CEX.IO: Free TON Partnership Proposal

Introduction:

We are excited to submit our proposal to join the forces advancing Free TON towards the full potential. We believe that our proposal can foster Free TON adoption on two fronts: further Free TON **reach** and deeper Free TON **engagement**. We can achieve the former by the sheer size of our user base and the community we've nurtured. The latter will be the result of offering the environment where users can have a more meaningful immersion into Free TON functionality, use cases, and values.

> Adoption = Further Reach + Deeper Engagement

CEX.IO Group is an ecosystem of products connecting users to the open financial system. We are among **only 12 cryptocurrency platforms** in the world with a CryptoCompare rating of **A** and above.

Over 3 million registered customers in 198 geographies access the crypto economy using our products. Our multi-functional mobile app has high five digits monthly downloads. For many users, CEX.IO is their very first introduction to cryptocurrencies. With a number of products in our ecosystem, we help users evolve from complete beginners into the adept blockchain industry participants.

We started out in 2013 as the first company ever to offer cloud mining, as we developed some of the most initial Bitcoin mining algorithms. These days, as PoS consensus protocols have firmly established themselves as an alternative to PoW, we offer our users over 10 cryptocurrencies for staking (and growing), maintaining our own nodes for a number of protocols. So it is fair to say, we know a thing or two about blockchain networks.
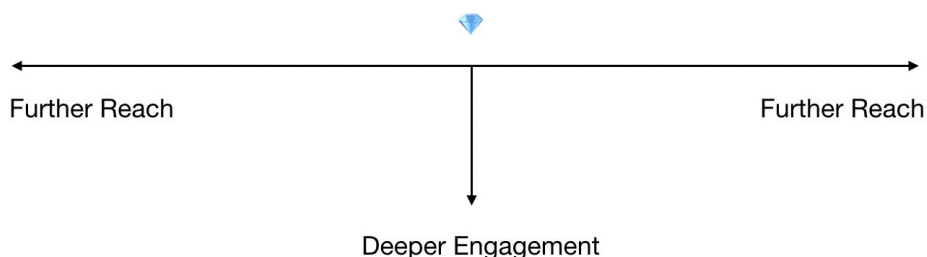
Free TON & CEX.IO:

- We've been actively involved in researching and implementing the powers of TON from the second half of 2019 when Telegram Open Network was still in the cards.
- We are proud to be one of the Free TON partners and one of our companies successfully runs the validator node from the very launch of the network in May 2020.

What we propose:

We envision moving Free TON along two axes of adoption: further reach and deeper engagement. Whereas **deeper engagement** creates the environment for the protocol users **to**

stick around, **further reach** makes the users **to come** in the first place. One cannot be without the other.

Here is the Summary of the Ask, which we will explain in the details below.

Summary of the Ask:

STAGE 1				
Deeper Engagement: Integration	**Type**	**Upfront**	**When Delivered**	**Estimated Timing**
Integrate Free TON into CEX.IO Wallet	tech-driven	70,000	30,000	T+ 2 months
Integrate Free TON into CEX.IO Staking	tech-driven	75,000	30,000	T+ 2 months
Introduce Governance Participation	tech-driven	65,000	NA	T + TBD months
Total Stage 1:		**210,000**	**60,000**	
STAGE 2				
Integration Maintenance & Improvement	**Type**	**At Stage 2 Start**		**Estimated Timing**
Augment Free TON Staking Dashboard	tech-driven	35,000		Continuous improvement
Improve Precision and Flexibility of Staking Algorithm	tech-driven	35,000		Continuous improvement
Deeper Engagement: Learn & Earn				
Develop Learn & Earn Free TON Course Materials	incentive-driven	85,000		T+ 3 months
Incentise Test Format Participants	incentive-driven	40,000		T+ 3 months
Create Learn & Earn Academy	tech-driven	80,000		T + TBD months
Learn & Earn Rewards for Program Participants	incentive-driven	60,000		T + TBD months
Further Reach: Incentives	**Type**			**Further**
Spread News Giveaway Capaigns	incentive-driven	50,000		
Welcome Bonus Campaigns	incentive-driven	60,000		
Rebate Campaigns	incentive-driven	50,000		20,000 TON Crystals for each 5,000 unique users
Referral Incentives	incentive-driven	90,000		
Staking Incentives	incentive-driven	60,000		
Goverance Incentives	incentive-driven	55,000		
Total Stage 2:		**700,000**		**up to 1,000,000**
Grand Total:		**970,000**		

I. Deeper Engagement:

We believe that **deeper engagement** with a blockchain protocol becomes a result of education and hands-on experience. Together, both have the power of making someone personally vested into the success of a protocol. And when it comes to cultivating such a sense of ownership, meaningful integration with CEX.IO products is a place to start. Particularly, integration with CEX.IO Wallet and CEX.IO Earn.

CEX.IO Wallet is a central part of the entire CEX.IO Ecosystem. Every interaction with other CEX.IO products or services goes through the Wallet. For a user, it is the heart of everything they do.

Moreso, right now our team is working on rolling out a standalone mobile-first new version of CEX.IO Wallet for even better experience on the go.
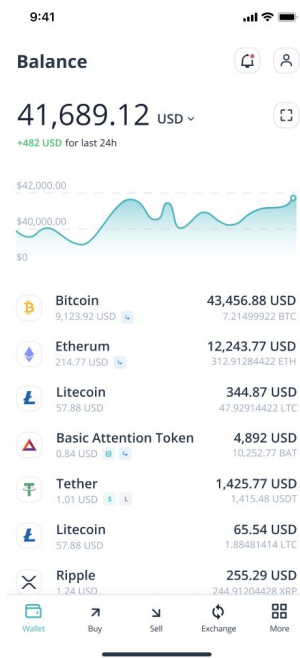
And the integration of Free TON into the existing and then new version of CEX.IO Wallet is where we're going to start. From here, Free TON can become a part of **CEX.IO Earn**.

CEX.IO Earn is a suite of products allowing cryptocurrency holders to earn by facilitating various aspects of the blockchain industry. **CEX.IO Staking**, the first live product of CEX.IO Earn, lets users earn staking rewards whereby the coins they hold with CEX.IO participate in the consensus of the respective protocols.

As a way to facilitate deeper engagement, we propose to integrate Free TON into CEX.IO Staking:

- An opportunity to indirectly participate in the facilitation of the Free TON network offers TON Crystal holders a more meaningful involvement with the protocol.
- Staking rewards distributed to users with holdings **as low as 1 TON Crystal** overcomes the need to amass a large stake to get involved.
- The simplicity of CEX.IO Staking removes the technical barriers for participation for a significant group of existing and potential TON Crystal supporters.
- Distributing staking rewards, while CEX.IO **does not require a lockup** of the stake-able coins for users, provides the power and control to the coin holders and upholds decentralization.

More details:

Easy onboarding: As part of CEX.IO Staking, simple adding of TON Crystals to the balance activates the accretion of the staking rewards for a user. The offboarding is just as easy, and the algorithm calculates the precise duration of the holding period to determine the applicable rewards.

Staking control dashboard: Stakers enjoy the ability to monitor the accumulation of the staking rewards in real time. The current composition of the staking portfolio along with the records of past rewards at the fingertips drive the sense of control and help manage expectations. When the past rewards are added to the balance and start accumulating rewards too - the compounding nature of the process makes a staker even more vested.
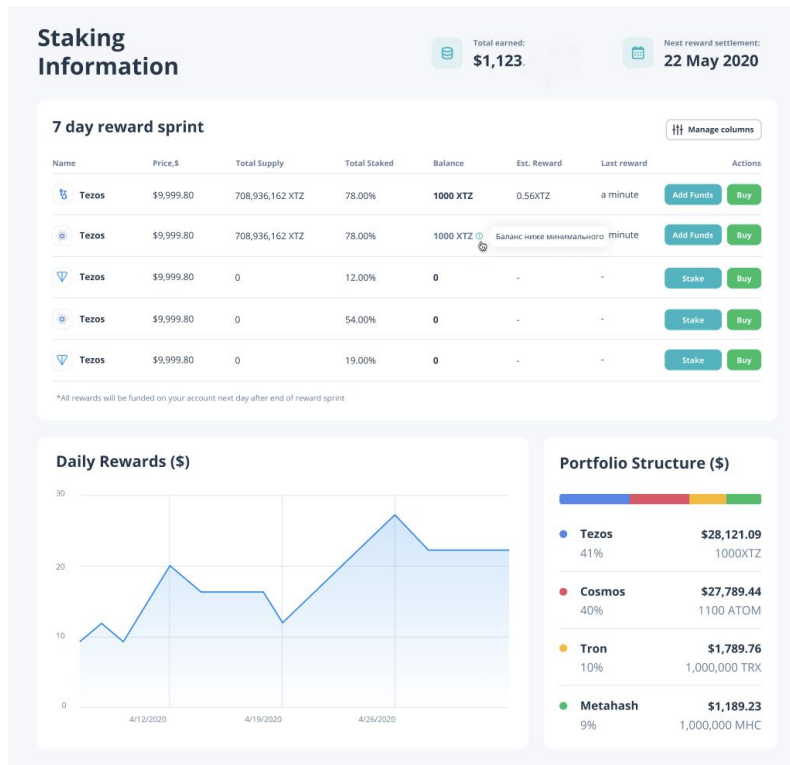
Hands-on experience: Watching the numbers come alive on the staking dashboard is probably the most real way of feeling the pulse of the blockchain for an ordinary user. It encourages understanding the nature of the staking reward rate, deeper dive into the concepts of decentralization, and healthy inquiry into what happens "under the hood".

They say, people can indefinitely look at fire and at other people working. With our CEX.IO Staking, we like to add *"watch how your staking rewards grow"* to this list. But that's not where it stops.

Governance: Since the nodes on Free TON participate in making governance decisions, more meaningful decentralization can be achieved when the node expresses the views of its delegates. We ensition adding the Governance functions where we could timely obtain the inputs from the current coin holders (who delegated coins to our node) in order to inform the node voting.

Precision and Flexibility: We look to make the algorithm calculating the staking rewards even more robust and shorten the period of staking payouts from one month all the way down to continuous payout.

CEX.IO Staking Dashboard

Staking Information

Total earned: **$1,123.**

Next reward settlement: **22 May 2020**

7 day reward sprint

Manage columns

Name	Price,$	Total Supply	Total Staked	Balance	Est. Reward	Last reward	Actions
Tezos	$9,999.80	708,936,162 XTZ	78.00%	**1000 XTZ**	0.56XTZ	a minute	Add Funds Buy
Tezos	$9,999.80	708,936,162 XTZ	78.00%	1000 XTZ ⓘ Баланс ниже минимального minute			Add Funds Buy
Tezos	$9,999.80	0	12.00%	**0**	-	-	Stake Buy
Tezos	$9,999.80	0	54.00%	**0**	-	-	Stake Buy
Tezos	$9,999.80	0	19.00%	**0**	-	-	Stake Buy

*All rewards will be funded on your account next day after end of reward sprint

Daily Rewards ($)

Portfolio Structure ($)

● Tezos	$28,121.09	
41%		1000XTZ
● Cosmos	$27,789.44	
40%		1100 ATOM
● Tron	$1,789.76	
10%		1,000,000 TRX
● Metahash	$1,189.23	
9%		1,000,000 MHC

At the moment, **over 10,000 users enjoy the most straightforward participation in Staking with CEX.IO.** Yet, not only CEX.IO Staking gives benefits to our own users, but also opens a way for TON Crystal holders to have **deeper involvement with the network**, which they could not have had otherwise.

Another way to facilitate the meaningful engagement with Free TON via CEX.IO Earn is education:

- We understand the importance of giving users something to work with as a way to facilitate **hands-on learning**.
- We envision implementing a **"Learn & Earn"** program in the form of practical quizzes, both standalone and embedded into a customer's journey.
- These quizzes would allow beginners to become the more informed participants of the crypto economy by passing the tests and getting a reward in TON Crystals.

To put two components, Staking and Learn & Earn, together, here's how we see it:

A user would receive a few coins for completing a hands-on test. The newly acquired knowledge stimulates further curiosity. The newly received coins - further eagerness to put them to work. These coins, in turn, would automatically involve the user into the staking process with staking rewards. The Staking, akin to a mission control room, puts the coin holder in the captain's seat, from where one can steer the ship and discover more things to explore.

II. Further Reach:

Further reach of the blockchain impact depends on the removed barriers to becoming a user. It also banks on the strong advocates that are willing to spread the awareness.

When it comes to **spreading awareness**, we are accustomed to activating the cryptocurrency community to help us further the message. This community consists not only of our own users, but also the army of supporters frequenting our social networks and ready to disseminate the news.

We have a broad experience of running campaigns, designed to incentivise referring the friends and sharing the information on personal social accounts. Most recent campaigns (example HERE) had thousands of individuals spreading **our news** on **their social network pages**, reaching 100,000+ impressions and 15,000+ engagements on Twitter alone. Our community is diverse, eager, creative, and responsive.

As part of facilitating the further reach, we propose campaigns to grow and activate advocates for the Free TON network in the crypto universe:

- ○ Advance the Free TON values by using the power of our community to disseminate the news through the engaging social media driven campaigns;
- ○ Incentivise active usage, referrals, staking, and governance participation with rebates, giveaways, and contests.

More details:
Spread News Giveaway Campaigns:
Award random participants of each campaign with TON Crystals for sharing **the news** about Free TON on CEX.IO across various social media channels. The giveaways aim at increasing the impact of the campaigns described below.
Example:
Campaigns designed to incentivize social sharing on Facebook, Twitter, Reddit, Youtube, etc. the news related to the Free TON developments.

Welcome Bonus Campaigns:
Award new verified users coming to CEX.IO with a Welcome TON Crystals Bonus.
Example:

A two-week long campaign, targeting active cryptocurrency enthusiasts and awarding 10 TON Crystal welcome bonus as an incentive.

Rebate Campaigns:
Reward active cryptocurrency usage exceeding the pre-established thresholds to introduce TON Crystals to new users.
Example:
"Buy over $200 worth of bitcoin with a credit or a debit card and receive 10 TON".

Referral Incentives:
Reward active referrers that bring more active users to the Free TON.
Example:
"Refer 3 friends who do at least one transaction on Free TON and receive 10 TON Crystals for each."

Staking Incentives:
Increase staking rewards over and above the normal staking reward rate for small to medium size holders of TON Crystals.
Example:
"Increase your staking reward rate by 20%-30% for the next two months if you stake over 1,000 TON Crystals" or *"If you stake over three different stake-able assets on CEX.IO, receive additional 10 TON Crystals for staking."*

Governance Incentive:
Incentivise casting the votes on the forthcoming governance proposals to further democratize decision-making of the CEX.IO node.
Example:
"Cast your vote and receive 5 TON Crystals."

The timing of the campaigns will be spread out to ensure the diverse distribution of rewards across old and new users coming from various channels.

We believe that the activities we described as the two axes of adoption - deeper engagement and further reach - are both essential for Free TON. Just like a wide distribution of coins without the ways of meaningful involvement does not mean adoption. Neither does a profound engagement of very few people with a network. You need to have both.

We know we can execute on both fronts that, only together, can facilitate adoption. We got **TON** of excitement and **Crystal** vision to move forward!

Timing:

As a company that's been on the market for over 7 year now, we understand that a sustainable growth in adoption requires consistency. Hence, we envision the timing of the proposed activities to stretch **over the course of several months (up to 12)**.

We've always subscribed to the philosophy borrowed from military combat:
"Slow is steady. Steady is smooth. And smooth is fast."

In terms of technical development, it means minimizing the uncertainty by using the long-term resource planning and budgeting. At the same time, we understand the need for accountability that keeps the partnership focus.

As a result, our approach to the Ask reflects **both:**
1) the need for smooth development that delivers results, and
2) the necessary accountability that maintains partnership in shape.

Both can be accomplished by the reasonable **split of the Ask into tranches** and commitment on both sides to course-correct as conditions in which Free TON operates evolve. Hence, we propose **Upfront Ask** and **On-delivery Ask**.

The Upfront Ask covers integration tasks. We call it Stage 1.
On-delivery Ask covers 1) maintenance and improvement of integration; 2) front end work; 3) and marketing tasks. We call it Stage 2.

Smooth Development ➡ Upfront Ask

Accountability ➡ On-delivery Ask
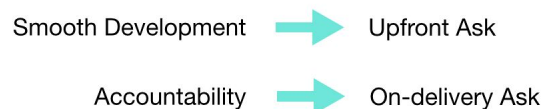
Stage 1: Integration

Stage 1 Ask: 210K upfront, 60K on-delivery

The **tech-driven parts of our proposal** are interconnected and require substantial involvement of engineers to complete. These tasks need to be budgeted well in advance and in full for them to succeed.
And, upon delivery of the working product, we ask for a smaller allocation, mostly aimed at maintenance and engineers' rewards.

Stage 1 Acceptance criteria:
- Integrate Free TON in the Wallet;
- Integrate Free TON into CEX.IO Staking;

- Propose governance participation concept for CEX.IO-supported nodes.

Upon the completion of the Stage 1 proposal items, we ask for an On-Delivery Portion of the Ask. Upon receipt, Stage 2 Ask also comes in effect.

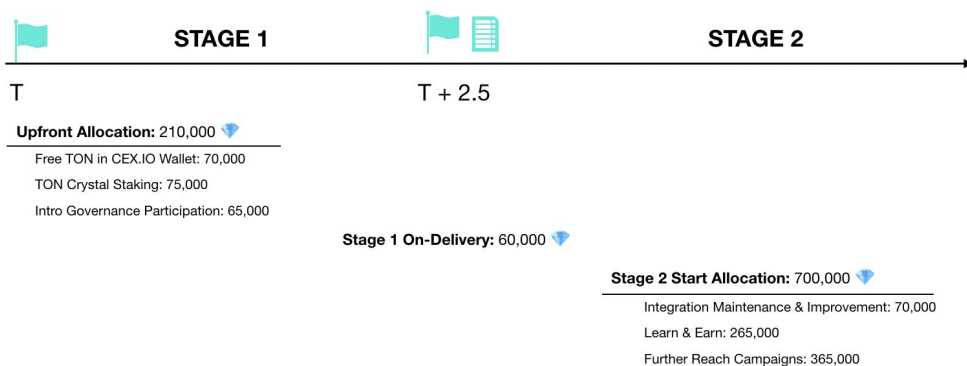# Stage 2: Integration Maintenance & Improvement | Front End Tasks | Marketing Campaigns

Stage 2 Ask: 700K at Stage start

Stage 2 combines rigorous improvement of items accomplished in Stage 1 as well as active attraction of users to engage with those items. I.e. the nature of proposals at this stage can be both tech-driven and incentive-driven.

The **incentive-driven** items require some technical work to implement, but they mostly depend on designing the compelling incentives (including content) for the community to participate in. These tasks are tactical and modular. I.e. their order can be changed and one task, for the most part, does not depend on the other. They often perform a role of a booster for tech-driven parts of the proposal.

Simultaneously with it, **further** token requests may come in effect as a bonus for successful completion of the next stage of campaigns. These additional token requests will serve as a reward to CEX.IO for additional unique users brought to Free TON. Namely, 20,000 TON Crystals for every 5,000 unique users brought to Free TON, capped at 250,000 users or 1,000,000 TON. A unique user brought to Free TON will be considered a verifiably unique person who acquires Free TON within the CEX.IO ecosystem.

To put all the pieces of the puzzle together, here's the general timeline of our proposal:

	STAGE 1		STAGE 2
T		T + 2.5	

Upfront Allocation: 210,000
Free TON in CEX.IO Wallet: 70,000
TON Crystal Staking: 75,000
Intro Governance Participation: 65,000

Stage 1 On-Delivery: 60,000

Stage 2 Start Allocation: 700,000
Integration Maintenance & Improvement: 70,000
Learn & Earn: 265,000
Further Reach Campaigns: 365,000

We foresee the possibility of course-correction at T + 2 to 3 month, at which point the reasonability of the Ask will be reviewed by both sides of this partnership for further successful campaigns.

As the proverbial *"build it and they will come"* no longer works in today's tech realm, together with **TON** of excitement, we understand there is also **TON** of effort and work ahead. We are prepared and committed to execute.

Free TON address:

0:825365116977587ad12569134cc2fe60070b7edb51cdae7ec938f9ff173ab690