

OPTCOIN.IO

BLOCKCHAIN FOR DIGITAL ADVERTISING

Optcoin.io is a blockchain based utility token built to transform and ultimately disrupt the \$224 billion per year digital advertising market.

Optcoin.io

LEGAL DISCLAIMER

No information provided in this whitepaper or the Optcoin.io website should be interpreted as investment advice. User should be aware of all the possible risks that directly or indirectly arise from the activity connected with User's participant in the initial coin offering. This whitepaper provided by Optcoin, LLC is for information purposes only. Optcoin, LLC does not guarantee the accuracy of or the conclusions reached in this whitepaper, and this white paper is provided "as is".

Optcoin does not make and expressly disclaim all representations and warranties, implied, statutory or otherwise, whatsoever, including, but not limited to: (i) warranties of merchantability, fitness for a particular purpose, suitability, usage, title or non-infringement; (ii) that the contents of this white paper are free from error, Optcoin and its affiliates shall have no liability for damages of any kind arising out of the use, reference to, or reliance on this white paper or any of the content contained herein, even if advised of the possibility of such damages.

In no event will Optcoin or its affiliates be liable to any person or entity for any damages, losses, liability, costs of expenses of any kind, whether direct or indirect, consequential, compensatory, incidental, actual, exemplary, punitive or special for the use of, reference to, or reliance on this white paper or any of the content contained herein, including, without limitation, any loss of business, revenues, profits, data, use, goodwill or other intangible losses.

WHY BLOCKCHAIN IS NEEDED

INTRODUCTION

The digital advertising industry as we know it today faces many challenges; domain fraud, bot traffic, lack of transparency, and lengthy payment models. It is a complex and ever evolving environment for advertisers and publishers alike to navigate through. Optcoin was born out of necessity to streamline and bring clarification to both sides of the table.

Optcoin is a blockchain based utility token built to transform and ultimately disrupt the \$224 billion per year digital advertising market [1] through a multifaceted approach. Incentives and general ecosystem are not aligned causing both advertisers and publishers to feel they are on the losing side of the deal. Optcoin provides a verifiable and decentralized asset that empowers advertisers to verify spend through each intermediary and gives publishers the assurance and guarantee of being paid on delivery. With advertisers knowing that they are getting what they pay for and publishers not having to wait months to collect, Optcoin stands in forefront of a new digital advertising revolution.

In 2017, with a long list of opportunities, we got to work in what we felt would reshape how digital advertising receives users, works with publishers, and assist advertisers. What currently takes many ad-technology companies to achieve together, Optcoin has achieved within a single lightweight blockchain system: speed, scaling, transparency, payments, invoicing, fraud prevention, programmatic advertising, and the availability for advertisers to be directly connected to publishers without being forced to use 3rd parties.

While there are other blockchains focused on building solutions for the digital advertising industry, none have been able to address the problem of scaling that mainstream digital advertising requires. Through a patent-pending process, Optcoin has solved this problem by utilizing a series of mechanisms and blockchains to achieve incredibly high transaction rates that are required for programmatic digital advertising.

Optcoin was created to not only streamline the process between advertisers and publishers, but also assist any ad-technology platform currently on the market.

OPTCOIN

Optco:n

WHY BLOCKCHAIN IS NEEDED

Our intention from the very beginning has been not to create another walled garden and centralized system. Optcoin was built for easy integration with any digital advertising-based company's current platform that looks to provide additional services and transparency as a service to their customers.

COMPLETE PROGRAMMATIC TRANSPARENCY OF THE SUPPLY CHAIN

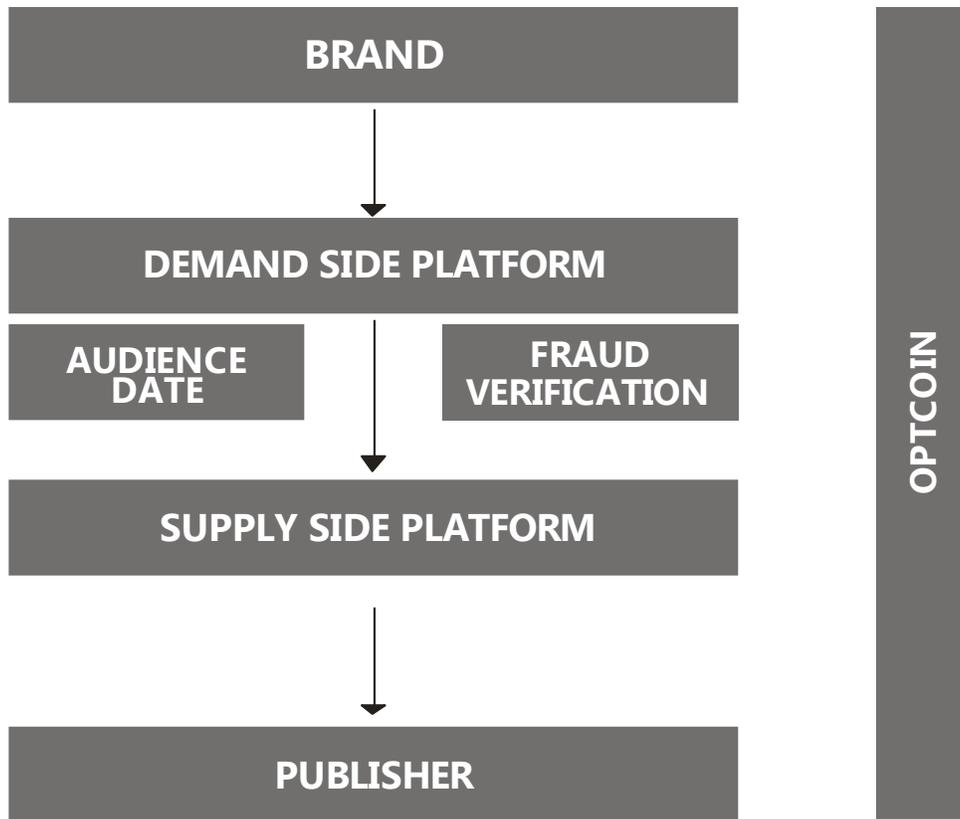
Today's programmatic advertising market is made up of a series of layers, with the brand (Advertiser) positioned at the top layer and the publisher situated on the bottom. In between these layers, there are numerous additional layer that a brand's ad campaign will travel through before eventually reaching the publisher's website and ultimately the user. Each of these additional layers take a cut of the revenue for themselves before passing on to the next layer. Sometimes – these layers provide limited or no value to the brand's ad campaign. Optcoin will enable the brand, publisher, and all layers within the supply chain to understand the value being provided. Through complete transparency of the Lexicon blockchain, if the supply chain decides that a certain layer is not providing value, then as a natural progression the order of the supply chain reforms to the path of least resistance and greater efficiency.



The following page displays a simplified diagram of the transparency process. The brand works with a Demand Side Platform (DSP) who will buy media for the brand's campaign. The DSP usually adds in Audience Data and Fraud Verification from 3rd parties at an additional cost to the brand. The DSP then buys media on a Supply Side Platform (SSP) who charges for their services. The SSP then passes the campaign on to the publisher who finally display the brand's campaign.

WHY BLOCKCHAIN IS NEEDED

Optcoin is not proposing to be another layer in this scenario. Rather we complement the existing supply chain by bringing full transparency into the cost associated with each layer.



Optcoin can supply the SSP, DSP, and brand with a track-back mechanism to be implemented on their side. When enabled, Optcoin is able to combine the data from the multiple layers into single impression blockchain contract. Please view technical details for more information on this subject.* Since the contract itself is immutable and decentralized the entire supply chain from start to finish becomes fully transparent to all parties involved. Through our Lexicon blockchain, each contract uses cryptography to encrypt the data ensuring that only direct parties within the supply chain have access to this privilege information. This limits competitors or outside parties from viewing a supply chain's records within a given day's contracts while simultaneously ensuring each record is fully transparent to everyone within the supply chain.

WHY BLOCKCHAIN IS NEEDED

WHAT MAKES US DIFFERENT:

- We have resolved the blockchain scalability issue within the digital advertising ecosystem which has been a major hurdle in preventing broader adoption.
- We are the first to offer the ability and guarantee of Net0 payment for all parts of the ad supply chain as a standard. No more payment float to prop up companies.
- We are the first to offer a blockchain solution for all programmatic digital ad protocols. Our patent Optcoin blockchain technology is the first to overcome scalability within the programmatic environment.
- Optcoin currently has an agreement in place to work with at least one ad technology company immediately after completion of the initial coin offering and is in discussion with others. Optcoin will be live to publishers and advertisers in the digital advertising environment July 2018.
- Optcoin has multiple fraud prevention mechanisms built into our revolutionary blockchain technology.
- We have a comprehensive plan to promote early adoption with advertisers, ad agencies, and ad technology companies.

“Better advertising and media transparency are closely related. Why? Because better advertising requires time and money, yet we’re all wasting way too much time and money on a media supply chain with poor standards adoption, too many players grading their own homework, too many hidden touches, and too many holes to allow criminals to rip us off,” [2]

_P&G’s Marc Pritchard at the IAB’s Annual Leadership Meeting 2017

THE OPPORTUNITY

Like in the days of the beginning of the internet, the world is on the cusp of a new kind of digital revolution. A revolution in which the way that we all transact-computers and humans alike, is about to change forever. Fast, secure, trustworthy transactions now become a standard, and the way advertising itself is transacted.

As new technology continues to arise, the pace in which new technology is adopted has been ever increasing. It took almost 50 years for the telephone to reach 50% of U.S. households, 20 years for the internet and 10 years for the modern smart phone. [5] No longer do we speak of innovation as just tangible products, but now digital product that multitudes of teams are able to collaborate together from around the world to create innovation in a fraction of the time and with a fraction of the capital cost.

Whether its how you watch television, do your banking, communicate with household item from your phone, or build applications for the web, blockchain itself has become the new building block in which almost all digital devices will be built on top of in the future.

The internet as an enterprise needed time to evolve and mature; the beginning stages faced many issues and setbacks that were eventually resolved and is now projected to have 4.4trillion in sales in 2021. Blockchain technology's evolution curve is very similar to that of the early internet. There have been scalability issues in terms of maximum number of transaction that could be accomplish per second, disastrous environmental issues from the impact of "proof of work" mining, and the cost of having to pay for each transaction. In order for a blockchain solution to be feasible in the digital advertising industry-low transaction limitations and paying costs for each ad transaction simply isn't feasible.

Optcoin has completely solved these problems with a proprietary advancement in the underlying blockchain technology. By resolving these issues Optcoin is position to be the ideal utility token to revolutionize the digital advertising market and bring clarity to an otherwise murky eco system.

ADVERTISER NEED BLOCKCHAIN

In a joint study between the Association of National Advertisers (ANA), the Association of Canadian Advertisers (ACA), Ebiquity, and AD/FIN [9], the conclusion was as follows:

Priority 1: Programmatic buying needs financial reporting, clear audit and analysis protocols”



We have resolved the blockchain scalability issue within the digital advertising ecosystem which has been a major hurdle in preventing broader adoption.

Priority 2: Advertisers need a media buying agreement that meets their needs and expectations.”



The Optcoin blockchain system through our Lexicon blockchain utilizes smart contracts. Those smart contracts can be viewed up and down the entire supply chain.

Priority 3: “Advertisers must have a practical, scalable way to verify delivery, verify costs and supply.”



The Optcoin blockchain maintains an audit report showing breakdowns of pricing in the ecosystem and verifies delivery of ads.

Priority 4: “Advertisers must secure a source of independent transactional info for their buys.”



The Optcoin blockchain can record the programmatic transaction level data-winning bid log data and metadata e.g. programmatic invoices” that the industry is demanding.

BLOCKCHAIN FOR DIGITAL ADVERTISING & PROGRAMMATIC

2017 was the first year where digital ad spends exceeded that of any other medium in the United States having grown from 17.1% of total ad spend in 2016 to 49.9% of total ad spend in 2017. [3]

E-marketer projects that digital advertising spend in the U.S, alone will increase from \$83 billion in 2017 to \$129 billion in 2021 with double digit increases each year. [4] Total digital advertising spends (not including Facebook and Google) was over \$30 billion in 2017 alone and continuing to grow rapidly.

Surveys have found that much of the digital ad spend increases are coming at the expense of reducing budgets in either television, radio or print advertising.

And while digital ad spend continues to rapidly increase – there remain many issues within the advertising supply chain. First – by 2019 -77% of all digital ad \$ are estimated to be spent programmatically [3], but a recent analysis by the Association of National Advertisers; 58% of all digital ad spend is consumed by the intermediaries that make up the ad supply chain [3]

Not only is the current ad supply chain highly inefficient – a study commissioned by WPP (one of the world’s largest advertising agencies) found that global ad fraud could be as high as \$16 billion in 2017. [4] Addressing the issues of fraud and an inefficient supply chain are two of the most important goals agreed upon by both legitimate publishers and advertisers.

Programmatic advertising itself makes up 75% of all digital advertising in the market encompassing display, video, OTT, and other forms of digital media. The industry uses real-time bidding (RTB), VPAID/VAST and other protocols to deliver ads to users. Optcoin was built with the intention of being agnostic to the advertising medium. This means that not only can

.

THE OPPORTUNITY

Optcoin integrate with wide variety of advertising protocols, but also be the first blockchain solution in the marketplace that will work seamlessly with programmatic digital advertising

“Blockchain may have a bigger impact than anything marketers have encountered since the advent of the internet.

-David Berkowitz, Chief Strategy Officer at Sysomos”

INSTANT, GUARANTEED PUBLISHER TRANSACTION

The payment system for digital advertising is highly undesired and inefficient. Due to multiple factors including the number of intermediaries and the anachronistic order process between each connection within supply share – not only do publishers receive far-less in terms of payment relative to the total ad dollars spent, but it’s common to wait 60 to 90 days before the publisher receive payments. Optcoin blockchain has been designed to allow for everyone within the supply chain to not only be paid instantly but also have that payment guaranteed. To guarantee payment, advertisers must prepay in (OTN, Optcoin Tokens) which will be registered as credit to their accounts. Publishers can then know and trust that their payment is guaranteed since the market holds OTN to a value and the transparency of ledgers hold both sides accountable. View “Lexicon Blockchain” for more information about digital insertion orders (IO) and Smart Contracts.

THE OPPORTUNITY

CONNECTING ADVERTISERS DIRECTLY WITH PUBLISHERS

There are rarely direct relationships between advertisers and publishers, and agencies regularly complain about the lack of transparency as to where their money is being spent. The Optcoin blockchain ensures absolute transparency of impressions, payments, and costs. The Lexicon blockchain and the use of smart contracts ensure that the advertiser's specifications are met by the supply. Optcoin can be utilized with any existing advertiser ad exchange that integrates the blockchain mechanism or utility tokens as stated on the roadmap for Q1 2019. Optcoin will push adoption of the token by building an exchange to connect advertisers, publishers, and service providers (fraud detection, behavioral targeting, yield management, e.t.c). see more on this under "Optcoin advertising exchange".

ELIMINATING INEFFICIENCIES

Ad account managers can spend 40% + of their time trying to interpret results/data using different data sets open themselves up to discrepancies.

Example: one company may claim 10,000 impressions and the next company claims 8,000 impressions – both of which are using the different data sets. Blockchain streamlines this process by using one stream of data for all in the supply chain. The entire supply chain still gets to participate, but by decentralizing the trust component everyone can agree that the data is correct.

PUBLISHERS

Publishers need access to their earnings immediately. This helps publishers run their business and create great content at no cost to the end user. Not only are publishers losing anywhere from 42% to 50% of what advertisers pay for ads due to the ad supply chain – they must wait as much as 60 to 90 days to collect payment. Beyond this, publishers have no guarantee that they will even be paid after the stipulated 60-90-day period.

Optcoin allows for:

- Guaranteed payment for each transaction
- Instant payments completed on impression delivery
- Connecting advertisers to publishers via Optcoin Advertising Exchange
- Banking fees not required to collect payment

OPTCOIN BLOCK CARD™

To simplify for publishers, Optcoin is currently working to setup a physical VISA/Mastercard card for quick and easy transaction transfers. Rather than transfer funds to a publisher's digital wallet, bank account, PayPal, or other mechanism, the Block Card will allow for almost instantaneous transfers giving the publisher direct access to funds they earned from the previous day. The Optcoin Block Card is currently on roadmap for October 2018.

ADVERTISERS

Advertisers want transparency to ensure effective use of their ad spend. They want to ensure their ads are delivered to the right people with limited fraud and robust reporting and auditing capacity for full transparency. The Optcoin blockchain will cut out waste and increase efficiencies:

- Preventing user fraud
- Eliminating domain fraud
- Utilizing smart contracts in lexicon throughout the ad supply chain to ensure campaign requirements are met
- Easily accessible audit reporting
- Eliminate discrepancies by utilizing decentralized, transparent, and trusted data that is immutable

OBJECTIVES

There are several core objectives we intend to deliver on. Some will be deployed directly after the conclusion of the token sale while others are on the roadmap.

- Facilitate and guarantee the payment transactions daily.
- Preventing fraud for advertisers.
- Building the first Blockchain to support complete programmatic buying.
- Enabling complete transparency of the supply chain.
- Building an open exchange for advertisers and publishers to transact directly to help drive adoption of the Optcoin token.
- Streamlining payment processing and reporting.
- Enabling an advertiser's campaign details [insertion order] to be received and validated by all parties through Lexicon via smart contract.

ADOPTION OF OPTCOIN

Optcoin has already entered into an agreement to be used by one ad technology company and is currently working to expand rapidly. By already having a contract in place, this will allow for the ability to immediately demonstrate the power of our blockchain technology to other publishers, ad tech companies, DPS, brands and ad agencies.

Although feasible and desired, integration does take some amount of effort and work.

Publishers will be required to have a slight education on how a new payment/transaction system works, and advertising platforms will have to hold OTN in order to execute on impression contracts.

To further accelerate the adoption of Optcoin blockchain – we will be offering incentives to those in the programmatic advertising supply chain.

We accomplish this with the following:

- Any advertiser or ad tech platform is given incentives in the form of Optcoin to contractually commit to integrating Optcoin within their platform. This offer is being limited on a first come first serve basis
-
- Optcoin, LLC will assist any ad network in financing during their 60-90 “float” period from advertisers to help transition them fully to OTN
-
- Development team of Optcoin will support ad platforms through every step of integration.

TECHNOLOGY BEHIND OPTCOIN

Optcoin is a multifaceted blockchain network utilizing an internal blockchain called Lexicon based upon hyper ledger fabric for the immediate smart contracts and transactions of advertisements, a communication layer for ultra-fast data transfer, and the Optcoin blockchain (token) built off of stellar (XLM).

In terms of transaction limitations, Lexicon at the current moment has no current pre-defined limit (see Lexicon Blockchain) on the number of transactions, while the payment settlement side of Optcoin has a 100x greater transaction limit than Ethereum. Unlike traditional blockchains that use PoW models for mining coins, Optcoin runs a consensus-based protocol which works in a similar way to a quorum. A minimum number of nodes must reach an agreement in order to validate the transaction.

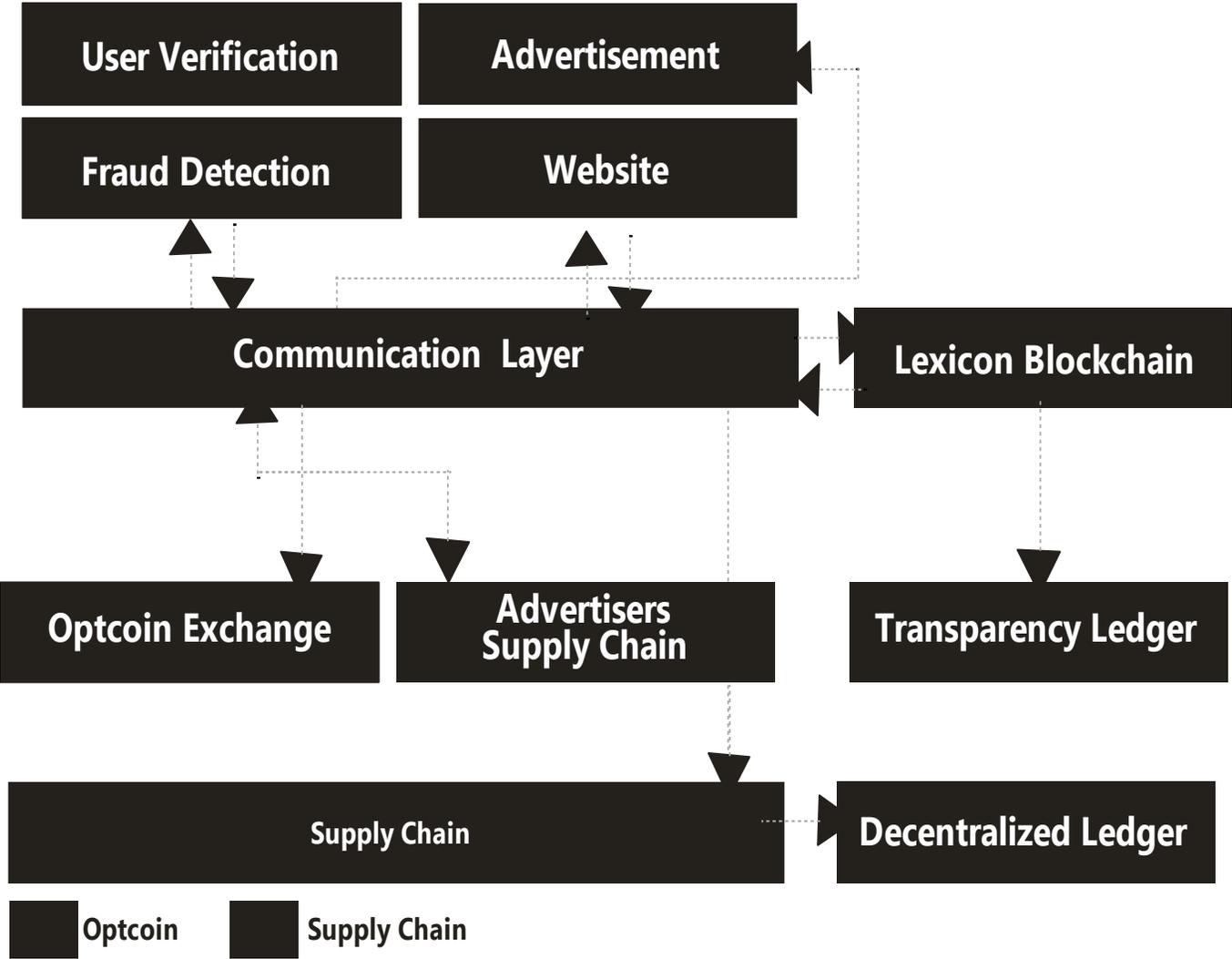
When a user enters a site to begin a session, a request is made to the Optcoin network. This request is first received by communication layer. The communication layer communicates information to the user, determines a fraud judgment of the user, verifies the domain, and then communicates the advertiser or advertising platform on the corresponding data of the user. The purpose of the communication layer is to both transmit data back and forth, as well as pass the advertisers data and/or creative on to the site. When the advertiser or advertising platform determines they want to purchase an ad impression for the user, the Lexicon contract will begin and advertisement is placed on the website in view of the user to interact with.

The contract continues to stay open until the user either moves to another page or the advertiser's determined success metric has occurred. Once the contract has completed the decentralized ledger is stored for up to 24 hours until the time of the transaction processing. Each day the contracts are collected, and counted; Optcoin transaction contracts are then created, and payment is settled for each of the publishers. (see Lexicon Blockchain for more information).

TECHNOLOGY

TECHNOLOGY BEHIND OPTCOIN

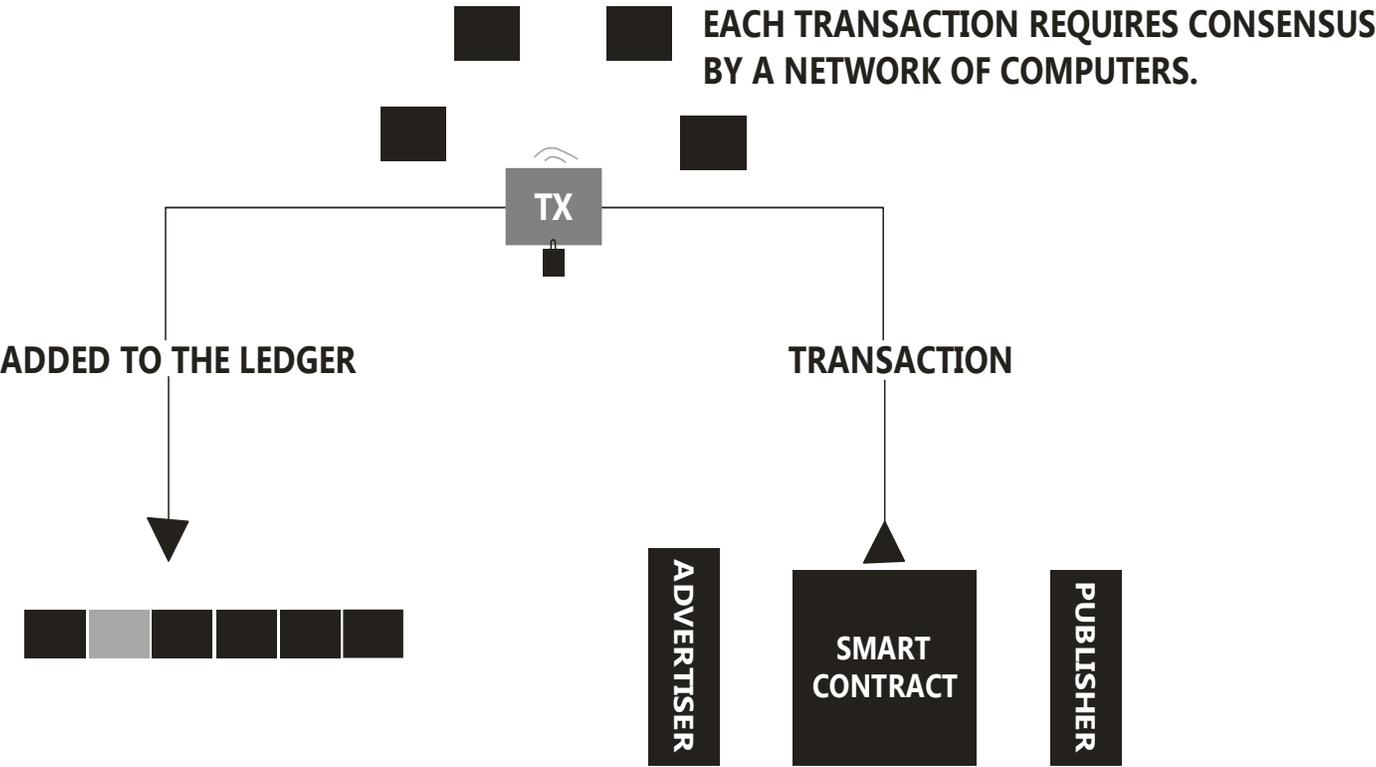
OPTCOIN SYSTEM SCHEMATIC



THE OPPORTUNITY

LEXICON BLOCKCHAIN

Lexicon is a permissioned based blockchain infrastructure utilized as a ledger system for record keeping of the contracts between publishers, advertisers and the rest of the supply chain. Built of off Hyperledger Fabric which was originally created by IBM and Digital Asset, it provides a modular architecture with a delineation of roles between the nodes in the infrastructure, execution of Smart Contracts, and configurable consensus and membership services.[8]



LEXICON BLOCKCHAIN (CONTINUED...)

The Lexicon Blockchain is built with the intention of full transparency in mind that works off a series of manually verified partner nodes. These Optcoin nodes sign, verify, and hold contracts for a span of 24 hours. After this – the contract information is collected for transaction settlement processing. Optcoin transaction contracts are then created, and payment is settled for the publisher and the rest of the ad supply chain. Since this is a 24-hour internal ledger, only direct participants in the ad supply chain have access to their associated records. All transactions are encrypted using SHA3, only stakeholders in the transaction can decrypt their records. This enables privacy from onlookers from the outside, while keeping transparency between the publisher, advertising platforms, and advertisers (supply chain).

All Lexicon Blockchain records within each node are destroyed after this 24-hour period. However, any partner that is running a node may backup these records for their own use and verification or view Optcoin’s historical ledger which is available to all publishers, node has every right to store historical data, no node is responsible for validation of the daily contracts outside of the timeframe 24 hours.

The availability of the Lexicon Blockchain node was created to ensure security and trust within the Lexicon contract system. Any publisher, advertising platform, or advertiser utilizing the Optcoin blockchain can request to become a verified node partner and to run their own node. this verification process includes but is not limited to company credential verification, company age, and market reputation among others. Due to the way that Lexicon was created with pre-verification of node partners, the transaction limitations are set extraordinarily high. At the current moment; HyperLedger Fabric has a hypothetical limitation of 100,000 transactions per second (tps) based upon a number of factors such as server resources, block size, number of endorsers, and proximity; comparatively – running on a geo-distributed setting allows for up to 10,000 tps. [6][7]

COMMUNICATION LAYER

The communication layer allows for ultra-fast multidirectional communication between Optcoin, the publisher, advertiser, and fraud detection mechanism. This includes but is not limited to any ad technologies that are required to display advertisements, user tracking mechanisms, user information, and creatives. The communication layer is the first access point onto the Optcoin network and facilitates almost all the interaction between the website, the advertiser, and the contract.

ADVERTISING FRAUD

Fraud is a significant problem within the digital advertising industry with an estimated \$16 billion in fraud in 2007 and a projected \$19 billion in 2018. [10] Blockchain technology holds with it the potential to limit fraud significantly through AI, certificates, and the transparency of ledgers. The Optcoin blockchain is focused on addressing the top two forms of ad fraud: domain spoofing, and bot/fraud/invalid user traffic. As technology and ad spend increase, complex fraud is becoming more mainstream.

Ad fraud is generally considered user-based, such actions as bot traffic, artificially clicking on advertisements, and purchasing low-quality traffic. However, another major source of ad fraud is domain fraud (domain spoofing) in which an unapproved website displays ads that were intended for entirely different and legitimate websites. Upon each page session, Optcoin runs a check verifying that the user is non-fraudulent and the domain and URL being sent over is non-spoofed and is the same URL that ads will be placed on. Upon a successful completion of this check, the communication layer will continue its process and open a dialogue with the advertiser or advertising platform. If at any time either the user verification or the domain verification are returned with a negative result, all Optcoin processes are halted. In this case, no advertisements are displayed, and no contract is made.

ADVERTISEMENT FRAUD (CONTINUED..)

Optcoin combats domain fraud through a series of checks before a contract begins for each and every potential contract. If there are 1,000 contracts to perform per minute on a single domain, Optcoin will perform 1,000 domain verifications. This provides an additional layer of fraud prevention and security for the advertiser.

Domain verification functions similar to a lock on the door of your home, by checking the stored objects within a ledger (door) with what is returned by the publisher's website (key); this confirms an authenticated match or pairing and creates a digital signature verifying the domain accuracy. By utilizing the Lexicon blockchain, Optcoin can ensure that the stored object are secured and unchanged (immutable objects) over time.

While most of our anti-fraud detection mechanisms cannot be disclosed due to security reasons, the combination of transparency, instant reporting, availability of auditing, and proprietary methods help to identify fraud and invalid traffic.

Development of the user verification aspect of Optcoin's complete ad fraud detection mechanism is currently ongoing as set in the roadmap. While we are in the final steps of finalizing patentable versions of our user verification methods, Opcoin will run 3 different and widely adopted fraud verification platforms simultaneously.

CROSS-CHAIN COMMUNICATION

Optcoin has built-in functionality to be able to communicate with other blockchain implementations within 3rd-party applications or decentralized markets. To ensure a smooth rollout of the Optcoin blockchain technology, specific parts of the Optcoin system will go live as described in the road map. Cross-chain communication is projected to go live in August 2018.

OPTCOIN ADVERTISING EXCHANGE

As the digital advertising industry has grown, advertisers are becoming further and further removed from publishers. Between DSP's, ad networks, ad-tech providers, ad operations providers, tracking systems, analytics systems, fraud detection, and a host of others, the publisher's share of ad spend has decreased significantly. The advertiser is either having to pay more for advertisements in order to reach the publisher or the publisher must accept getting less.

The Optcoin Advertising Exchange outlined in the roadmap will help highlight and ultimately eliminate low value participants in the digital advertising supply chain. As stated on the Optcoin Roadmap, the Optcoin Advertising Exchange is projected to launch Q1 of 2019 allowing publishers and advertisers to connect directly in a safe and transparent environment.

The publisher receives ad placement from advertisers with higher CPM's guaranteed payment and transparent decentralized records; advertisers receives user and domain verified demand (traffic), as well as a savings on the cost of displaying the ads.

Advertisers can purchase Optcoin tokens (OTN) in an automated fashion through the Optcoin Advertising Exchange and transact in real-time with publishers and all other elements of the ad supply chain.

The need for inefficient manual Insertion Orders (IO) or invoices throughout the supply chain is eliminated. Through blockchain contracts, the Insertion Orders (IO) are digitally signed on each impression and invoice-less payment settlement transactions are completed every 24 hours.

OPTCOIN TOKENS

Tokens are called “Optcoin” in both the singular and plural form with an exchange abbreviation of OTN. Publishers and all other companies in the ad supply chain receive tokens through the transaction of selling their traffic to advertisers in exchange for a value of OTN. Those recipients are free to do as they please with OTN. They may cash them out in an exchange for tangible currency, trade them with others for services, or hold on to them within their own wallet. Publishers aren’t the only ones that have a use for tokens. Advertisers have the ability to purchase and hold tokens as well, allowing them to transact with publishers directly through the Optcoin Advertising Exchange or any other platform that utilizes OTN for transactions.

Optcoin platform has a B2B business model in which the general consumer is not involved in the general utility of OTN. Although OTN cannot be mined or utilized as a utility by the general consumer, they are still able to purchase, hold, trade, or sell OTN through an exchange.

OPTCOIN TOKEN EXCHANGE

There are many centralized and decentralized token exchanges currently available on the market today. However, it can be difficult at times for people without extensive knowledge of blockchain to engage in the buying and selling of their tokens. While exchange markets have their rightful place, the general person should be able to buy and sell Optcoin tokens with the same ease as they would be purchasing anything else online. By creating a simplified exchange geared towards those without extensive market knowledge, the trade of OTN will increase dramatically, allowing for faster growth of Optcoin within the advertising industry. The token exchange will exclusively revolve around OTN and XLM tokens with payment processing through wire transfer, credit card, or trade of digital currency.

The initial version of the token exchange will allow for verified advertisers and publishers to be able to purchase and sell OTN. Version 2.0 will expand upon this to allow for the general public.

MEET THE TEAM

Optcoin's founding team has over 35 years of combined technology development and digital media experience across many of the leading ad tech and publishing companies of the last decade. Optcoin further supported by an Advisory board comprised of CEO and CDO's of other ad tech companies, professionals in the financial industry, and founders of other blockchain based companies.



CHRISTIAN ESA

Position: Cofounder

Christian Esa is the Chief Executive Officer and co-founder of M1 media. He has co-founded several successful multimillion-dollar digital companies over the past several years ranging in everything from media to ad tech to digital advertising. Based out of Atlanta – he has assisted the digital efforts of the ACLU, members of Congress, political and non-political organizations. Prior to that-he was a Vice President for a 40 billion company.



MARK LEWIS

Position: Cofounder

Mark Lewis is currently Chief Revenue Officer at M1. He has worked in digital media for over 10 years with a heavy focus on business development, sales, and strategy. His career started as the 1st employee in a media startup which grew into a \$ 50mm a year business during his tenure. Prior to M1, he was head of publishers solutions at Tapad which was acquired by Telenor for \$360mm.

Mark Lewis sits on the advisory board for Tersai.



SAM WILLIAMS

Position: Cofounder

Currently the Chief Technology Officer at M1 where Sam pioneer a revolutionary video advertising delivery system to increase publisher RPM's up to 400%, with Over 18 years of enterprise experience and the ability to fluently program in over a dozen languages, Sam is an expert in his field. Prior to M1, He held the position of senior engineer at BeanStalk Data, a consumer engagement data provider, architect of Emerging Technologies at Bank of America, and Software Engineer at Ford Motor Company. With multiple patents under his belt, and heralded as an ad technology innovator; he is the ideal person to lead Optcoin's development team.

TECHNOLOGY

PROJECTED ROADMAP

April 2018: Optcoin Token sale

Q2 2018: Optcoin Token Exchange V.1

Q2 2018: Listed on Exchanges

Q3 2018: Cross-Chain Communication Launched

Q3 2018: Finalization of User Verification System V.2

Q4 2018: Finalization of Optcoin Token Exchange V.2

Q4 2018: Optcoin Block Card™ Issued

Q1 2019: Optcoin advertising Exchange

TOKEN SALE DETAILS

Optcoin public token sale will begin on April 26th, 2018 and will close when any one of the following criterion are met:

- When the hard cap goal of 490,000,000 OTN is reached
- When the designated sale close on June 1, 2018; 29 days end

At the time of the public token sale, any eligible person may purchase OTN at the fixed price of \$0.3 per OTN through ETH, BTC.

Tokens will be made immediately transferrable following the completion of the offering within 48 hours. If the hard cap is reached prior to the end of the sale, the tokens will be made immediately transferrable. At this time, an email will be sent to all participants of the token sale.

TOKEN SALE RESTRICTIONS

To ensure eligibility and security, all parties participating in the token sale must complete a registration process with Optcoin's website at <http://Optcoin.io>

All purchasers must adhere to Optcoin, LLC Terms of Service as stated on the website. Fraud or non-adherence to the Terms and Conditions stated on the website will disqualify a purchaser from either purchasing or refund of their purchase without tokens.

TOKEN SALE

PROJECTED TOKEN ALLOCATION

Market: 49%

- Available for sale to the public during token sale.

Founding Team: 30%

- Distributed between all members of the team to be vested over 12-month period with a 6-month initial freeze.

Founding Developers: 5%

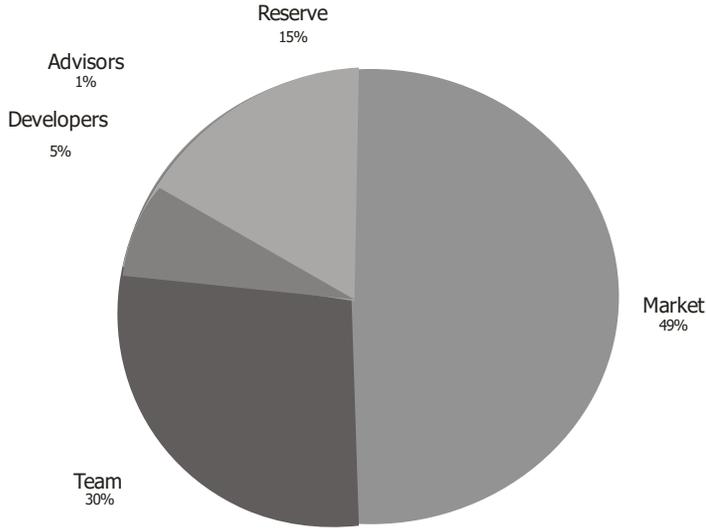
- Distributed between all members of the development team to be vested over a 12-month period with a 6-month initial freeze.

Advisors: 1%

- Distributed between all members of the advisory team to be vested over a 12-month period with a 6-month initial freeze

OPTCOIN RESERVE: 15%

- A reserve for Optcoin to utilize in order to run general operations use, ad network financing, airdrops, referral program



PROJECTED TOKEN ALLOCATION (CONTINUED..)

490,000,000 OTN will be sold at \$0.10 each resulting in 49% of total OTN being controlled by market immediately. Any tokens that are unsold during the token sale will be allocated in the following manner;

- 500,000 OTN: total allotment to incentivized various advertising technology companies to contractually commit to integrating Optcoin within their platform. This offer is to be limited on a first come first serve basis. Companies interested in integrating can contact partnership@optcoin.io
- Remaining OTN: every OTN holder who purchases tokens during the token sale will be added to their air drop. Please see “OTN Airdrop” for more information

TOKEN PRICE

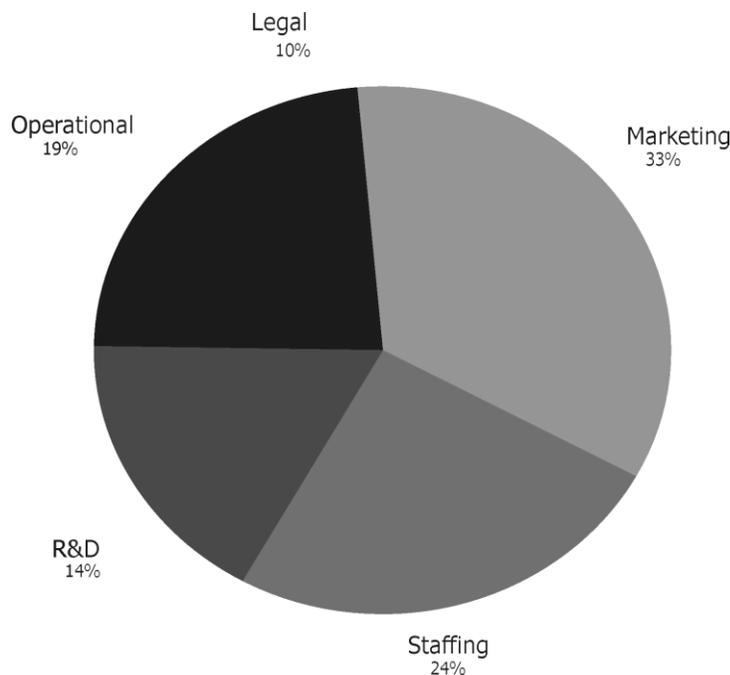
During the time of the token sale, the cost of each OTN is set at a fixed price of \$0.3. Prior to the token sale start, early-adopters from accredited institutions can purchase OTN at a sliding price of \$0.9 - \$10 each with a signed SAFT agreement. The early-adoption minimum is \$10,000.

For more information, please contact our team at sales@optcoin.io

PROCEEDS FROM THE TOKEN SALE

Sales from the token sale will be used for researches and development, marketing, and staffing partnership and broader adoption of Optcoin's utility token

Capital will be set aside for potential strategic acquisitions that can help support Optcoin's core offering. At the current time there are no acquisitions planned, but should an opportunity arise that it deems fiscally responsible – Optcoin may use proceeds of the token sale to facilitate the acquisition.



CITATION

- [1] <https://www.emarketer.com/Report/EWorldwide-Ad-Spending-eMarketer-Forecast-2017/2002019>
- [2] <https://www.cnbc.com/2017/01/31/procter-gamble-chief-marketer-slams-crappy-media-supply-chain.html>
- [3] <https://www.emarketer.com/Report/US-Ad-Spending-eMarketer-Forecast-2017-3>
- [4] <https://www.businessinsider.com/ad-fraud-estimates-double-2017/2001998>
- [5] <https://hbr.org/2013/11/the-pace-of-technology-adoption-is-speeding-up>
- [6] <https://arxiv.org/pdf/1709.06921.pdf>
- [7] <https://arxiv.org/pdf/1709.06921.pdf>
https://pfd.s.semanticscholar.org/42a9/1f025e156ebb3111037425b7af390e58b353_pdfdf/1709.06921.pdf
- [8] <https://en.wikipedia.org/wiki/Hyperledger>
- [9] <https://www.ana.net/content/show/id/44610>
- [10] <https://www.mediapost.com/publications/article/310253/ad-fraud-in-2018-expect-bots-blockchain-and-ads.html?edition=106155>