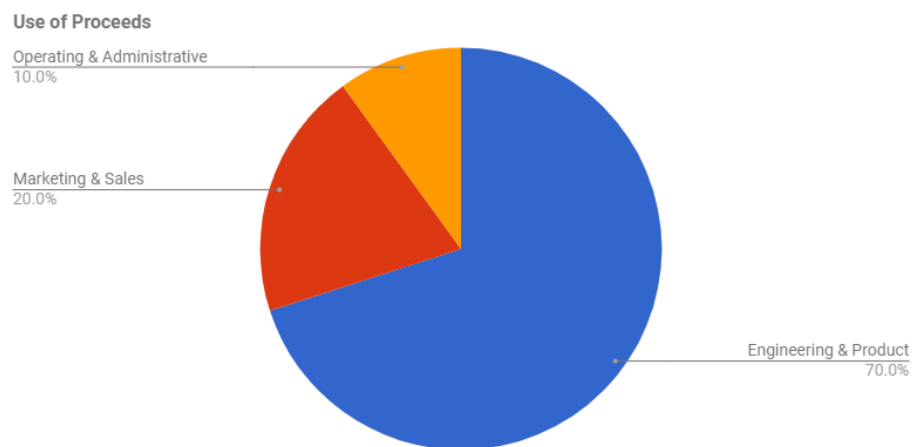
## Regulatory Requirements

ClearCoin is complying with all regulatory requirements for its business. This means cooperation with state governments, federal governments, and their regulators. ClearCoin (CLR) falls in the category of a utility token (also known as an appcoin). ClearCoin is not considered a security or a virtual currency.

Ownership of CLR carries no rights, express or implied, other than the right to use CLR as a means to obtain Services, and to enable usage of and interaction with the Platform, if successfully completed and deployed. In particular, you understand and accept that CLR do not represent or confer any ownership right or stake, share or security or equivalent rights, or any right to receive future revenue shares, intellectual property rights or any other form of participation in or relating to the Platform, and/or Company and its corporate affiliates, other than rights relating to the receipt of Services and use of the Platform. CLR are not intended to be a digital currency, security, commodity or any other kind of financial instrument.

## Use of funds

There are 1 billion total ClearCoin (CLR) tokens. During the ClearCoin (CLR) token sale, there are 800 million (80%) CLR tokens for sale to the public. 200 million (20%) CLR tokens are reserved for the development fund to compensate the developers of the project. The token sale will from November 18, 2017 through March 31, 2018. The token price starts at \$0.01 and the price increases every 3 days.



The token sale for ClearCoin is for utility tokens (appcoins) that are to be used on the ClearCoin platform. The proceeds from the sale of ClearCoin are as follows:

- 70% Engineering & Product
- 20% Marketing & Sales
- 10% Operating & Administrative

We place a heavy emphasis on Engineering & Product because in our market the best and most efficient technology will win. Marketing & Sales come naturally when a product is highly effective and efficient at what it does. As Jeff Bezos once said: "The

balance of power is shifting toward consumers and away from companies... The right way to respond to this if you are a company is to put the vast majority of your energy, attention and dollars into building a great product or service and put a smaller amount into shouting about it, marketing it."

## **Risks & Mitigation**

## **Team**

### **Management team**

The biographies for the management team are available below.

#### **Jay Singh, Founder & Chief Executive Officer**

Jay has spent 14 years in technology. His ad tech companies have produced millions of dollars of revenue. Jay has closed millions of dollars of venture capital with well-known Silicon Valley investors. He has worked with brands like Pepsi and Coca-Cola on their digital advertising. Jay founded the company VG in 2012, which has closed \$30 million of venture capital with dozens of Fortune 500 customers. He founded the company Viral Media Solutions in 2008, which advertised for brands like Coca-Cola and Procter & Gamble. Jay's history of starting valuable advertising technology companies has exposed him to all aspects of the business: engineering, product, operations, finance, sales, and marketing. Jay has managed teams as large as 25 people. He is an alumnus of the major global technology accelerators MassChallenge and 500 Startups. Jay studied Business & Marketing at Suffolk University and the University of Massachusetts Amherst. Jay is based in Burbank, California.

#### **Taylor Short, Chief Technology Officer**

Taylor has been an engineer and user experience designer for six years. He's built products that incorporate modern artificial intelligence, 3D data mining, and remote

digital employees. Taylor works with back-end technologies like Tensorflow, Jupyter, Flask, Nodejs, NPM, and Matplotlib. He works with front-end technologies like Sketch, Reactjs, Typecript, Sass, Nuclide, Relay, and D3. In 2013, Taylor started Soulbot Automation Agency, a technology business that creates Remote Digital Employees (RDEs) for companies seeking to create automation in their business. In recent years, Taylor has written code for blockchain and smart contract technologies. Elliot is one of the top UX writers on the publishing platform Medium. He has published articles under the name Elliot Soren on topics like “A Beginners Guide to Making Yourself Artificially Intelligent” and “The Evolution Process From A Junior Level Designer to Becoming a Design Lead.”

### **Tammy Leigh Kahn, Chief Operating Officer**

Tammy works with ClearCoin on product development, market strategy, and streamlining operations. Tammy has spent a total of 15 years in digital marketing, e-commerce, and business development including leadership roles in both agencies and technology companies. Tammy is also the Vice President of Market Development & Agency Relations at G2 Crowd, a B2B marketing platform backed by \$45 million of venture capital. She is formerly the Founder & CEO of MarketMeSuite, one of the first social media marketing management platforms. Tammy founded MarketMeSuite in 2009 and closed \$2.6 million of investment capital while building a user base of 80,000 businesses. Her company was acquired in 2014 by Vivial to integrate with their local online marketing software platform. Tammy is currently an Advisor to MASS Exchange, a media trading technology company working on the \$140 billion television advertising market.

### **David Garrity, Chief Strategy Officer**

David Garrity has over 25 years’ experience in the financial services industry, he has held senior roles including CFO and board of director positions for both publicly held and private companies, and has extensive experience in several disciplines including operating, advisory and research, and is CEO of New York City based consulting firm, GVA Research. He currently serves as Independent Director on the Board of BTCS Inc., a publicly-held U.S. company involved with Digital Assets and Blockchain technology development and application. During 2008 and 2009, David served as CFO and Board



Director at Interclick, Inc., a behavioral targeting internet advertising network. From 2007 to 2011, Interclick revenues grew organically from \$7mm to \$150mm (115% compound annual growth), making it one of the fastest growing companies listed on Nasdaq. In December 2011, in an all-cash offer, Yahoo acquired Interclick for \$270 million. At Aspen Group, owner & operator of online university Aspen University, David served as CFO and was integral to taking Aspen public, raising growth capital and developing relationships with investors, regulators and institutional clients. David presently serves as acting CFO of Mutualink, Inc., a private company developing secure distributed networking technologies to support communications interoperability for public- & private-sector clients. David also serves on the advisory board for Venture.co Holdings, Inc. which develops financial technology and operates a funding platform for early-stage companies. David consults for The World Bank Group, on financial inclusion, mobile technology, and technology strategy for health initiatives in southern Africa. His paper on mobile money and disaster relief is published in "Technologies for Development: What is Essential?" (Springer Verlag). Prior to corporate service, David had an extensive career in investment research during which he co-founded start-up boutique firm American Technology Research and was voted a WSJ All-Star Analyst. David appears regularly on CNBC, BNN, Bloomberg, The Financial Times, Asia Times, Yahoo Finance, and other media outlets.

### **Yura Monchak, Chief Architect**

Yura is a software development and IT integration specialist for 13 years. He's an early developer of blockchain technology including Solidity and web3.js. Yura has experience as a solution architect, backend developer, and network engineer. He's been an engineer for Android and iOS projects including a mobile ad tech project. Yura has programming experience with SQL, MySQL, NoSQL (Mongo & Redis), C, PHP, Perl, Shell, Python, Ruby and others. He has a depth of experience in billing systems, VoIP, Networking, VPNs, and security. Yura has expertise in building scaled systems and administration of servers and databases. He studied Applied Physics at the Kyiv National Taras Shevchenko University.

### **Matthew May, Chief Financial Officer**

Matthew works with ClearCoin on its financial, tax, audit, and growth strategies. He works in a similar capacity with Storj, an ICO that raised over \$30 million. Matthew's company Acuity is a leader for cryptocurrency and blockchain powered companies. He has dealt with the financial complexities that arise from companies dealing with both cryptocurrencies and fiat currencies. Matthew is experienced with the latest strategies and regulations for companies that deal with cryptocurrency. He has spent 20 years with different accounting firms including Ernst & Young and PricewaterhouseCoopers. Matthew has experience in a wide range of financial services including tax, bookkeeping, audit, consulting, transaction advisory, and more.

### **Richard Gora, Legal Counsel**

Richard Gora has over 10 years of experience as an attorney in business, corporate, securities, management, litigation, employment, and intellectual property. He is the founder of Gora LLC, a law firm where he has advised hundreds of clients. Richard's clients include ICO and cryptocurrency companies. He has advised clients from companies like Lehman Brothers, Google, and Spotify. Richard represented a confidential investment in Uber's Series E round that was valued at \$40 billion. Richard has transactional representations for millions of dollars of equity and debt offerings. He has appeared in four federal cases with over \$1 billion at stake. Richard has worked with clients on corporate matters such as licensing, trademarks, formation, governance, and employment matters. Richard is also a Founder and Managing Director of Eclii Ventures. He studied law at Quinnipiac University School of Law.

### **Arron Johnson, Product Manager**

Arron Johnson is the Product Manager at ClearCoin where he is aiding with the scale of our systems for a rapidly growing user base. He has product management experience at Soulbot Automation Agency where he worked with a number of digital products. Arron was a part of developing a health related mobile app that helps users manage their deliveries. He is working with ClearCoin on creating product flows that improve user experience and efficiency. Arron directly interfaces with our user base to solve problems, increase engagement, and grow the community.

### **Valerie Morales, Community Manager**

Valerie Morales is a Community Manager at ClearCoin. Her background is customer service in the health and wellness industry. Valerie spends time with the community understanding new features, issues, and feedback from customers. She has been a part of ClearCoin's growth into thousands of new users. The company's rapid scale to take on more customers and sales is hinged upon our team's ability to keep up with customer requests. Valerie is an integral part of making sure the ClearCoin community is aligned with the latest happenings at the company. Her contributions to the marketing effort have helped track the large amount of inbound press coverage for the company.

### **Simon Lim, Community Manager**

Simon is a long time crypto economy enthusiast having participated in many token sales and initial coin offerings (ICOs). He is aiding ClearCoin with market strategy and community management. The launch of ClearCoin has seen an enthusiastic response from the crypto community with thousands of user registrations, social media engagements, and new token holders that have joined our sale. Simon has been managing the growing community on our Telegram group and Slack channel. He is aiding with social media strategy and other marketing activities.

We are in the process of recruiting other people to our management team and that information is in the **Key Planned Hires** section.

## **Key planned hires**

The key hires planned for ClearCoin are as follows:

- Vice President of Engineering
- Chief Revenue Officer
- Chief Marketing Officer
- Chief Scientist
- Chief Product Officer
- Other hires will be made in the departments of Engineering, Sales, Marketing, Finance, Operations, and Product.

We're seeking engineers that have experience building advertising technology platforms and engineers with experience building blockchain technologies. Please email [careers@clearcoin.co](mailto:careers@clearcoin.co) with a cover letter and resume for more information.

## **Advisors**

We have a team of excellent advisors who are working with the management team to grow the team and develop winning strategies.

### **David Drake, Advisor**

David Drake is a cryptocurrency veteran with involvement in over \$500 million worth of ICO's including Crypterium, Universa, and Propy. Through his family office LDJ Capital, has acted as GP & LP investors with his partners in fund-of-funds, realty funds, venture capital funds & hedge funds. Mr. Drake's investments currently have 50+ global directors that maintain relations with institutions & family offices with \$1.5 trillion in assets. Mr. Drake's family office manages & co-invests in alternative assets with the top 30 family offices out of his 5000 family office & institutional investor reach. These top 30 are 40% from Asia, 20% from Europe, 20% from the Americas, & 30% from the Middle East. Mr. Drake's access with 100,000 investors is maintained through his media asset, The Soho Loft Media Group, which has produced & sponsored over 1100+ finance conferences since 2002 like the events with institutional media leader Thomson Reuters & sponsors from Nasdaq, NYSE, KKR, & the Carlyle Group. LDJ Special Situations partners have invested \$100 Million in Alibaba & Palantir. LDJ Real Estate strategy is set to acquire Class A core rental properties & hotels. Mr. Drake is a digital automation advocate for private equity as he lobbied the US Congress on the JOBS Act since 2011 He represented the US Commerce Department at the EU Commission in Brussels & Rome in 2012, was invited to the White House Champions of Change ceremony in Washington, D.C., & was a speaker at the UK Parliament in 2013. Privately, Mr. Drake has hosted the Harvard Business Club at his NY home, produced Carnegie Hall concerts, & raised funds for the charity Best Buddies for years. March 2015 he joined the NYC Opera Board while a board advisor for The Washington Ballet. These allowed him to work & advise US Ambassadors from Sweden, Ukraine, Marshall Islands & Luxembourg. Born in Sweden & fluent in six languages, Mr. Drake has an MBA in Finance & an MA in International Law & Economics from George

Washington University in DC where he was awarded the Wallenberg Scholarship for academic merit.

**Danilo Vujicic, Advisor**

Danilo has been a technology entrepreneur for seven years. His experiences range from working with cybersecurity to streaming technology. Danilo is currently at iboss, a venture capital backed cybersecurity firm. The company provides cybersecurity technology to major financial institutions like Fidelity Investments. Danilo is advising ClearCoin on node-based and distributed gateway cybersecurity technologies. In 2014, Danilo founded Streamscape, a streaming technology company that closed investment capital. He has also been a founder in clean technology, health supplements, and a presentation design firm. As a business development leader, he's sold over a million dollars of business-to-business products and services. Danilo is advising ClearCoin on the growth of our business-to-business technology relationships. Danilo studied at the University of Massachusetts Boston and Oxford University.

**Marcos Rocha, Advisor**

Marcos is a long time business development professional in marketing and advertising technology companies. During his time at VG, Marcos brought in key clients like Paramount Pictures and luxury car maker Lexus. He worked with global agencies like MEC, an agency that is part of WPP's GroupM network. Marcos helped to shape the business development and marketing strategy of the company which led to \$1 million of sales in its first year. He is currently at MarketMuse, an AI-powered enterprise content planning and semantic search engine optimization technology company. Marcos has worked with other digital marketing companies like /superdigital. His experience extends to working with the Sundance Film Festival and appliance technology company Grove. Marcos is advising the ClearCoin on business development strategy particularly in sales and marketing. He studied at Framingham State College.

**Sebastian Mychel Cruze, Advisor**

Sebastian has been working with digital marketing technologies for eight years. He's currently the CEO of Expansion Marketing, a global marketing technology company. Sebastian has domain expertise with search engine optimization and advertising. He's worked on digital marketing with well-known brands such as Quizno's, Qdoba, Arby's, and Papa John's. Sebastian is also founder of The Royal Brotherhood cooperative, an

influential network of entrepreneurs. He is advising ClearCoin on digital marketing technologies including social media and search engines. Sebastian studied Business at the University of Minnesota.

**William Ramirez, Investor & Advisor**

William is an early investor and advisor for the company. He has spent eight years working with internet marketing technology. William has a depth of experience in working with the Google and Facebook advertising platforms. His marketing technology efforts have generated over \$10 million of annual revenue. William's experience with highly scaled lead generation allowed him to succeed in several verticals including health & beauty products. William's company Midas Media continues to generate revenue by working with the largest ad tech platforms. He is advising ClearCoin on capital strategies, advertising technologies, scaling revenue, and execution. William studied business at Hofstra University in New York.

**Locations & Facilities**

The company is headquartered in California. We will add other locations if necessary.

# Financials

## Overview

### Forecast

Certain information set forth in this document contains “forward-looking information”, including “future oriented financial information” and “financial outlook”, under applicable laws (collectively referred to herein as forward-looking statements). Except for statements of historical fact, information contained herein constitutes forward-looking statements and includes, but is not limited to, the (i) projected financial performance of the Company; (ii) completion of, and the use of proceeds from, the sale of the utility tokens being offered; (iii) the expected development of the Company’s business, projects and joint ventures; (iv) execution of the Company’s vision and growth strategy, including with respect to future M&A activity and global growth; (v) sources and availability of third-party financing for the Company’s projects; (vi) completion of the Company’s projects that are currently underway, in development or otherwise under consideration; (vi) renewal of the Company’s current customer, supplier and other material agreements; and (vii) future liquidity, working capital, and capital requirements. Forward-looking statements are provided to allow potential investors the opportunity to understand management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this presentation are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The

Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable laws. The reader is cautioned not to place undue reliance on forward-looking statements.

###

The company shows limited profitability in coming years because its intention to reinvest all profits into further development of its technology. This is similar to the Jeff Bezos model at Amazon where profits are re-invested to create superior products and services.

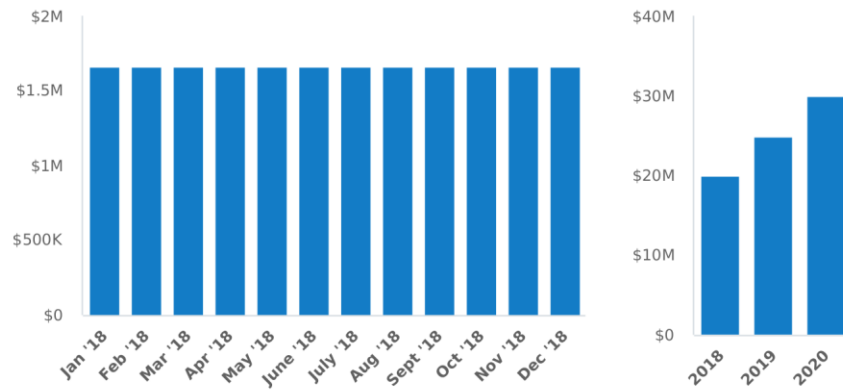
## Sources of Funds

ClearCoin plans to raise funds from its utility token sale (often known as an "ICO" in the media). The total proceeds from the token sale are dependent on supply and demand. The utility token sale allows buyers to use the token to obtain services on the advertising platform. ClearCoin will also raise funds from investors who intend to own a share of the corporation itself. The following forecast does not include numbers for 2017 because they have not been fully audited yet.

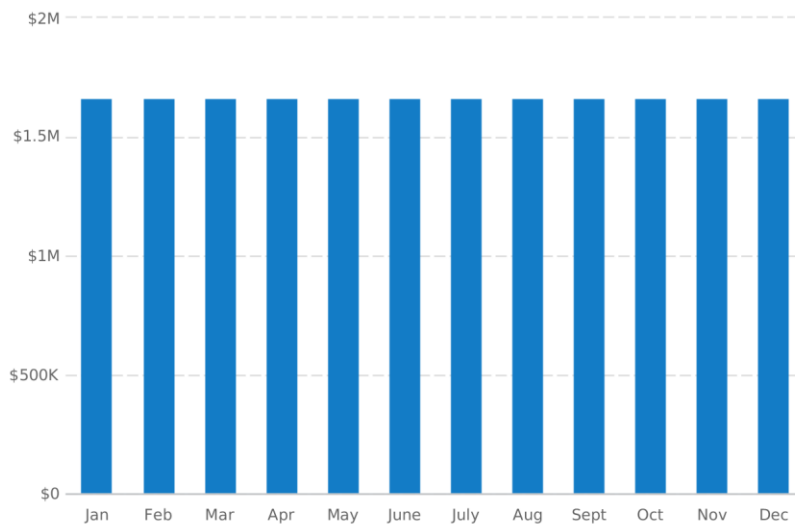


## Revenue

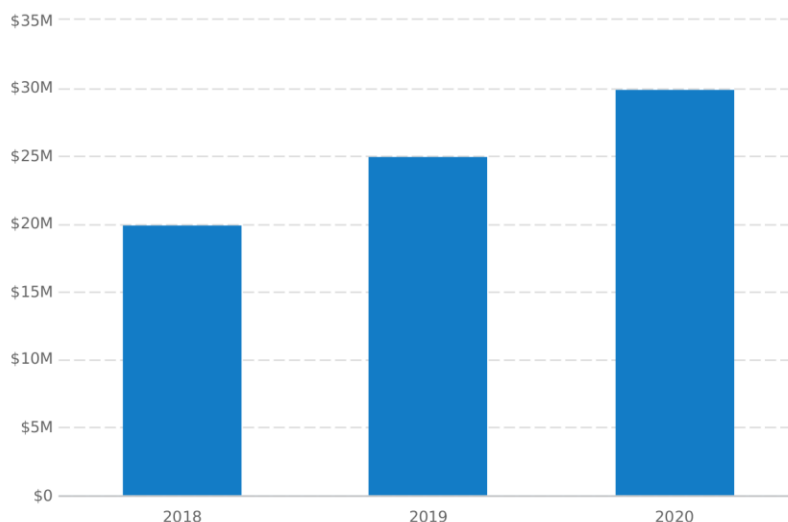
### Revenue



### Revenue by Month



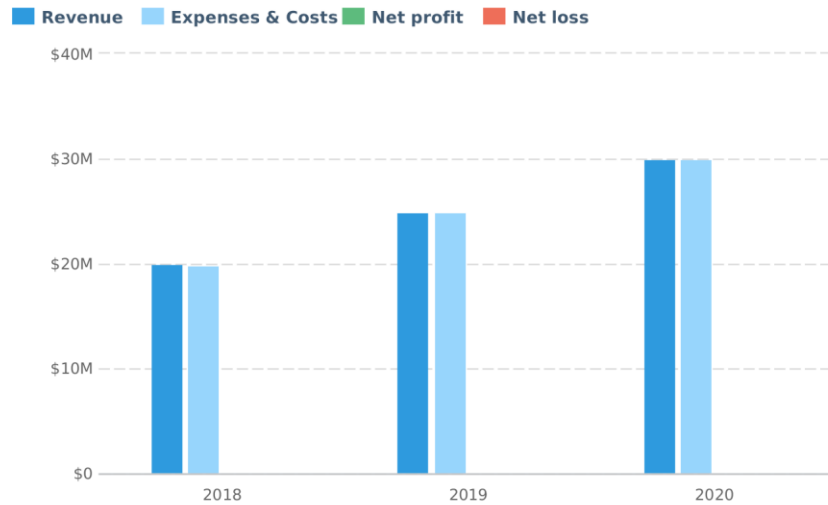
## Revenue by Year



## Revenue Forecast Table

	2018	2019	2020
<b>Revenue</b>			
Media Buys	\$20,000,004	\$25,000,000	\$30,000,000
<b>Total Revenue</b>	<b>\$20,000,004</b>	<b>\$25,000,000</b>	<b>\$30,000,000</b>
<b>Direct Cost</b>			
Supply	\$12,000,002	\$15,000,000	\$18,000,000
Additional Technology Development	\$3,840,000	\$3,840,000	\$3,840,000
Direct Labor			
<b>Total direct costs</b>	<b>\$15,840,002</b>	<b>\$18,840,000</b>	<b>\$21,840,000</b>
Gross margin	\$4,160,002	\$6,160,000	\$8,160,000
<b>Gross margin %</b>	<b>21%</b>	<b>25%</b>	<b>27%</b>

## Financial Highlights by Year

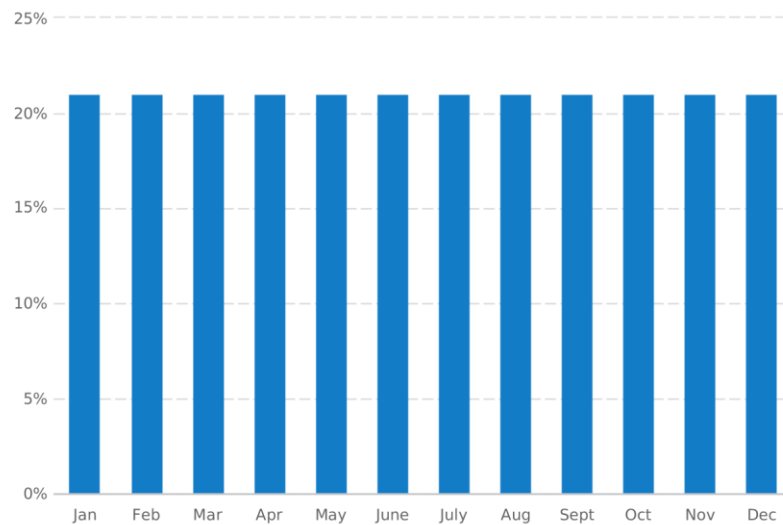


## Projected Balance Sheet

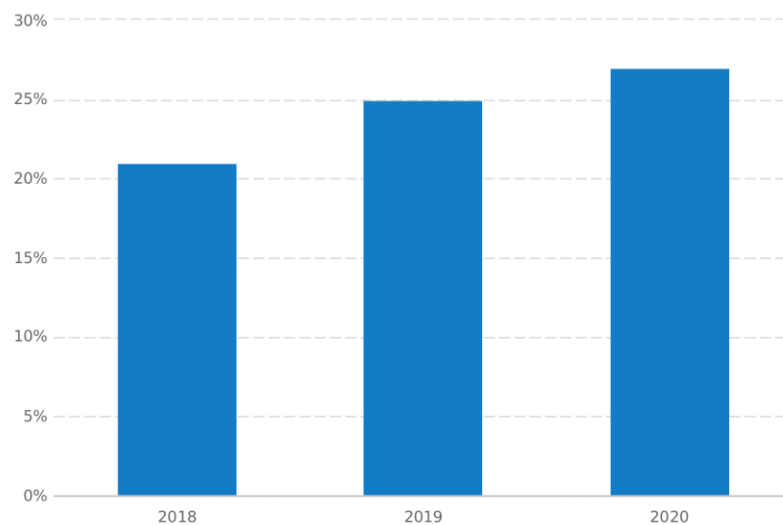
	2018	2019	2020
Cash	\$189,957	\$194,757	\$203,205
Accounts Receivable	\$0	\$0	\$0
Inventory			
Other Current Assets			
<b>Total Current Assets</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>
Long-Term Assets			
Accumulated Depreciation			
<b>Total Long-Term Assets</b>			
<b>Total Assets</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>
Accounts Payable	\$0	\$0	\$0
Income Taxes Payable	\$0	\$0	\$0
Sales Taxes Payable	\$0	\$0	\$0
Short-Term Debt			
Prepaid Revenue			
<b>Total Current Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Long-Term Debt			
<b>Total Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Paid-In Capital			
Retained Earnings		\$189,957	\$194,757
Earnings	\$189,957	\$4,800	\$8,448
<b>Total Owner's Equity</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>

## Gross Margin

### Gross Margin by Month

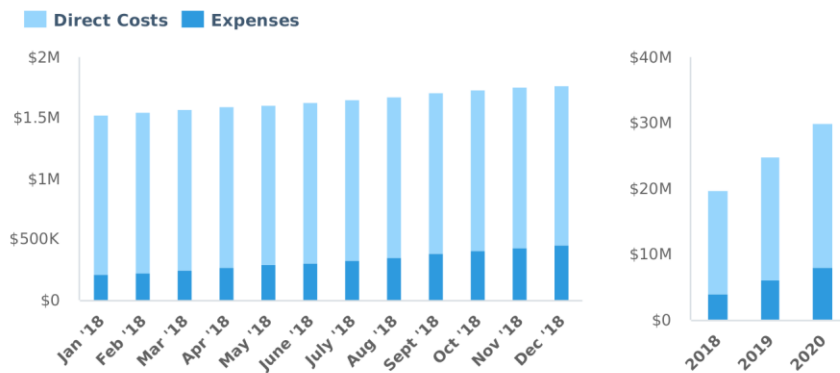


### Gross Margin by Year

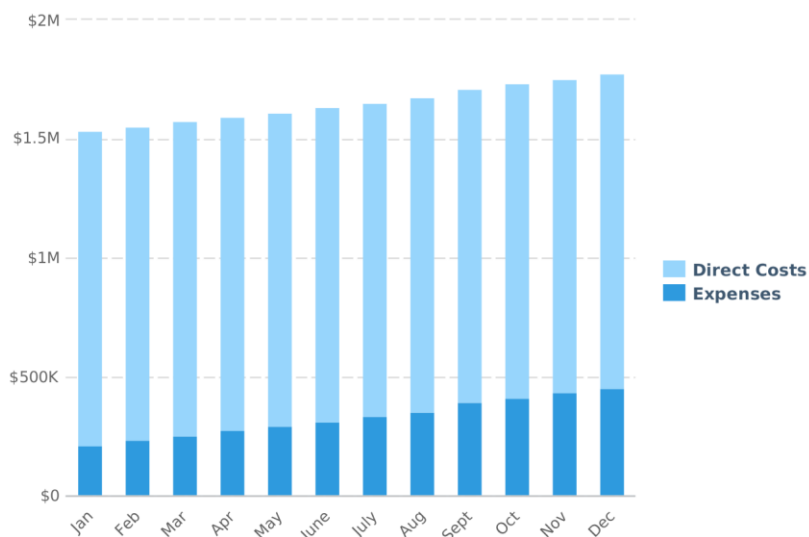


# Expenses

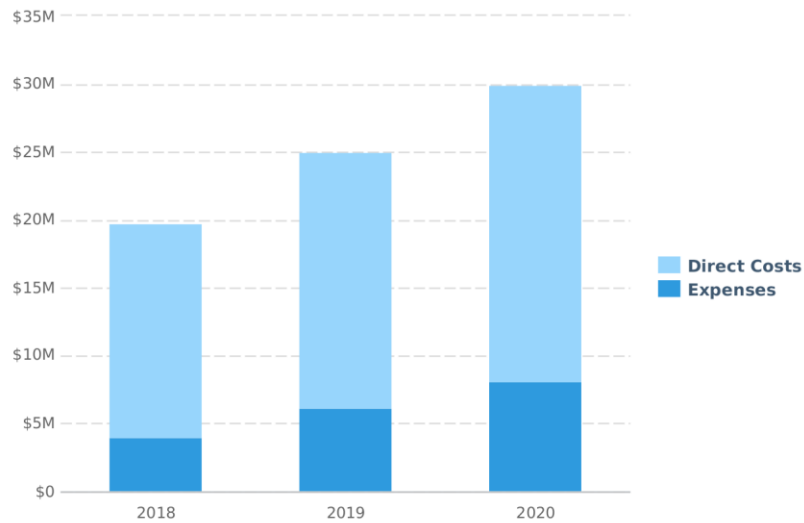
## Expenses



## Expenses by Month

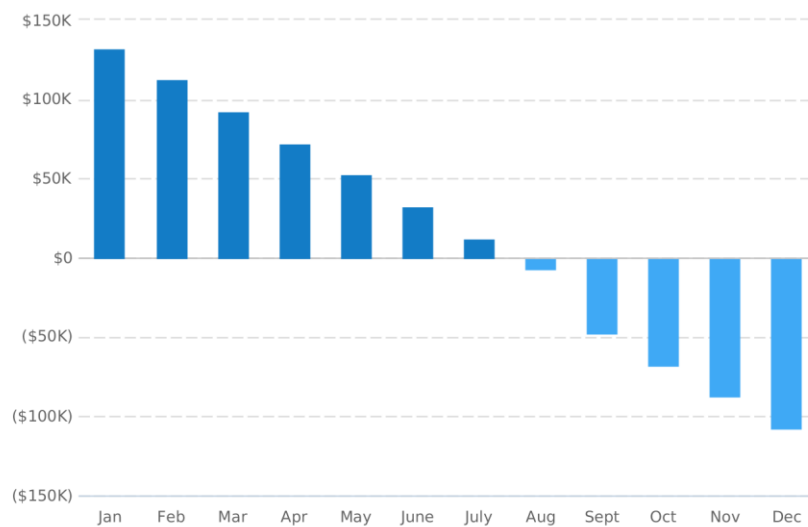


## Expenses by Year

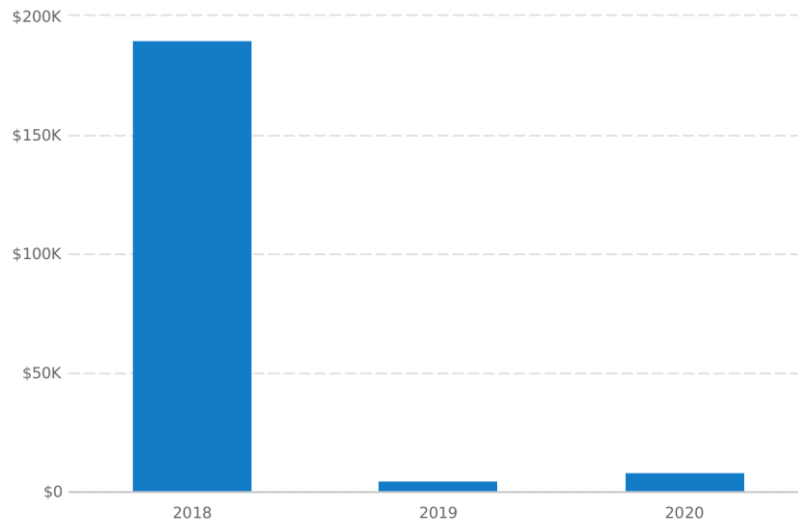


## Profit and Loss

### Net Profit (or Loss) by Month



## Net Profit (or Loss) by Year



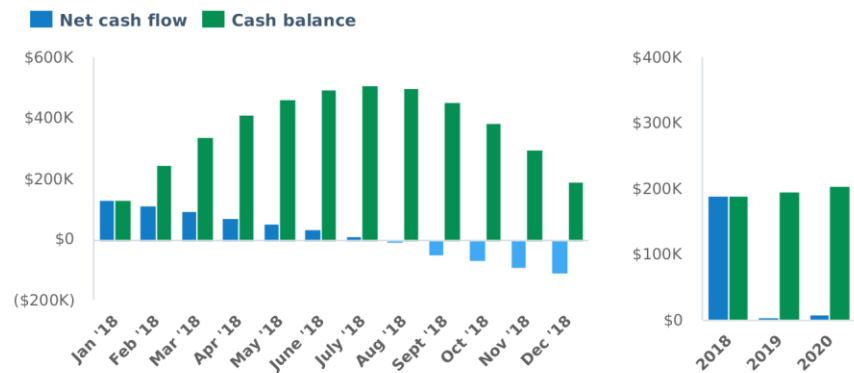


## Projected Profit and Loss

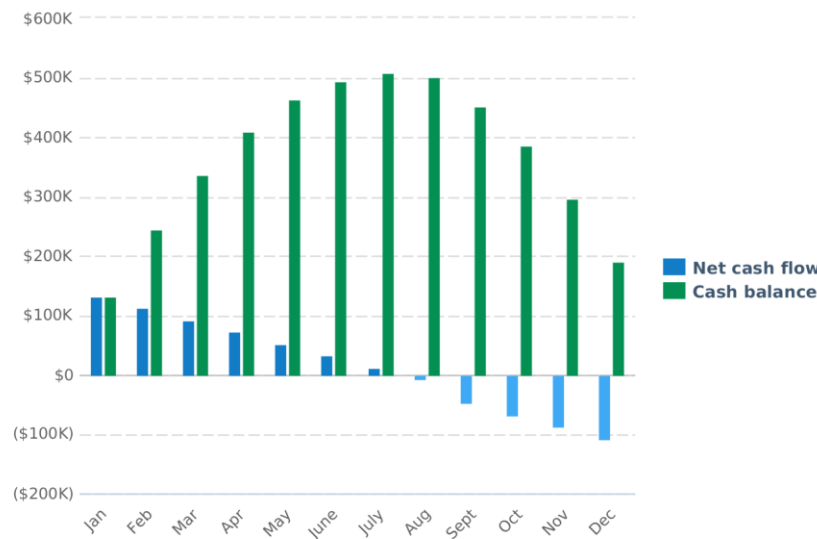
	2018	2019	2020
<b>Revenue</b>	<b>\$20,000,004</b>	<b>\$25,000,000</b>	<b>\$30,000,000</b>
<b>Direct Costs</b>	<b>\$15,840,002</b>	<b>\$18,840,000</b>	<b>\$21,840,000</b>
Gross Margin	\$4,160,002	\$6,160,000	\$8,160,000
<b>Gross Margin %</b>	<b>21%</b>	<b>25%</b>	<b>27%</b>
<b>Operating Expenses</b>			
Salaries & Wages	\$1,766,704	\$3,296,000	\$4,667,960
Employee Related Expenses	\$353,341	\$659,200	\$933,592
Location	\$200,000	\$200,000	\$200,000
Marketing	\$1,400,000	\$1,750,000	\$2,100,000
Administrative	\$250,000	\$250,000	\$250,000
<b>Total Operating Expenses</b>	<b>\$3,970,045</b>	<b>\$6,155,200</b>	<b>\$8,151,552</b>
<b>Operating Income</b>	<b>\$189,957</b>	<b>\$4,800</b>	<b>\$8,448</b>
Interest Incurred			
Depreciation and Amortization			
Income Taxes	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$19,810,047</b>	<b>\$24,995,200</b>	<b>\$29,991,552</b>
<b>Net Profit</b>	<b>\$189,957</b>	<b>\$4,800</b>	<b>\$8,448</b>
<b>Net Profit / Sales</b>	<b>1%</b>	<b>0%</b>	<b>0%</b>

# Cash Flow

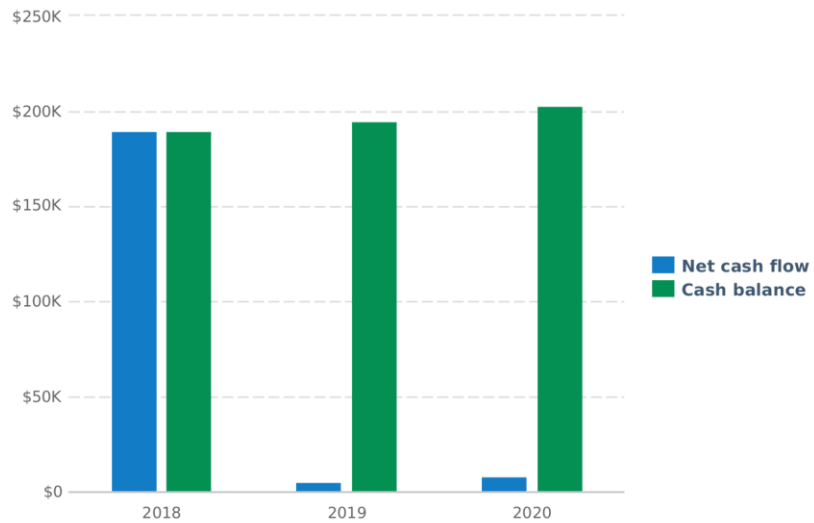
## Cash Flow



## Cash Flow by Month



## Cash Flow by Year

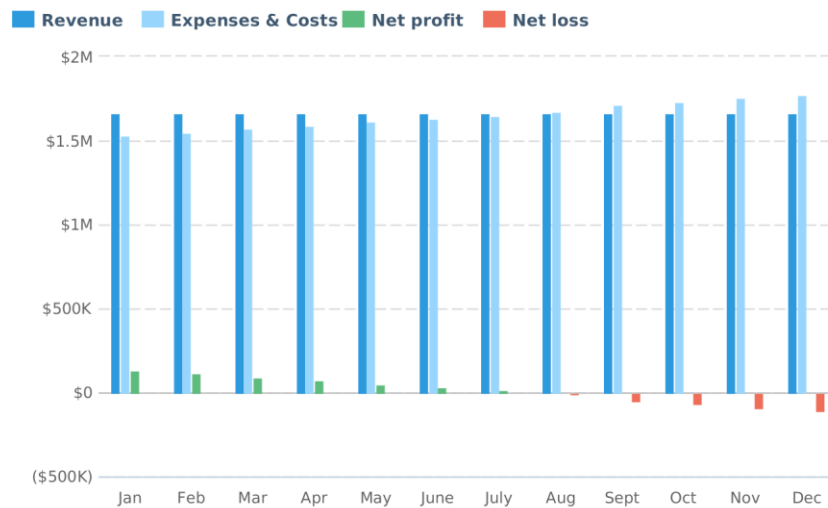


## Projected Cash Flow Statement

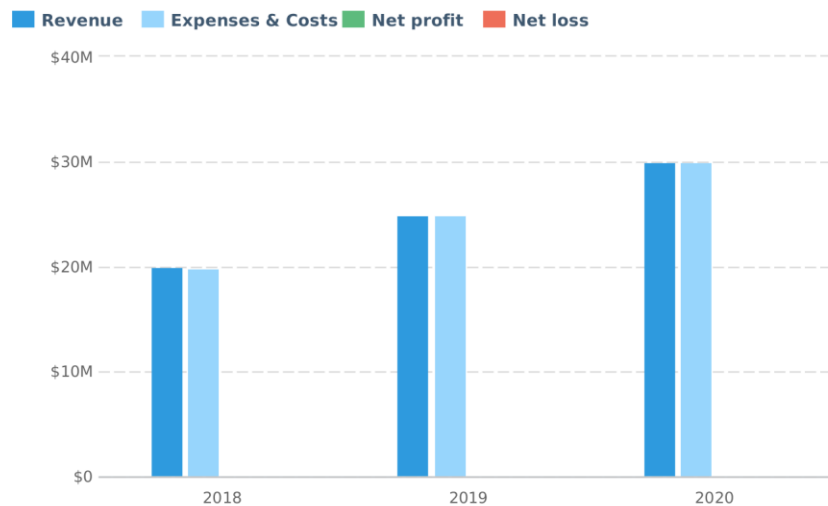
	2018	2019	2020
<b>Net Cash Flow from Operations</b>			
Net Profit	\$189,957	\$4,800	\$8,448
Depreciation & Amortization			
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory			
Change in Accounts Payable	\$0	\$0	\$0
Change in Income Tax Payable	\$0	\$0	\$0
Change in Sales Tax Payable	\$0	\$0	\$0
Change in Prepaid Revenue			
<b>Net Cash Flow from Operations</b>	<b>\$189,957</b>	<b>\$4,800</b>	<b>\$8,448</b>
<b>Investing &amp; Financing</b>			
Assets Purchased or Sold			
Investments Received			
Change in Long-Term Debt			
Change in Short-Term Debt			
Dividends & Distributions			
<b>Net Cash Flow from Investing &amp; Financing</b>			
Cash at Beginning of Period	\$0	\$189,957	\$194,757
Net Change in Cash	\$189,957	\$4,800	\$8,448
<b>Cash at End of Period</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>

## Financial Highlights

### Financial Highlights (Year 1)



### Financial Highlights by Year



# Appendix

## Profit and Loss Statement (With monthly detail)

2018	Jan '18	Feb '18	Mar '18	Apr '18	May '18	June '18	July '18	Aug '18	Sept '18	Oct '18	Nov '18	Dec '18
<b>Revenue</b>												
Media Buys	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667	\$1,666,667
<b>Total Revenue</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>	<b>\$1,666,667</b>
<b>Direct Costs</b>												
Supply	\$1,000,000	\$1,000,000	\$1,000,001	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,001	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Additional Technology Development	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000	\$320,000
<b>Total Direct Costs</b>	<b>\$1,320,000</b>	<b>\$1,320,000</b>	<b>\$1,320,001</b>	<b>\$1,320,000</b>	<b>\$1,320,000</b>	<b>\$1,320,000</b>	<b>\$1,320,000</b>	<b>\$1,320,001</b>	<b>\$1,320,000</b>	<b>\$1,320,000</b>	<b>\$1,320,000</b>	<b>\$1,320,000</b>
Gross Margin	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667	\$346,667
<b>Gross Margin %</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>
<b>Operating Expenses</b>												
Salaries and Wages												
Employees (31.22)	\$49,998	\$66,664	\$83,330	\$99,996	\$116,662	\$133,328	\$149,994	\$166,660	\$200,016	\$216,684	\$233,352	\$250,020
Total Salaries & Wages	\$49,998	\$66,664	\$83,330	\$99,996	\$116,662	\$133,328	\$149,994	\$166,660	\$200,016	\$216,684	\$233,352	\$250,020
Employee Related Expenses	\$10,000	\$13,332	\$16,666	\$20,000	\$23,332	\$26,666	\$29,998	\$33,332	\$40,004	\$43,336	\$46,671	\$50,004
Location	\$16,666	\$16,666	\$16,666	\$16,666	\$16,667	\$16,667	\$16,667	\$16,667	\$16,667	\$16,667	\$16,667	\$16,667

Marketing	\$116,667	\$116,666	\$116,667	\$116,667	\$116,666	\$116,667	\$116,667	\$116,667	\$116,666	\$116,667	\$116,667	\$116,666
Administrative	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,834	\$20,834	\$20,834	\$20,834
<b>Total Operating Expenses</b>	<b>\$214,163</b>	<b>\$234,163</b>	<b>\$254,161</b>	<b>\$274,161</b>	<b>\$294,161</b>	<b>\$314,161</b>	<b>\$334,159</b>	<b>\$354,159</b>	<b>\$394,187</b>	<b>\$414,188</b>	<b>\$434,190</b>	<b>\$454,192</b>
<b>Operating Income</b>	<b>\$132,504</b>	<b>\$112,504</b>	<b>\$92,505</b>	<b>\$72,506</b>	<b>\$52,506</b>	<b>\$32,506</b>	<b>\$12,507</b>	<b>(\$7,492)</b>	<b>(\$47,520)</b>	<b>(\$67,521)</b>	<b>(\$87,524)</b>	<b>(\$107,524)</b>
Interest Incurred												
Depreciation and Amortization												
Income Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$1,534,163</b>	<b>\$1,554,163</b>	<b>\$1,574,162</b>	<b>\$1,594,161</b>	<b>\$1,614,161</b>	<b>\$1,634,161</b>	<b>\$1,654,160</b>	<b>\$1,674,159</b>	<b>\$1,714,187</b>	<b>\$1,734,188</b>	<b>\$1,754,191</b>	<b>\$1,774,191</b>
<b>Net Profit</b>	<b>\$132,504</b>	<b>\$112,504</b>	<b>\$92,505</b>	<b>\$72,506</b>	<b>\$52,506</b>	<b>\$32,506</b>	<b>\$12,507</b>	<b>(\$7,492)</b>	<b>(\$47,520)</b>	<b>(\$67,521)</b>	<b>(\$87,524)</b>	<b>(\$107,524)</b>
<b>Net Profit / Sales</b>	<b>8%</b>	<b>7%</b>	<b>6%</b>	<b>4%</b>	<b>3%</b>	<b>2%</b>	<b>1%</b>	<b>0%</b>	<b>(3%)</b>	<b>(4%)</b>	<b>(5%)</b>	<b>(6%)</b>

	2018	2019	2020
<b>Revenue</b>			
Media Buys	\$20,000,004	\$25,000,000	\$30,000,000
<b>Total Revenue</b>	<b>\$20,000,004</b>	<b>\$25,000,000</b>	<b>\$30,000,000</b>
<b>Direct Costs</b>			
Supply	\$12,000,002	\$15,000,000	\$18,000,000
Additional Technology Development	\$3,840,000	\$3,840,000	\$3,840,000
<b>Total Direct Costs</b>	<b>\$15,840,002</b>	<b>\$18,840,000</b>	<b>\$21,840,000</b>
Gross Margin	\$4,160,002	\$6,160,000	\$8,160,000
<b>Gross Margin %</b>	<b>21%</b>	<b>25%</b>	<b>27%</b>
<b>Operating Expenses</b>			
Salaries and Wages			
Employees (31.22)	\$1,766,704	\$3,296,000	\$4,667,960
Total Salaries & Wages	\$1,766,704	\$3,296,000	\$4,667,960
Employee Related Expenses	\$353,341	\$659,200	\$933,592
Location	\$200,000	\$200,000	\$200,000
Marketing	\$1,400,000	\$1,750,000	\$2,100,000
Administrative	\$250,000	\$250,000	\$250,000
<b>Total Operating Expenses</b>	<b>\$3,970,045</b>	<b>\$6,155,200</b>	<b>\$8,151,552</b>
<b>Operating Income</b>	<b>\$189,957</b>	<b>\$4,800</b>	<b>\$8,448</b>
Interest Incurred			
Depreciation and Amortization			
Income Taxes	\$0	\$0	\$0



Total Expenses	\$19,810,047	\$24,995,200	\$29,991,552
Net Profit	\$189,957	\$4,800	\$8,448
Net Profit / Sales	1%	0%	0%

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## Balance Sheet (With Monthly Detail)

2018	Jan '18	Feb '18	Mar '18	Apr '18	May '18	June '18	July '18	Aug '18	Sept '18	Oct '18	Nov '18	Dec '18
Cash	\$132,504	\$245,008	\$337,513	\$410,019	\$462,525	\$495,031	\$507,538	\$500,046	\$452,526	\$385,005	\$297,481	\$189,957
Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inventory												
Other Current Assets												
<b>Total Current Assets</b>	<b>\$132,504</b>	<b>\$245,008</b>	<b>\$337,513</b>	<b>\$410,019</b>	<b>\$462,525</b>	<b>\$495,031</b>	<b>\$507,538</b>	<b>\$500,046</b>	<b>\$452,526</b>	<b>\$385,005</b>	<b>\$297,481</b>	<b>\$189,957</b>
Long-Term Assets												
Accumulated Depreciation												
<b>Total Long-Term Assets</b>												
<b>Total Assets</b>	<b>\$132,504</b>	<b>\$245,008</b>	<b>\$337,513</b>	<b>\$410,019</b>	<b>\$462,525</b>	<b>\$495,031</b>	<b>\$507,538</b>	<b>\$500,046</b>	<b>\$452,526</b>	<b>\$385,005</b>	<b>\$297,481</b>	<b>\$189,957</b>
Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Taxes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Short-Term Debt												
Prepaid Revenue												
<b>Total Current Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Long-Term Debt												

<b>Total Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Paid-In Capital												
Retained Earnings												
Earnings	\$132,504	\$245,008	\$337,513	\$410,019	\$462,525	\$495,031	\$507,538	\$500,046	\$452,526	\$385,005	\$297,481	\$189,957
<b>Total Owner's Equity</b>	<b>\$132,504</b>	<b>\$245,008</b>	<b>\$337,513</b>	<b>\$410,019</b>	<b>\$462,525</b>	<b>\$495,031</b>	<b>\$507,538</b>	<b>\$500,046</b>	<b>\$452,526</b>	<b>\$385,005</b>	<b>\$297,481</b>	<b>\$189,957</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$132,504</b>	<b>\$245,008</b>	<b>\$337,513</b>	<b>\$410,019</b>	<b>\$462,525</b>	<b>\$495,031</b>	<b>\$507,538</b>	<b>\$500,046</b>	<b>\$452,526</b>	<b>\$385,005</b>	<b>\$297,481</b>	<b>\$189,957</b>

	2018	2019	2020
Cash	\$189,957	\$194,757	\$203,205
Accounts Receivable	\$0	\$0	\$0
Inventory			
Other Current Assets			
<b>Total Current Assets</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>
Long-Term Assets			
Accumulated Depreciation			
<b>Total Long-Term Assets</b>			
<b>Total Assets</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>
Accounts Payable	\$0	\$0	\$0
Income Taxes Payable	\$0	\$0	\$0
Sales Taxes Payable	\$0	\$0	\$0
Short-Term Debt			
Prepaid Revenue			
<b>Total Current Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Long-Term Debt			
<b>Total Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Paid-In Capital			
Retained Earnings		\$189,957	\$194,757
Earnings	\$189,957	\$4,800	\$8,448
<b>Total Owner's Equity</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>

Total Liabilities & Equity	\$189,957	\$194,757	\$203,205
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## Cash Flow Statement (With Monthly Detail)

2018	Jan '18	Feb '18	Mar '18	Apr '18	May '18	June '18	July '18	Aug '18	Sept '18	Oct '18	Nov '18	Dec '18
<b>Net Cash Flow from Operations</b>												
Net Profit	\$132,504	\$112,504	\$92,505	\$72,506	\$52,506	\$32,506	\$12,507	(\$7,492)	(\$47,520)	(\$67,521)	(\$87,524)	(\$107,524)
Depreciation & Amortization												
Change in Accounts Receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Inventory												
Change in Accounts Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Income Tax Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Sales Tax Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change in Prepaid Revenue												
<b>Net Cash Flow from Operations</b>	<b>\$132,504</b>	<b>\$112,504</b>	<b>\$92,505</b>	<b>\$72,506</b>	<b>\$52,506</b>	<b>\$32,507</b>	<b>\$12,507</b>	<b>(\$7,492)</b>	<b>(\$47,520)</b>	<b>(\$67,522)</b>	<b>(\$87,523)</b>	<b>(\$107,525)</b>
<b>Investing &amp; Financing</b>												
Assets Purchased or Sold												

Investments Received												
Change in Long-Term Debt												
Change in Short-Term Debt												
Dividends & Distributions												
<b>Net Cash Flow from Investing &amp; Financing</b>												
Cash at Beginning of Period	\$0	\$132,504	\$245,008	\$337,513	\$410,019	\$462,525	\$495,031	\$507,538	\$500,046	\$452,526	\$385,005	\$297,481
Net Change in Cash	\$132,504	\$112,504	\$92,505	\$72,506	\$52,506	\$32,507	\$12,507	(\$7,492)	(\$47,520)	(\$67,522)	(\$87,523)	(\$107,525)
Cash at End of Period	\$132,504	\$245,008	\$337,513	\$410,019	\$462,525	\$495,031	\$507,538	\$500,046	\$452,526	\$385,005	\$297,481	\$189,957

	2018	2019	2020
<b>Net Cash Flow from Operations</b>			
Net Profit	\$189,957	\$4,800	\$8,448
Depreciation & Amortization			
Change in Accounts Receivable	\$0	\$0	\$0
Change in Inventory			
Change in Accounts Payable	\$0	\$0	\$0
Change in Income Tax Payable	\$0	\$0	\$0
Change in Sales Tax Payable	\$0	\$0	\$0
Change in Prepaid Revenue			
<b>Net Cash Flow from Operations</b>	<b>\$189,957</b>	<b>\$4,800</b>	<b>\$8,448</b>
<b>Investing &amp; Financing</b>			
Assets Purchased or Sold			
Investments Received			
Change in Long-Term Debt			
Change in Short-Term Debt			
Dividends & Distributions			
<b>Net Cash Flow from Investing &amp; Financing</b>			
Cash at Beginning of Period	\$0	\$189,957	\$194,757
Net Change in Cash	\$189,957	\$4,800	\$8,448
<b>Cash at End of Period</b>	<b>\$189,957</b>	<b>\$194,757</b>	<b>\$203,205</b>