



AB-CHAIN

ADS IN BLOCKCHAIN

WE DRIVE TRAFFIC FOR ICO COMPANIES
WITH CRYPTOCURRENCY BUDGETS

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Terms and definitions

Publisher — a website or blog owner that makes money for publishing an advertisement.

Advertiser — a person or company that pay a publisher to advertise on its online space.

Ad network (or an online advertising network) — a company that connects advertisers to web sites that want to host advertisements. The key function of an ad network is aggregation of ad space supply from publishers and matching it with advertiser demand.

ICO (Initial Coin Offering) — an unregulated means by which funds are raised for a new cryptocurrency venture. An Initial Coin Offering is used by startups to bypass the rigorous and regulated capital-raising process required by venture capitalists or banks.

Fiat — This is a legal tender that is backed by a government (ex: USD, Euro, Yen, Pound, Rubble, Renminbi).

ABC Token — This is the name of the token that will be used to purchase advertisement on the AB-CHAIN platform.

Crowdfunding — is the practice of funding a project or venture by raising monetary contributions from a large number of people.

Mission and Vision

The AB-CHAIN mission is to provide companies that have budgets in cryptocurrency a quick and simple way to publish ads online without the need to convert to fiat¹.

The AB-CHAIN vision is to become a company proposing a complete product line that caters to companies with cryptocurrency budgets.

Business overview

AB-CHAIN is a new generation advertising network² that allows advertisers³ to buy ad space from publishers⁴ using cryptocurrencies.

2017 is the year of ICO. Most companies that raised funds through ICO are actively developing their products. More than half have promised to make it available to the public by 2018. Once their products are on the market, these companies will need to advertise them.

Startups usually spend 20 to 30% of their budgets on marketing and advertising. For example, the following ICO companies have allocated different percentages of their budgets for marketing and advertising following the initial investment stage:

- 1) [KICKICO](#) – part of 43% investments for “PR & marketing for KICKICO development and project support”
- 2) [Revain](#) – 45% of investments on marketing
- 3) [AdEx](#) – 20% of investments on marketing
- 4) [LordMancer](#) – 50% of investments on marketing

We are expecting the creation of a \$ 200m advertising market in crypto currencies by 2018 with a 200% annual growth rate over the next 5 years.

¹ Fiat - This is a legal tender that is backed by a government (ex: USD, Euro, Yen, Pound, Rubble, Renminbi).

² Ad network (or an online advertising network) - a company that connects advertisers to web sites that want to host advertisements. The key function of an ad network is aggregation of ad space supply from publishers and matching it with advertiser demand.

³ Advertiser - a person or company that pay a publisher to advertise on its online space

⁴ Publisher - a website or blog owner that makes money for publishing an advertisement

The problem we are solving

Today, most publishers do not accept cryptocurrencies, primarily because the general demand from traditional companies is not significant enough to justify the adoption of a new type of payment. However, by 2018 the ad market will be facing an influx of companies raising through ICO, and therefore most of them will have their budgets in cryptocurrencies.

These funds will need to be used and will create a few issues for companies who decide to convert it to fiat:

- Low liquidity in crypto market causing the value to fall when converted.
- Local governments charges taxes over conversion of cryptocurrencies to fiat.
- Loss of trust of community and reputation of the investors of a post ICO company that converts cryptocurrency to fiat

Our solution

AB-CHAIN wants to provide companies that have raised money through ICO with an ad network where they can buy online advertising using multiple types of cryptocurrencies and without the need to convert them to fiat.

We will be able to satisfy any amount of advertising volume that can be ordered, ie:

- Having our own traffic and direct contracts with publishers.
- Directly connecting advertising side networks to the AB-CHAIN platform.
- Proposing our platform to traditional publishers that will allow them to add cryptocurrency as payment method.

Our value proposition

AB-CHAIN solution wants to provide different types of benefits to all participants involved during a transaction on AB-CHAIN (ie: publishers, advertisers and ad networks).

Benefit to publishers: the Publishers Wallet

“Fiat”-publishers traditionally will not accept cryptocurrency. However, publishers usually sell less than 50% of ad spaces and then usually sell what remains at a minimal

price. We believe that most “fiat”-publishers will also be ready to accept payments in cryptocurrency if provided, with a tool allowing them to.

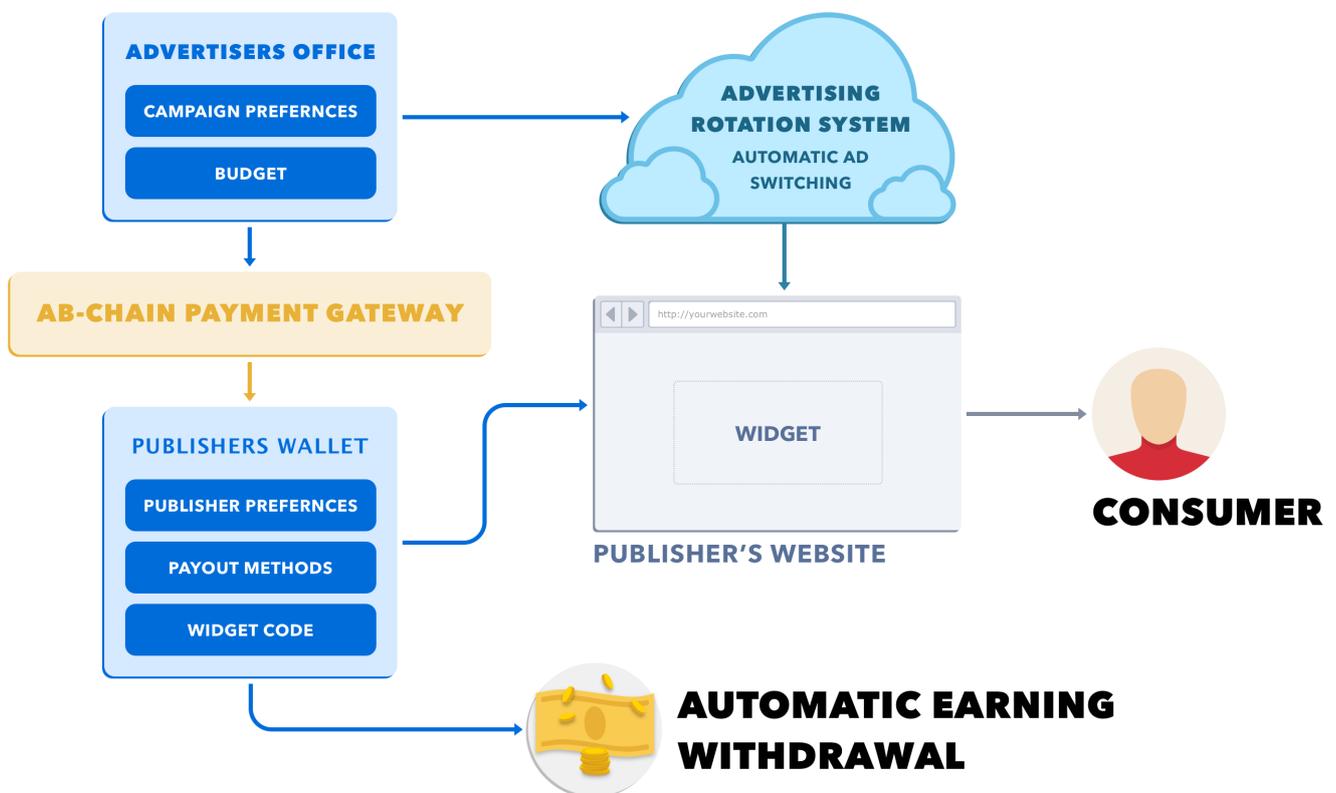
With that goal in mind, we decided to create a wallet to offer publishers to enable them to sell ad spaces with greater efficiency and profit.

Wallet attributes:

- 1) Offers the ability to withdraw in the cryptocurrency of choice that fits the best publisher strategy.
- 2) Allows publishers to withdraw their earnings in fiat currency if they wish.

Additional benefits for all publishers:

- 1) Publishers do not need to switch different widgets from several networks, just need to use AB-CHAIN widget that will fulfill all media volume.
- 2) Universal AB-CHAIN widget with best market practices.
- 3) Automatic payment to publishers’ crypto wallets.



Benefit to Advertisers

AB-CHAIN wants to provide optimal value to advertisers by:

- 1) Providing the widest choice of publishers that can offer effective consumption of advertising budget.
- 2) Offering them the possibility to pay 100% in cryptocurrency even if the amount is superior to millions of USD.
- 3) Giving access to publishers that would traditionally not accept cryptocurrency payment.
- 4) Taking out their need to convert cryptocurrency to fiat.

Benefit to ad Network

AB-CHAIN wants to provide a complete solution for existing ad networks by:

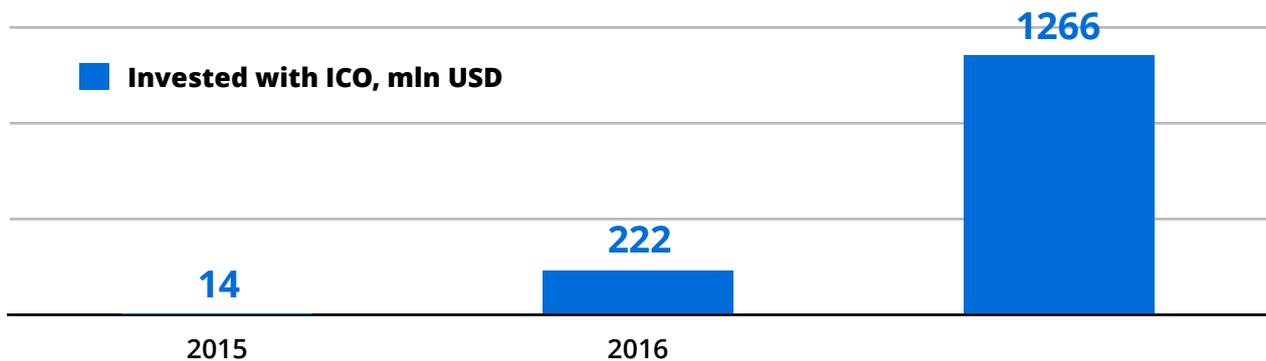
- 1) Increasing the sale potential for each network with new post ICO advertisers – this will be done using an API to import AB-CHAIN advertisers' banners into a network so that it places them on publishers' websites.
- 2) Providing a payment system that accept both cryptocurrency and fiat (automatically converted from cryptocurrency)

Market analysis

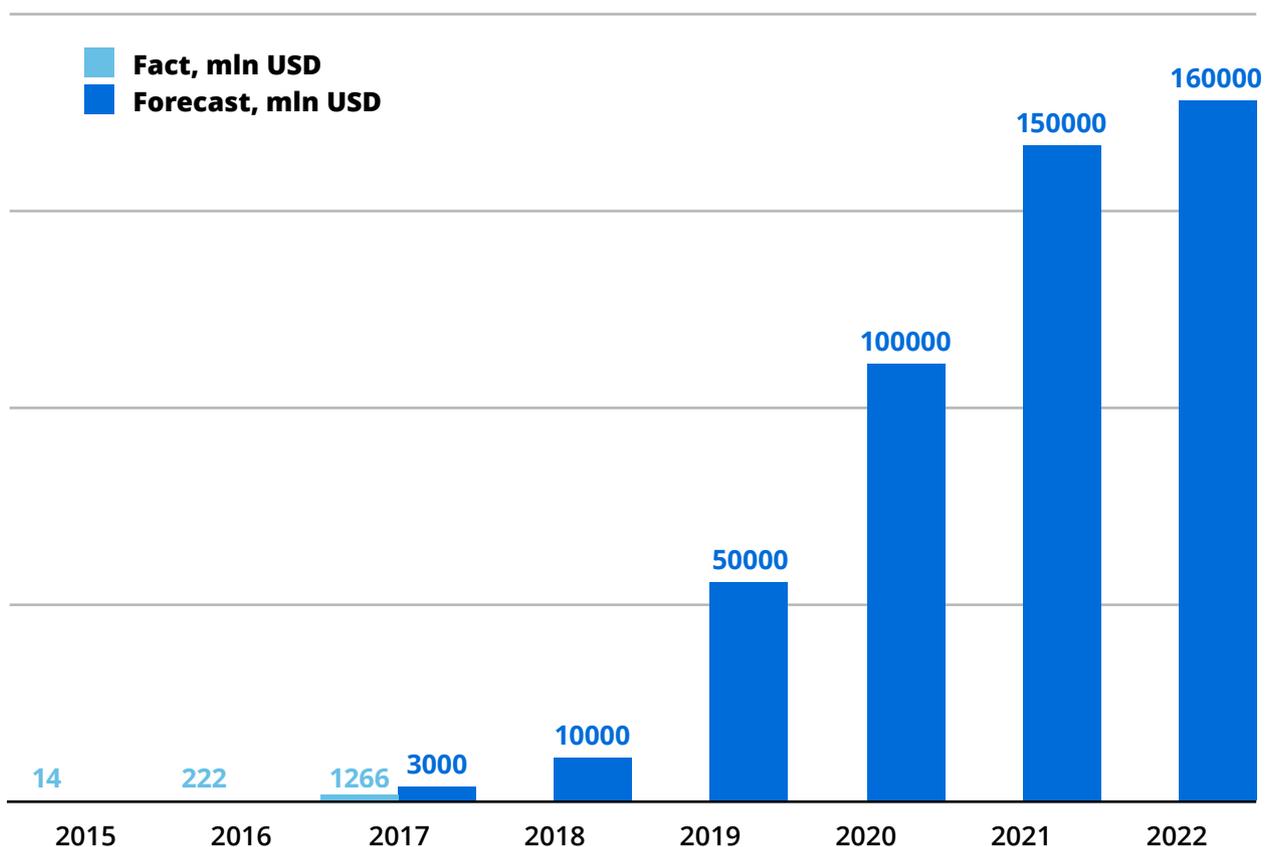
Cryptocurrency market value & growth

ICO funding has grown exponentially [this year](#).

In August 2017 ICO-funding reached [\\$1.9b](#) adding \$300m since the SEC issued its report. Since the SEC's announcement, [46 new coin offerings had been announced with another 204 planning to make an announcement before 2018](#).



This is a so called "Low base effect". We expect that before 2022 the market of ICO will grow up to \$200b annually. This means 100 times compared to 2017Q1.

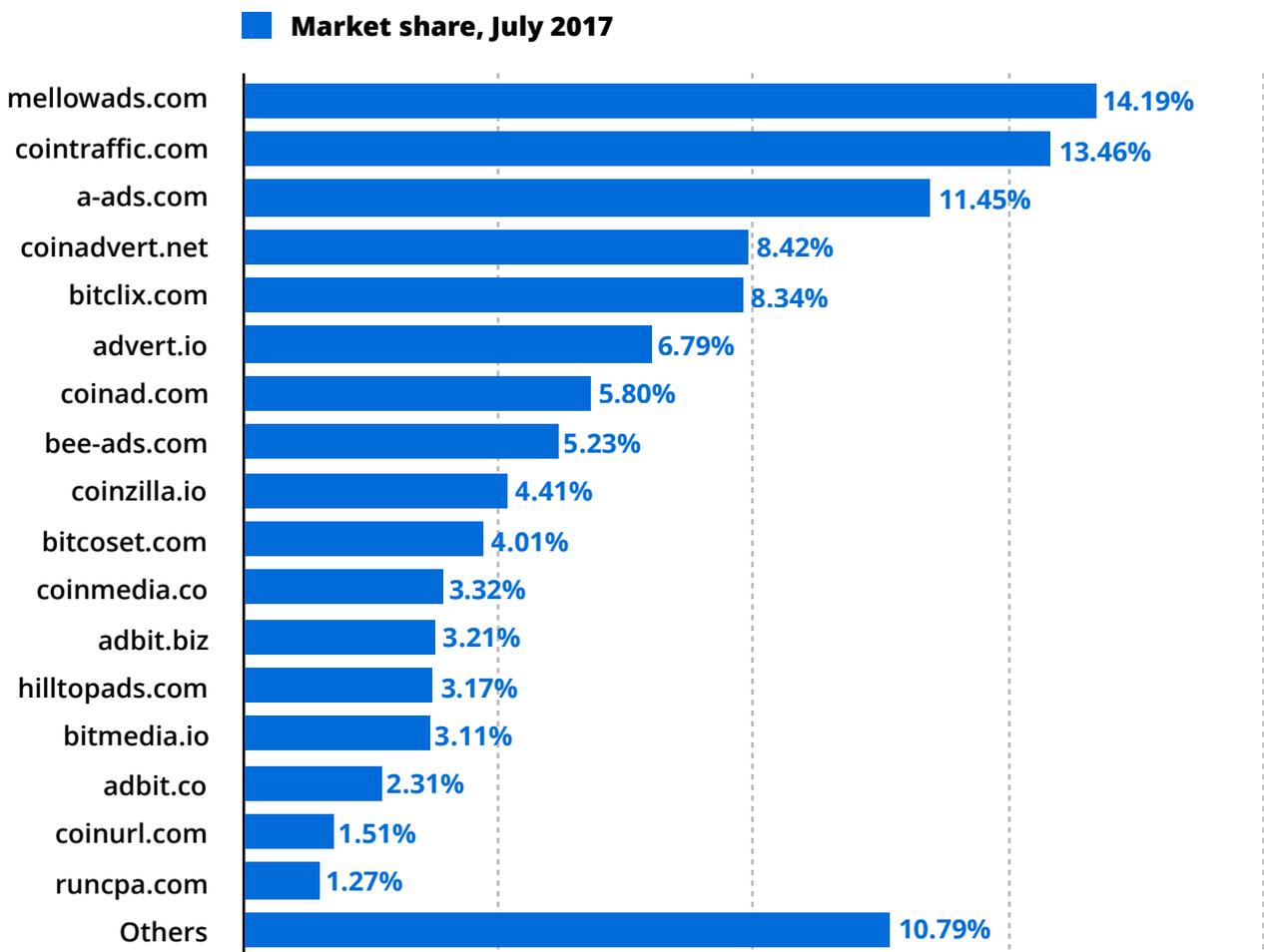


Payments using cryptocurrencies

The Global Benchmarking Study has [surveyed](#) 48 companies that use cryptocurrency as a payment method in 27 countries. 79% of these payment companies have existing relationships with banking institutions and payment networks, however, this is a small deviation compared to fiat payment market like International Payment Systems (Visa, MasterCard, UnionPay, etc) or Mobile Wallets or other payments methods.

Cryptocurrencies advertising platforms

Our market studies indicate that most of the companies accepting cryptocurrencies are focused on the anonymously paid advertising niche.



This market is small and generates less than \$10m annually. We expect upcoming leaders will be able to serve both post ICO companies and fiat publishers. Both are not served in the current market.

We do not aim to compete with current market players. We will help them to leverage their existing business adding on top of it the AB-CHAIN b2b solution.

Outlook and future value of the market

While the growth of the market is impossible to predict, [according to Saxo Bank](#), Bitcoin could make up 10 percent of the \$5 trillion average daily volume in the foreign exchange market in 10 years. Its market cap could grow up to \$1.76 trillion which would make each bitcoin worth \$100,000.

Why now is a perfect investment momentum

2017 is proving that Blockchain is a long term story

The market is supported by incoming investments in most cryptocurrencies. The adoption is becoming universal, with several large companies, banks and funds all working on or investing in blockchain projects. IBM alone has over 200 Blockchain projects underway with corporate companies. Major International banks are also [starting](#) to work on their own blockchain projects.

A regulated environment

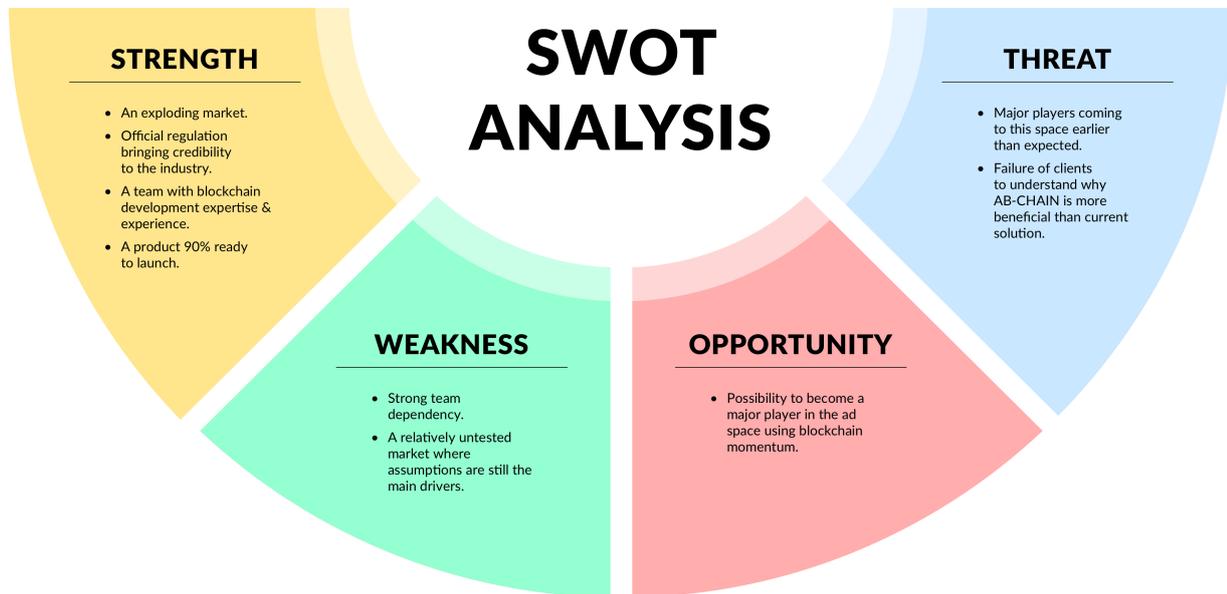
Once being a major obstacle, regulation today is today becoming a positive force for cryptocurrencies' growth. The Japanese government has recently formally recognized Bitcoin in April, giving it greater legitimacy in one of Asia's richest economy. Countries that are actively working on regulation are Singapore, Switzerland, Russia, Estonia, etc. Other countries are expected to follow shortly, with a steady growth of international money-transfer services that use Bitcoin daily.

Low competition

There is a growing number of services and startups attempting to tap into this market opportunity. However, the number of players is still relatively low, with significant room existing for new entrants. As the competition is limited, the market size is sufficient to minimize the risks. The cryptocurrencies sector presents a perfect momentum for new strong incumbents to enter the market.

Absence of Major players

Currently the market is devoid of big players, despite the expectations of companies in the space. We expect this grace period to last from 1 to 3 years, enough time for our company to expand our competitive advantage.



Competition

We will compete with numerous companies both directly and indirectly.

Our indirect competitor will include traditional advertising networks such as BuySellAds.com, Adsterra.com, Adcash.com etc. and any other services that offers ad network paid in cryptocurrencies, either in fiat and cash

Direct competitors will be the traditional ad networks that currently exist on the market. The key distinction between the traditional ad networks and AB-CHAIN are:

- 1) AB-CHAIN accepts cryptocurrency.
- 2) AB-CHAIN already has blockchain technology experience and expertise unlike traditional advertising companies.
- 3) AB-CHAIN is aggregating other networks to expand fast. This will allow us to reach the necessary economic scale to compete with existing industry giants.
- 4) We are building customer service with an automatic ad rolling widget that will maximize publishers' revenues. We expect this will help us retain publishers and also entice publishers from existing ad networks.

Competitive analysis of AB-CHAIN vs existing ad platforms that accept bitcoin

Existing ad networks that get payed in cryptocurrency are mainly focusing on two markets:

- 1. Companies that raised fund through ICO:**

This market is fully "white" and legal with legitimate startups and business. Their innovations and technologies are perfectly legal and they do not search to exploit local jurisdiction loophole. The size of the market is expected to grow 6000 times more than the "Grey" anonymously paid ad market.

- 2. The market made up with "gray" companies:**

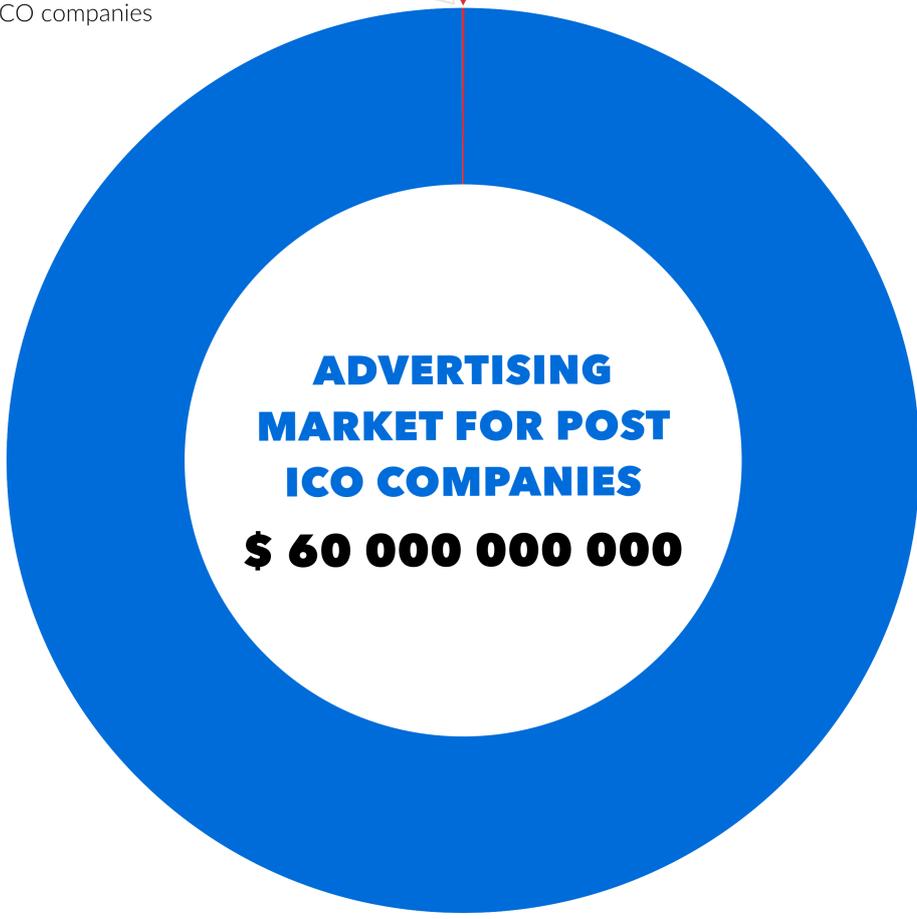
These businesses buy anonymous payments for advertising. Perfect examples are online casinos and the adult entertainment industry. Although these services are easily accessible, they are nonetheless not legal in all jurisdictions. Their last resort is to pay in cryptocurrency in places where they are not allowed to legally operate.

However this niche of advertising paid in cryptocurrency has almost grown to its maximal potential. We expect no more than a 10-20% annual growth rate.

**\$ 10M
ANNUAL
MARKET**

X 6000

- Anonymously paid advertising
- ICO companies



Our Strategy

Short-term targets

Our short term target is to sign contracts as a long term service provider with at least 10 companies that recently raised fund through ICO. Through this we confirm optimal product market fit before starting to physically expand our geographical coverage.

Long-term goals

Our long term goals is to become the dominant player in the ads-for-cryptocurrency market.

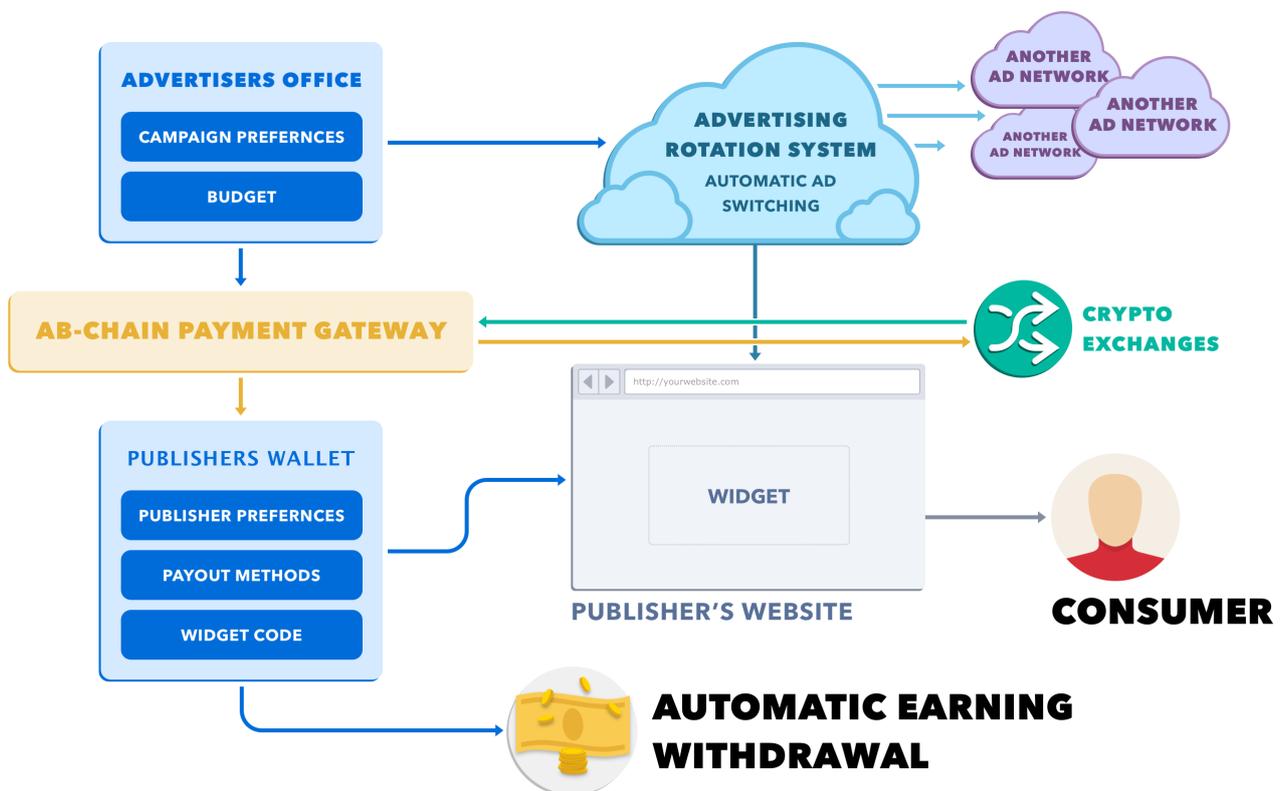
We will accomplish this by first becoming the leading platform that accepts cryptocurrency payment. Then, we will also start targeting companies that do not initially plan to pay using cryptocurrency.

We will propose them a solution innovative enough, so that it will fully justify the purchase of our ABC token and to join our platform.

Product development outlook

AB-CHAIN platform consists of several components interacting with each others:

- 1) Publishers Wallet
- 2) Advertisers office
- 3) Ad networks API
- 4) Advertising rotation system
- 5) Cryptocurrency exchanges integration



Publishers Wallet

Publishers Wallet will accept the following currencies:

1. ABC token, own advertising coin of AB-CHAIN.
2. TOP-10 cryptocurrencies.
3. USD and TOP fiat money, including €, £, JPY, 元, R\$, ₹, ₪.

Publishers Wallet has the following key functions:

- 1) Widely customizable publishers' preferences such as thematics of ads accepted by publisher, sizes of banners, types of banners (static pics, video, gif, etc), type of devices, etc.

- 2) Widget customization interface.
- 3) Payment options.
- 4) Advertising statistics.
- 5) Payment history.

Advertisers office

Advertisers office will provide the following functions:

- 1) Easy to use simple interface for advertiser.
- 2) Support for ABC token as payment method and TOP cryptocurrencies.
- 3) Easy to fill-in ad campaign wizard that allows to set all necessary targetings.
- 4) Analytics and conversion analysis module.
- 5) Ability to choose any webmaster from each AB-CHAIN partner network.

Ad Network API

AB-CHAIN provides a solution for existing ad networks to increase their sales. Technologically it will be RESTful API, including:

- 1) Publishers list synchronization.
- 2) Postbacks that will allow to stop campaign ending by a publisher and/or advertiser.
- 3) Conversion and analytics reporting.
- 4) Payment reporting.
- 5) Payment preferences.

Advertising rotation system

Our advertising rotation system is the technological core of the ad network business that automatically watches ad views with real time tracking of offer changes. This constant monitoring allows the system to change ads for each specific publisher automatically and produces ad rotation.

Our advertising rotation system is a cloud-based application scaling, depending on the load of the network. This allows the system to scale for a big volume of advertising without changing the software.

Cryptocurrency exchanges integration

AB-CHAIN platform will provide the advertiser with the ability to put an ad into the network with bid in one cryptocurrency and allow the publisher to receive another. For example, advertiser has made an ICO and attracted ETH and pays in ethereum, and publisher wants to receive Bitcoins. AB-CHAIN will allow automatic conversion from ETH paid from advertiser to Bitcoin withdrawn by publisher.

Token usage

The ABC token is designed as a decentralized ERC20 token on the Ethereum blockchain. This allows a smart contract between our clients and AB-CHAIN.

In order to speed up coin adoption, we will propose to add its support as the payment method to all our partners networks.

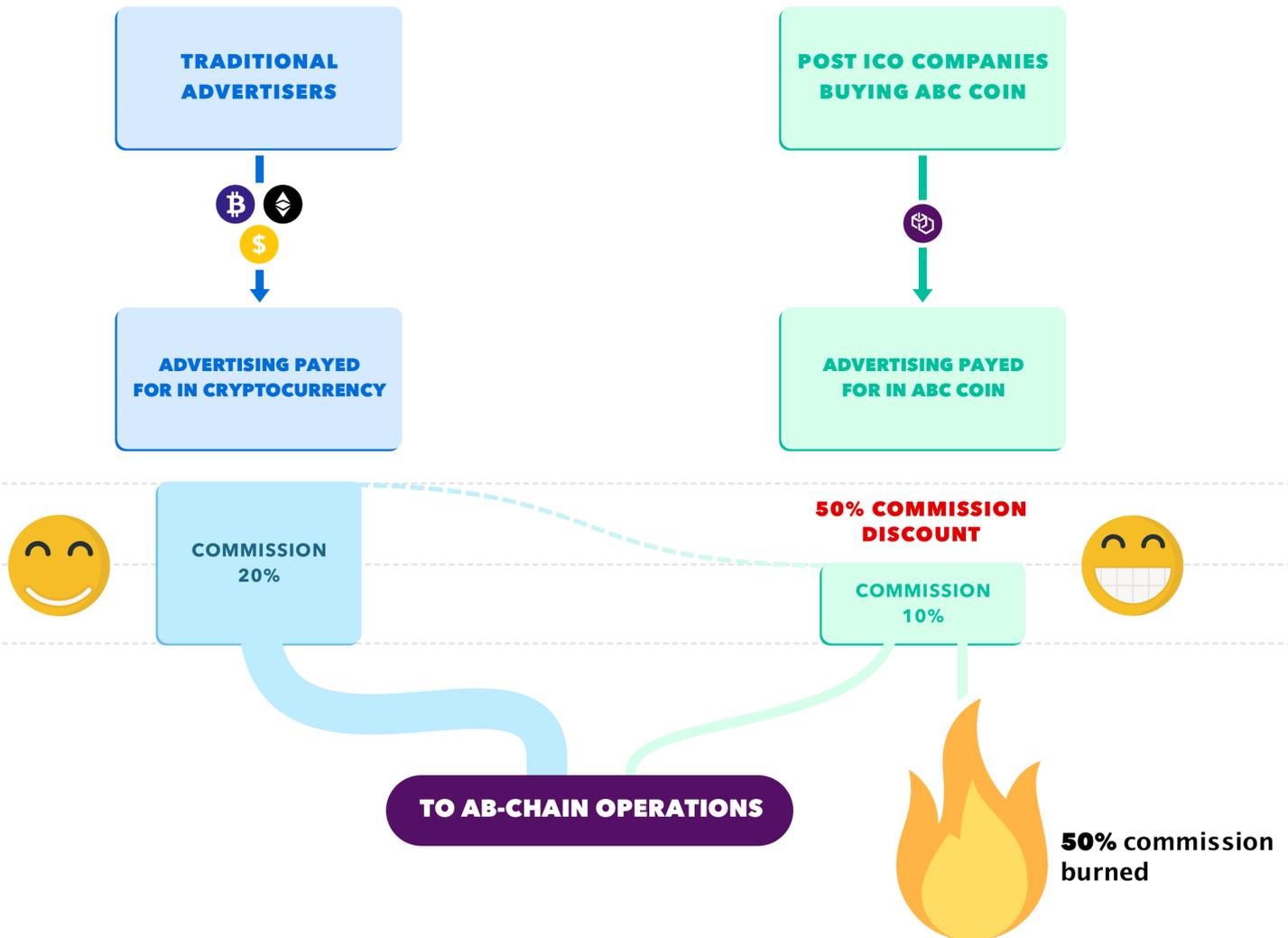
Our marketing activities will drive companies towards using ABC tokens with added mechanisms that will also apply an upward price pressure on ABC tokens.

ABC coin turnover

When a transaction with ABC coin occurs, AB-CHAIN takes a commission of 10%. Out of that, 50% is burned and the other half is used to make the AB-CHAIN blockchain work. The commission fees are used by AB-CHAIN to support operations cost and marketing activities.

Burning a fraction of ABCs is a way to provide long term added value benefits to early token buyer.

ABC coin price pressure



50% Commission discount

The main incentive for advertisers to pay in ABC coin is to get a 50% discount on AB-CHAIN commission fees. Commonly ad networks charge 20% of commission over all payments. An advertiser paying in bitcoin will be charged 20% commission while an advertiser paying in ABC coin will only be charged 10%.

ABC Coin Burning mechanism

To increase interest on ABC coin we are introducing ABC coin burning mechanism. We will burn 50% of commission received by AB-CHAIN to support coin value growth over time.

An advertiser placing ads for 100 ABC, will be charged 10% by AB-CHAIN.

Half of that fee will be burned and the other half will be used to cover AB-CHAIN expense, please see visual scheme in section [ABC coin price pressure](#).

What will happens if all of ABC tokens get burnt someday?

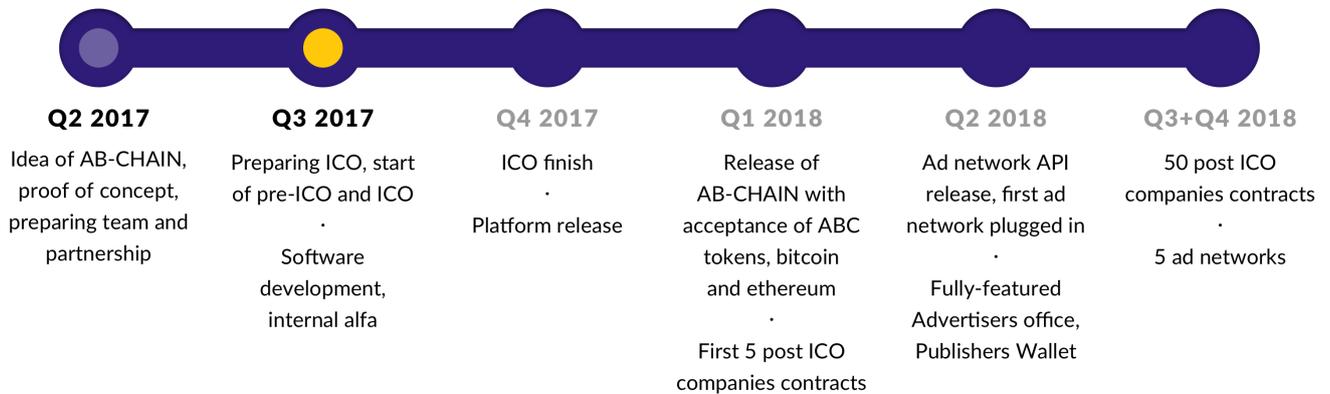
ABC token has 18 decimals and it can be split. We calculate that the network will have sufficient currency for over 5 years of its lifetime. When the total number of ABC tokens decrease to a level disruptive to the overall operation, a new token will be issued and offered in exchange of all remaining ABCs.

ICO companies buying ABC

We are targeting advertisers that raised money through ICO. The average time between the ICO event and the release of the product takes a minimum of 6 months. Therefore we are inviting these companies to purchase ABC token early on, so that they can benefit from the value increase.

We will engage with companies currently doing ICO or who have just finished their ICO.

Roadmap



- **Q2 2017**
 - Idea of AB-CHAIN, proof of concept, preparing team and partnership
- **Q3 2017**
 - Preparing Crowdfunding, start of pre-Sale and Crowdfunding
 - Software development, internal alfa
- **Q4 2017**
 - Crowdfunding finish
 - Platform release
- **Q1 2018**
 - Release of AB-CHAIN with acceptance of ABC tokens, bitcoin and ethereum
 - First 5 post ICO companies contracts
- **Q2 2018**
 - Ad network API release, first ad network plugged in
 - Fully-featured Advertisers office, Publishers Wallet
- **Q3 AND Q4 2018**
 - 50 post ICO companies contracts
 - 5 ad networks

Crowdfunding Structure

The ABC token is designed as a decentralized ERC20 token on the Ethereum blockchain. There is a total of 100,000,000 ABC tokens.

We are performing Crowdfunding in 2 stages: pre-Sale and main Crowdfunding. The pre sale will help to raise fund to advertise the main event and to make our first new hire in order to scale the platform.

Tokens will be proposed and distributed as follow:

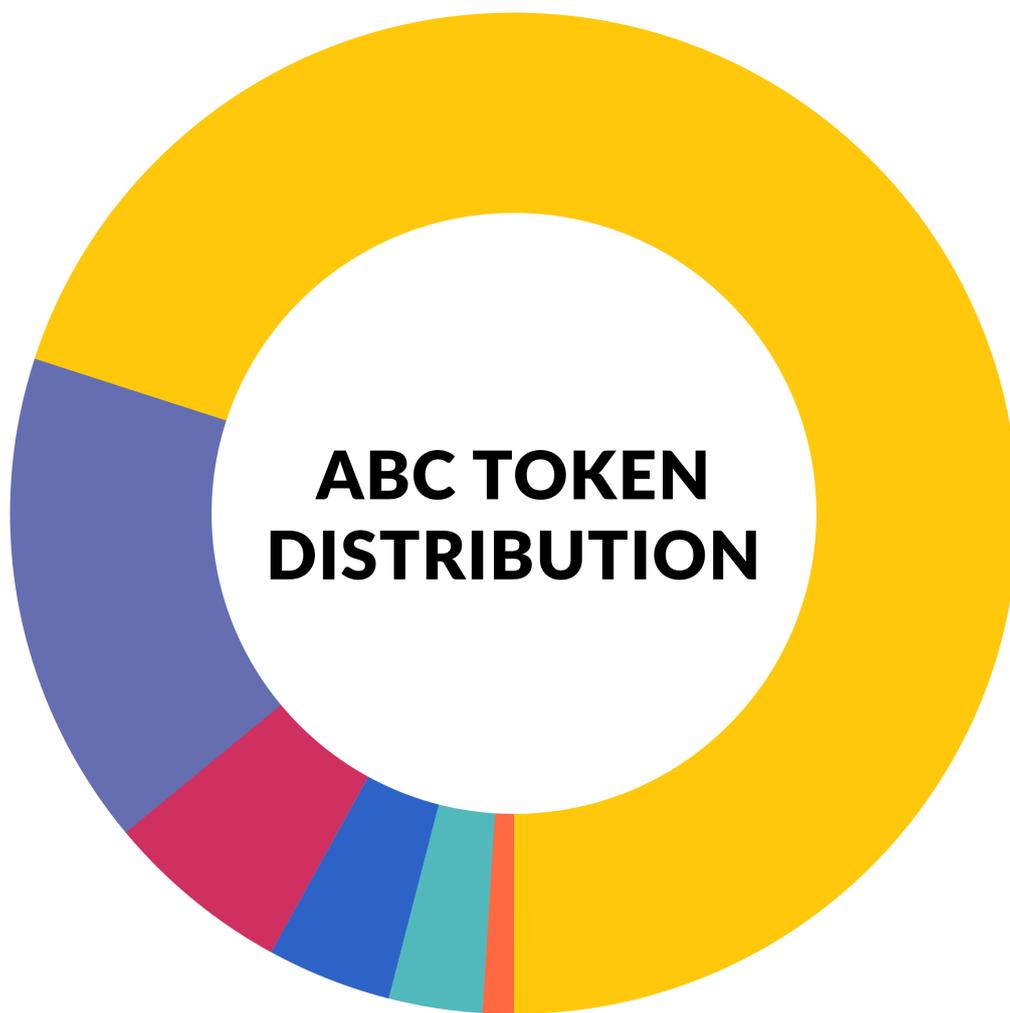
	PRE-SALE	CROWDFUNDING
Token number	1 500 000 (or 1.5%)	68 500 500 (or 68.5%)
Price / Token	\$ 0.20	\$ 0.30-0.35
USD Goal	\$ 300 000	\$ 10 000 000
USD Max	\$ 500 000	\$ 20 550 000

All unsold tokens will be burned once the Crowdfunding is completed.

The burning will be proportional in each category (team, employee, etc) so that AB-CHAIN coin **investors/buyers hold a total of 70%** of ABC tokens.

Token Distribution for team and other activities:

Founders	16 000 000 (or 16%)
Employee	6,000,000 (or 6%)
Company reserve	4,000,000 (or 4%)
External consultant	3,000,000 (or 3%)
Bounty hunting	1,000,000 (or 1%)

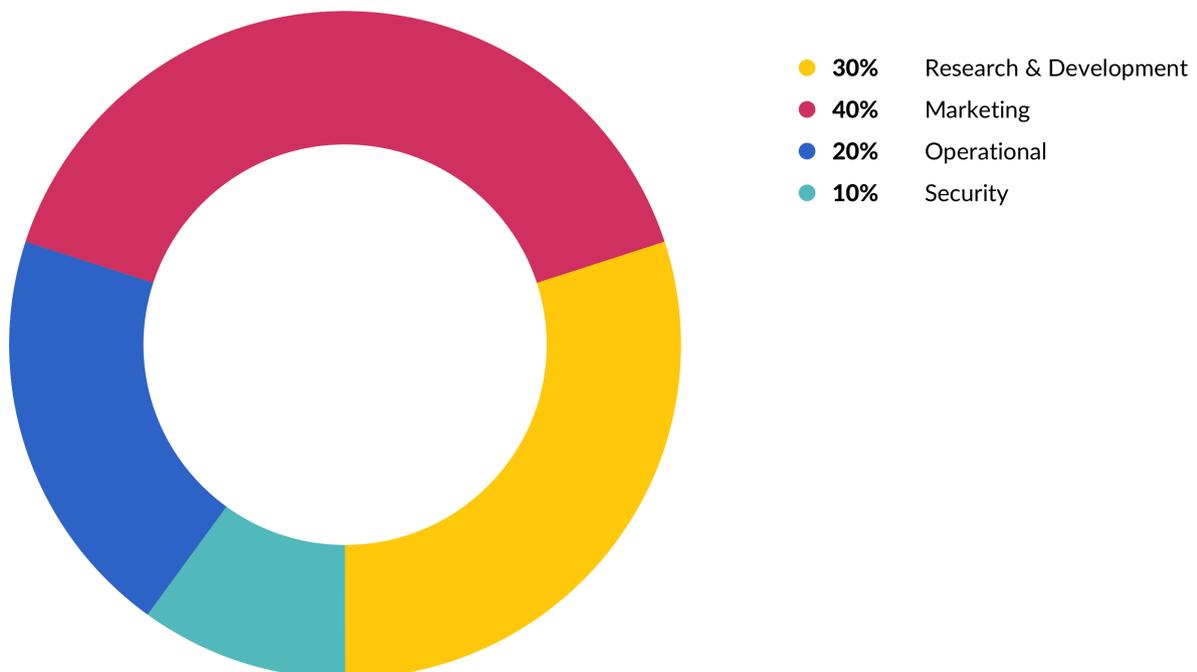


- **70%** Investors @ ICO & pre ICO
- **16%** Founders
- **6%** Employee
- **4%** Company Reserve
- **3%** External Consultant
- **1%** Bounty Hunting

Structure of financing

Intended use of Revenue:

- **30%** of the Crowdfunding revenue will be used on R&D
 - Software development
 - Contribution to open source development
 - Contribution to blockchain and cryptocurrency development
- **40%** of the Crowdfunding revenue will be used on marketing
 - Sales offices: Asia, Europe, America
 - Incentives and events for Publishers
 - Sales managers motivation program
- **20%** of the Crowdfunding revenue will be used on operation costs
 - Office expends
 - Legal and accounting
 - Server infrastructure and cloud services
- **10%** of the Crowdfunding revenue will be used on platform security



Crowdfunding Timeline

The Crowdfunding will be conducted in two stages:

Pre Sale

The pre-Sale will take place for 2 weeks, from September 18th until October 1st 2017. ABC prices will be fixed in ETH and BTC on the first day of pre-Sale so that 1 ABC costs \$0.2 USD.

- Target financing - 300,000 USD.
- 1,500,000 ABCs will be sold during the pre-Sale period (maximum cap 500,000 USD).
- The amount raised will be used to launch and market the main Crowdfunding.
- If the target financing of \$300,000 is not reached before pre-Sale ends, then the pre-Sale will be considered unsuccessful, all funds will be returned to pre-Sale participants.

Crowdfunding

The main Crowdfunding will take place three weeks later, from October 23rd until December 25th 2017. A maximum of 68,500,000 ABC will be sold during the main Crowdfunding event:

- Target financing - \$10,000,000.
- One ABC will cost \$0.30 USD for the first 5 days.
- One ABC will cost \$0.35 USD from day 6 until the end.
- 68,500,000 ABCs will be sold during the Crowdfunding period (maximum cap 20,550,000 USD).

*** Minimum amount for contribution at 0.2 ETH or 0.015 BTC.**

Bounty Program

The Bounty Program consists of a pool of 1,000,000 ABC token (or 1%).

These ABC tokens will be distributed to reward people for their assistance on marketing and community development effort.

Team

AB-CHAIN is being developed by an experienced team of developers and business professionals. We have already successfully delivered multiple complex project such as:

- **PINbonus** - A programmable electronic card with its own iPhone/Android application that replaces all discount and reward plastic cards (barcode, number, picture, magnetic stripe)
- **QIWI Bonus** - An ad platform both for consumer goods and financial traffic for QIWI (NASDAQ:QIWI) and other publishers. Additionally we also created a cashback service <https://bonus.qiwi.com>.



Vladimir Dyakov

CEO, Founder

15 years of development experience,
10 years of management,
7 years in sales,
4 years in bitcoin,
several successful companies, among investors are FINAM
Global, NASD:QIWI, Prostor Capital



David Pomies

Co-Founder, Business Development Director

9 years of sales and marketing experience,
7 years Hong Kong based business development



Ivan Pshenitsyn

Co-Founder, CTO

11 years of development experience,
5 years of management,
advertising networks and financial services,
6 years experience in bitcoin technology



Cate Lawrence

Head of Communication and PR

4 years working in tech journalism in Berlin,
7 years running a charity in Australia,
10 years working in higher education.

Multiple publications in [VentureBeat](#), [Sitepoint](#), [DZone](#),
[ReadWrite](#), [TheNextWeb](#)



Antony Oshkin

Chief Marketing Officer

Founder of RocketLP digital marketing agency

6 years of digital marketing experience,

4 years development activity of marketing projects

Successful experience of production of more than 50 marketing
strategies



Ivan Rogozhev

Software Developer



Vyacheslav Mirgorod

Software developer



Sergey Kuprianov

Software Developer



Alex Shalin

System
Administrator



Kirill Remizov

QA Engineer



Veronique Repeva

Account Manager

Advisors



Leonid Delitsyn

Head of Analytics,
FINAM Global



Aleksey Arkhipov

Director
of Cryptocurrency
and Blockchain
projects at QIWI



Nikita Zaytsev

Head of Financial
Sector, cityads.com
advertising network



Artem Ozerkov

Head of Publishers,
admitad.com
advertising network



Kirill Ermakov

Chief Technology
Officer, QIWI Bank



Igor Bulatenko

Chief Security Officer,
QIWI Bank



Ivan Pashintsev

UX Lead, QIWI



Dmitry Kozlov

Head of Product,
Alfa-Bank



Arsen Gasparyan

Founder and CEO,
a-ads.com platform

Sports

When not busy with our work, the AB-CHAIN team is also actively practicing sports. While Vladimir and Ivan specialize in running mountain events (see their last event below) David is running for pleasure in local events.

THE ADIDAS ELBRUS WORLD RACE 2017 – 11 KM AND 34 KM RUN

Elbrus is the highest peak of Europe that consists of 2 peaks: the Western 5642m and the Eastern 5621m (31 meters lower). The mountain is located in pictorial Baksan gorge where each year since 2012 international mountain trail running competition takes place.

Two of our co-founders, Ivan and Vladimir, took part in the run in 2017, Ivan has finished 11km distance with +1800m of altitude gain and Vladimir has finished 34km distance with +2700m up. We are happy to share some pictures from the run with you.



MARATHON DU MONT BLANC 2017 – 42KM



This year, Vladimir has finished one of the most beautiful marathon runs worldwide - Le Marathon du Mont Blanc. The race starts in Chamonix and drives runners through the gorgeous Alps mountain landscape.

FRENCH NATIONAL ATHLETE



David (below) is a Former French National Athlete and former Oklahoma State University cross country runner. His personal records are impressive 8.04 on 3000m, 14.07 on 5000m, even though he retired a while ago, he still enjoys participating to local races in Hong Kong or Europe.