White Paper

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Designing a Blockchain Incubator

▲ Roadmap Series

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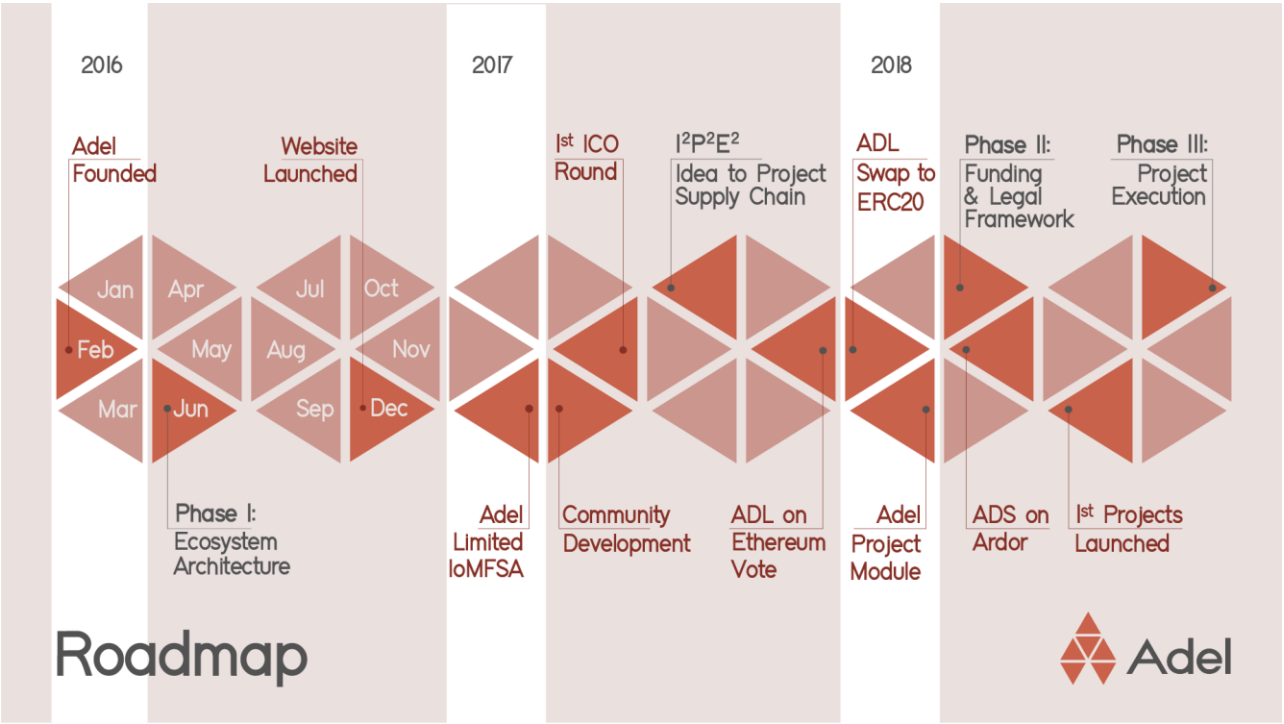
Framework

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

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

Roadmap

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



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

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

Phase I ▲ Ecosystem Architecture

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

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

Information Security Management.

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

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

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

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

Phase II ▲ Funding & Legal Framework

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

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

Phase III ▲ Project Execution

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

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

- *There will be members who vote no to a project's business plan.*
- *There will be members who vote yes to a project's business plan[3].*
- *There will be non-active voters who do not vote at all.*

Approved projects will take one of four forms:

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

  a. *Once the second phase investment vehicle is established, members will be invited to create a community-pooled fund by using their ADL to purchase ADS. Their wallet will reflect their profit stake in the pooled fund as a representation of their profit participation and for future dividends for community projects.*

  b. *When the threshold of ADS is raised for the community fund, the seed capital will be released from the BTC repository (collected during the ICO) to begin funding the community project.*

  c. *In terms of profit participation, 30% of community projects will be allocated to Adel and 70% will reside with members who own the ADS tokens.*

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

  a. *Projects are funded by members who have purchased ADS in the project – forming a "group". Group participants can choose how many ADL from their wallet they wish to use to purchase ADS tokens. Adelshares are the representation of a member's profit participation in a project.*

  b. *Once the required ADS profit participation tokens have been purchased by members then Adel's BTC repository will be used as seed-fund the project.*

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

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

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

b. *In terms of profit participation: x% the project's Adelshare is allocated to the Innovator of the project, 30% is for Adel Ecosystem Ltd., and 70-x% of the Adelshare is allocated to the active participants of the project.*

Ecosystem

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

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

About Adel

Adel is a community incubator for blockchain innovation.

- *Adel is a global cryptocurrency community that is self-sustaining and offers its own economic ecosystem with the Adelphoi coin. Our community focuses on creating, developing, and implementing use cases involving blockchain technology that covers a wide*

range of digital and physical industries. Projects are chosen by the community and successful ventures are either re-invested in for further growth or issued as rewards to Adel's stakeholders.

About the Authors

Gabriel Dusil

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

Michal Vavrek

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

References

[1] *There will be no asset rights or dividends associated with the Adelphoi coin.*

[2] *This minimum incorporates ICO contribution bonuses earned throughout different stages of the ICO.*

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