OFFERING MEMORANDUM
FOR THE PRE-PURCHASE OF DIGITAL ASSETS

IVEP ASSOCIATION

In our view, the traditional whitepaper prepared for blockchain and tokenized projects is insufficient in terms of disclosure to the public. We have prepared a complete offering memorandum, based on the Canadian securities law requirements which have set high standards for adequate disclosure to the public and public protection. This Offering Memorandum describes various matters including the business opportunity, the IVEP solution, our business operations, technology development, the use of funds, the management team and the risks associated with the purchase of dubtokens.

We believe this approach is the right approach to mitigate regulatory risks and better protect the public and our future protocol participants. Moreover, we have granted a cancellation right to our contributors until the protocol release date so they can have peace of mind that their funds will purchase a utility token within a functional blockchain-based protocol.

IVEP Rights are pre-purchase rights to obtain dubtokens upon the launch of the IVEP protocol in Q2 2018. IVEP Rights and dubtokens do not share the same attributes.

Date:	February 19, 2018
Description of Association:	IVEP Association (Verein), a not for profit association, formed under the laws of Switzerland.
Head Office:	**Switzerland** IVEP Verein c/o Thelema AG Baarerstrasse 78, 6300 Zug **Canada** IVEP Association 400-183 Bathurst Street Toronto (Ontario) M5T 2R7 +1 647-931-7776 hello@ivep.io
Rights Offered:	Contractual rights ("**IVEP Rights**") offered to purchasers ("**Purchasers**" or "**Contributors**") to acquire up to 440,000,000 (including bonuses to Contributors) of the 1,000,000,000 digital tokens ("**dubtokens**" or "**DBN**") which are expected to be created on or about June 18, 2018 (the "**Protocol Release Date**"). Each IVEP Right entitles its holder to obtain one DBN on the Protocol Release Date.
Price per IVEP Right:	$0.10, to be satisfied in US dollars or the Canadian dollar, Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC) equivalent thereof.
Minimum / Maximum Rights	The minimum number of IVEP Rights permitted to be purchased by Contributors pursuant to this Rights Sale is 12,500,000, representing the equivalent of

Sales:	$1,250,000 of IVEP Rights (excluding any applicable bonus). The maximum number of IVEP Rights permitted to be purchased by Contributors pursuant to this Rights Sale is 440,000,000 (including all applicable bonuses to Contributors). Should the Association not receive at least the equivalent of $1,250,000 from Contributors, all proceeds shall be returned to the Contributors and the IVEP Rights cancelled. Funds available under the Rights Sale may not be sufficient to accomplish our proposed objectives.
Minimum / Maximum Contribution Amount:	Contributors must purchase no less than $200 of IVEP Rights. The Association reserves the right to reject any contribution in its sole discretion. Contributors may purchase IVEP Rights subject to the maximum amount(s) indicated below: - Up to $5,000 worth of IVEP Rights for Contributors who do not qualify as Qualified Contributors or Accredited Contributors (each as defined below); - Up to $15,000 worth of IVEP Rights for qualified Contributors ("**Qualified Contributors**"). For the purposes of this Rights Sale, a Qualified Contributor has the meaning ascribed in this document: https://docs.dubtokens.com/Qualified+Contributor+Definition.pdf; - No maximum for accredited Contributors ("**Accredited Contributors**"). For the purposes of this Rights Sale, an Accredited Contributor has the meaning ascribed in this document: https://docs.dubtokens.com/Accredited+Contributor+Definition.pdf. The exchange rate applicable in respect of any contribution made to the Association during the Rights Sale will be determined at the time of the purchase of the IVEP Rights ("**Contribution Exchange Rate**").
Payment Terms:	Payment in full in US dollars, Canadian dollars, Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC) is due upon execution of the Contribution Agreement within the Contributor's dashboard available on the www.ico.dubtokens.com website.
No Collateral:	There will be no special collateral posted for the IVEP Rights and/or for the DBN.
Proposed Rights Sale Period:	Contributors may purchase IVEP Rights of the Association starting on February 19, 2018 (12AM ET) until the earlier of (i) the time at which all available IVEP Rights have been issued, (ii) June 10th, 2018 (5PM ET) and (iii) such other date determined by the Association in its sole discretion after May 10th, 2018 provided the Association gives a minimum of 48 hour notice on the www.ico.dubtokens.com website.
Income Tax Consequences:	There may be important tax consequences as a result of your purchase and ownership of IVEP Rights of the Association and, upon the Protocol Release Date, ownership of DBN.You should consult your own professional advisors to obtain advice on the income tax consequences that apply to you.
Currently Listed or quoted:	The IVEP Rights do no trade on any exchange or market.

Private Entity:	The Association is a private, not for profit entity; there are no securities issued by the Association that would be qualified by a prospectus in any jurisdiction. The Association is not a public company.
Selling Agent:	No.
Resale Restrictions:	Subject to the provisions of the Articles of Association and Supplemental Regulations of the Association, you are restricted from selling the IVEP Rights. There is currently no market for IVEP Rights and DNB and none may develop. It may be difficult or impossible to sell your IVEP Rights or DBN. See “Item 10 - Resale Restrictions”.
Cancellation Right:	You have two business days to cancel your agreement to purchase IVEP Rights. If there is a misrepresentation in respect of this Rights Sale, you have the right to sue either for damages or to cancel the agreement to purchase IVEP Rights.You also have additional cancellation rights until the Protocol Release Date. See “Item 11 - Purchasers’ Rights”.
Currency:	All amounts indicated in this Offering Memorandum are in US dollars except as otherwise indicated.

NO SECURITIES REGULATORY AUTHORITY OR REGULATOR HAS ASSESSED THE MERITS OF THE SALE OF IVEP RIGHTS OR REVIEWED THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE. THE PURCHASE OF IVEP RIGHTS INVOLVES CERTAIN RISKS. *“SEE ITEM 8 - RISK FACTORS”*.

YOU CAN CANCEL YOUR CONTRIBUTION AND OBTAIN A REFUND UNTIL THE PROTOCOL RELEASE DATE. SOME RESTRICTIONS APPLY. *SEE “ITEM 11 - PURCHASERS’ RIGHTS”*.

IVEP RIGHTS REPRESENT A CONTRIBUTION TO AND PRE-PURCHASE OF DIGITAL ASSETS FROM A NON-PROFIT ASSOCIATION AND, IN OUR VIEW, ARE NOT SECURITIES NOR AN INVESTMENT CONTRACT. DUBTOKENS (DBN) ARE DIGITAL TOKENS AND UNITS OF ACCOUNT ISSUED BY A NOT FOR PROFIT ASSOCIATION TO BE USED SOLELY WITHIN THE INTERACTIVE VIDEO AND EXPERIENCE PROTOCOL AND, IN OUR VIEW, ARE NOT A SECURITY, DEBT, EQUITY, INVESTMENT CONTRACT OR OTHER PROFIT SHARING OR INTEREST BEARING INSTRUMENT. *SEE “SECTION 2.2.4.3 - TYPES OF DIGITAL ASSETS”.*

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FORWARD LOOKING INFORMATION

This Offering Memorandum contains certain statements or disclosures that may constitute forward-looking statements. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Association anticipates or expects may or will occur in the future (in whole or in part), including, but not limited to, statements as to future operating results, valuations and financial projections, financial results, work plans and potential contracts, should be considered forward-looking information. In some cases, forward- looking statements can be identified by terms such as “future”, “may”, “will”, “expect”, “anticipate”, “believe”, “potential”, “enable”, “plan”, “continue”, “contemplate”, “intend” or other comparable terminology.

In particular, this Offering Memorandum contains forward looking statements pertaining to, but not limited to, the following:

(a) The time and costs involved in the establishment of the Interactive Video and Experience Protocol (“**IVEP**”);
(b) The performance of the Association’s business and operations;
(c) The Association’s expectations regarding revenues, expenses and costs;
(d) The Association’s expectations regarding its future growth, and the features, operations and economy of the IVEP protocol, dubtokens and dApp Store (as defined herein);
(e) The Association’s expectations regarding the introduction of an API and SDK (each, as defined herein) and other technologies for the IVEP.
(f) The use by the Association of the net proceeds of the Rights Sale;
(g) The anticipated Protocol Release Date;
(h) The closing of the Rights Sale period;
(i) Estimated future industry losses as a result of ad fraud and invalid traffic problems; and
(j) Industry trends.

Such statements reflect the Association’s current views with respect to future events and are subject to certain risks and uncertainties and are based upon a number of factors and assumptions. In developing these forward-looking statements, if any, certain material assumptions would have been made. These forward-looking statements, if any, would also be subject to certain risks. See “Item 8 - Risk Factors”. Readers are cautioned not to place undue reliance on such forward-looking statements and assumptions as the Association cannot provide assurance that actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Association. These forward looking statements are subject to change as a result of new information, future events or other circumstances, as discussed above, in which case they will only be updated by the Association where required by law.

CONTRIBUTOR IDENTIFICATION PROCESS

Each purchaser of IVEP Rights will be required to complete a Contributor Identification Process, also referred to as a know your client "KYC" process (the "**CI Process**"). If a Contributor fails the CI Process pursuant to information provided to the Association by a third party KYC organization, the IVEP Rights held by such Contributor will be cancelled and the applicable proceeds for such IVEP Rights (with respect to the Contributor, its "contribution" or "contribution amount") will be returned to the Contributor using the Contribution Exchange Rate, without any accrued interest, less any and all applicable blockchain and bank transaction fees.

Residents in the following jurisdictions may not purchase IVEP Rights: China, Cuba, Iran, North Korea, Sudan, states of New York and Washington.

IVEP ASSOCIATION
OFFERING MEMORANDUM

ITEM 1 - USE OF AVAILABLE FUNDS

1.1 Available Funds

The proposed sale of IVEP Rights (the "**Rights Sale**") is anticipated to raise a maximum of approximately $30,000,000, subject to fluctuations in the CAD/USD, BTC/USD, BCH/USD, ETH/USD and LTC/USD exchange rates. Assuming the Rights Sale results in the sale of all 440,000,000 IVEP Rights (including bonuses), the Association anticipates having net proceeds from the Rights Sale after deducting legal, initial engineering, accounting and advisory fees and out-of-pocket expenses of approximately $28,300,000, as set out in the table below. If a minimum of $1,250,000 is not raised in the Rights Sale, all proceeds will be returned to the Contributors and the IVEP Rights cancelled in accordance with the terms hereof. All contributions completed in USD or CAD shall be held in escrow by the Association's legal counsel or an independent third party escrow agent and returned to the Contributors if the minimum amount is not raised. All CAD, BTC, BCH, ETH and LTC to USD exchange rate determination, including the Contribution Exchange Rate, will be made using the current exchange rates at the relevant time as determined by the Association in its sole discretion.

Once the minimum Rights Sale has been reached, the Association will be entitled to use up to 25% of the proceeds from the Rights Sale for its operating expenses provided the two business day cancellation period has expired in respect of the IVEP Rights sold for such proceeds. The Association will also be entitled to use such portion of the proceeds from the Rights Sale it deems reasonable to hedge on recognized futures markets any holding of crypto-assets received from Contributors to protect against a decrease in value of such crypto-assets. Note that all costs and expenses incurred by Mydub Media Corporation or dubdub Inc. in respect of this Rights Sale and the development of the IVEP technology, are not accounted for as part of the Estimated Rights Sale costs below and the Association will be released and discharged in respect of all such costs and expenses once the applicable number of IVEP Rights are issued and allocated to Mydub Media Corporation.

		Assuming Minimum Rights Sale Proceeds	**Assuming Maximum Rights Sale Proceeds**
A	Amount to be raised by this Rights Sale	$1,250,000	$30,000,000
B	Selling commissions and fees	Up to 5% of Rights Sale proceeds	Up to 5% of Rights Sale proceeds
C	Estimated Rights Sale costs	$200,000	$200,000
D	Available Funds: D=A-(B+C)	At least $987,500	At least $28,300,000
E	Additional sources of funding required	N/A	N/A

F	Working capital deficiency	N/A	N/A
G	Total: G=(D+E)-F	At least $987,500	At least $28,300,000

1.2 Use of Available Funds

The following table provides a detailed breakdown of how the Association anticipates that it will use the available funds from the Rights Offering:

Description of intended use of available funds listed in order of priority	**Assuming minimum Rights Sale**	**Assuming Maximum Rights Sale**
IVEP Protocol Development:	$532,500	$11,000,000
Marketing:	$150,000	$5,700,000
Business Development:	$150,000	$5,700,000
Compliance (Legal, Audit, Regulatory):	$80,000	$1,700,000
Administration (Audits, Accounting and Office Expenses):	$50,000	$1,000,000
Other Expenditures:	$25,000	$3,200,000
Total:	$987,500	$28,300,000

Product development will involve hiring a talented team of engineers, product managers, economists and other persons to ensure the fulfilment of the vision for the Association presented in this Offering Memorandum. Marketing will be focused on attracting mostly publishers, broadcasters, developers and content creators but also advertisers, ad networks, users and influencers who will be essential to the IVEP protocol's growth. Business development will be aimed at educating others on the IVEP key benefits, as the key to the IVEP economy is enterprise and brands involvement. The Association will endeavor to stay at the forefront of legal, compliance and regulatory matters in key member jurisdictions. Administration costs of the Association are attributable to an annual audit by Swiss and Canadian auditing experts, accounting, office expenses and other administrative expenses. The Association has also budgeted for other non-ordinary course expenditures which may unexpectedly arise.

The use of available funds will be managed by the board of directors of the Association (the "**Board**"). The Board will approve an annual budget for each financial year. Any expenses not covered by the annual budget will require approval by a majority of the members of the Association.

1.3 Reallocation

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.

1.4 Oversubscription

The Rights Sale will immediately close if all 440,000,000 IVEP Rights, including bonuses, are purchased. Since a portion of the bonuses offered to Contributors depends on whether a Contributor agrees to lock some or all of the available DBN for a period of 18 months following the IVEP protocol launch, there is a remote possibility that the Association could be required to issue more than 440,000,000 DBN pursuant to the Rights Sale. If such event occurs, the Association may opt to reduce and refund a portion of each Contributor's contribution on a pro rata basis in order not to exceed the maximum of 440,000,000 DBN that the Association is authorized to allocate in connection with this Rights Sale.

ITEM 2 - BUSINESS OF THE ASSOCIATION

2.1 Structure

The Association is a Swiss not for profit association founded on November 20, 2017[1] having its registered office at c/o Thelema AG, Baarerstrasse 78, CH-6300 Zug, Switzerland, and registered with the commercial register of the Canton of Zug, Switzerland, under company no. CHE-310.928.158, since December 11, 2017.

The Association is established for an indefinite term unless it is dissolved in accordance with its Articles of Association.

The Association promotes the following key pillars: the advancement of science and open source technologies, video/audio and interactive experience technologies for the decentralized web, TV and radio a fair and reasonable copyright framework for content creators, trust and transparency among the IVEP protocol's participants, blockchain technologies, cryptocurrencies, cryptoeconomics and shared-prosperity economic models, good governance, transparency, good advertising practices and online consumer protection rights; as well as promote the interest of its members. Finally, the Association will also support the fight against online fraud.

The Association is open to all citizens of the world who wish to use and promote the IVEP protocol for legitimate purposes. The Association may export and redomicile the Verein from Switzerland into a new jurisdiction if the Board deems that the Verein may not continue its activities in the country in which it was constituted without adversely and negatively affecting the rights of its members.

The financial means of IVEP Association consist of the members' subscriptions (if any), yearly contributions, donations, capital earnings and fees charged by Association to its members for the use of the IVEP protocol and the products and services offered therein and other payments made to the

[1] The Association was founded by Frédéric Dionne and Stéphanie Zombecki, Mydub Media Corporation and dubdub Inc. as additional members.

Association in whatever form.

2.2 Our Business

2.2.1 Our Vision

In our view, the World Wide Web (the "**Web**") has become increasingly cluttered with out of touch content, invalid traffic and meaningless attention based metrics, and advertisers, content creators and publishers struggle to find the proper way to reach consumers. Sensory and content overload make it very difficult to captivate and monetize audiences looking for targeted experiences.

Also, all content publishers business models are based on monetizing audiences. But not all services are born equal. Web publishers can generate a massive amount of data while traditional TV and radio programmers don't directly generate any. Being able to gather such data allows publishing companies to create and better understand user profiles. The richer these profiles are the more value they create for advertisers and the more revenue they can generate.

By introducing IVEP, we aim to reimagine the interactions among the participants involved in the TV, radio and digital experience ecosystems. IVEP will introduce digital layers which sit on top of any broadcast and streamable content on the Internet and over-the-air, and overlay on first and second screen hundreds of new interactive smart objects and functions that can be customized in real time to create a next generation of interactive experiences aimed at significantly increasing end user engagement. Nine out of ten brands expect to compete primarily on customer experience rather than price and product as the key brand differentiator[2].

The IVEP's programmable smart and adaptive objects and functions will augment and transform "static" video/audio experiences on existing distribution networks and web platforms into powerful and dynamic live engaging systems. These systems will offer rich interactive and relevant experiences, capture real human engagement and measure performance in a better and more transparent manner.

The IVEP protocol will run with simplicity and ubiquity. Viewers will be unaware of the IVEP's presence. The participants in IVEP will be able to make any video/audio available online and on regular TV and radio channels, including live broadcasting and digital experiences, interactive, shoppable, chat-able, customizable, real-time editable, monetizable, poll-able, actionable, clickable, expandable and searchable. It will make video/audio and digital experiences a lot smarter for, and far more adaptive to, the web and broadcast needs for engagement and relevance with real-time software customization of interaction, engagement with personalized targeted information. IVEP will introduce a new public platform Application Programming Interface (API), a white labeled Interactive Content Editor (ICE), the Interactive Display for Engagement and Advanced Links (IDEAL) interface for the TV, radio and podcast content, Software Development Kit (SDK), Internet of Thing (IoT) audio assistant ACR, that are also aimed at making artificial intelligence an excellent candidate to propel interactive experiences to the next level of smarter human engagement.

With its recent announcement to acquire ScreenJumper.tv ("**Screen Jumper**"), IVEP is positioning itself to become a global leading cross-platform, cross-network blockchain-based protocol for video/audio

[2] http://www.gartner.com/smarterwithgartner/test/

interactivity and monetization with a unique real human engagement data management system for the web, television and radio.

Through the Screen Jumper acquisition and IVEP Canada (as defined below), the Association will own a patented[3] solution to link individual TV and radio content with the IVEP protocol. The connection is made through an IoT device capable of reading fingerprint and watermark information[4] from online, TV and radio content.

Screen Jumper has presented its service to Canada's major programmers[5] in order to validate this business approach, obtain their endorsement, and secure their participation in a pilot project. Screen Jumper has also approached Canadian publishers to extend the advertising inventory, enable multi-platform campaigns and user tracking. Also, since the IoT is also supporting the BLE beacon technology, IVEP would be able to bring a home-to-store solution and offline attribution measurement; as a result, major digital agencies have shown interest to participating in a pilot project.

The IVEP's economy will be tokenized and centered around "dubtokens" or "DBN". A dubtoken is a multi-faceted unit of account offered to members of the Association with various utility, consumptive, trust, governance, transfer, growth incentive and loyalty attributes. Its holder has the right and limited license to use the IVEP protocol together with the underlying services offered by the community through a newly introduced decentralized application and smart object store (the "**dApp Store**").

2.2.2 Market Pain Points

2.2.2.1 The broken link between advertisers, publishers and consumers

Advertising plays an extremely important role on the Internet, TV and radio. It allows for an audience to consume from online, payTV, over the top (OTT) and broadcast services a significant amount of content for free, however, the digital and TV advertising marketplace has significant challenges. These challenges include dealing with fraud and abuse, invalid bot traffic and audience ratings, costly intermediaries, increasing complexity, lack of trust and privacy, decreasing quality of the advertising content, ineffective advertising technologies, decreasing margins, broken attribution, bad user experience, and a convenient blindness from the audience.

Finding solutions to these challenges have proven very difficult in the past.

Specifically, tackling audience validation and the ad fraud, invalid traffic and attribution problems is in the interest of all participants in the digital and TV advertising marketplace. While we believe there is no consensus on the exact size of ad fraud and invalid audience ratings and traffic problems, some have estimated industry wide losses for the digital ad market alone to be in the range of $7 to $16 billions per year, with the possibility for such losses to reach $44 billion by 2022[6]. To illustrate how severe these issues can become, in 2016, security firm White Ops claimed that Russian criminals set up an elaborate

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[3] https://patentscope.wipo.int/search/en/detail.jsf?docId=WO2017054093

[4] Watermarking is an industry-wide practice: organizations like Nielsen and Numeris monitor selected homes to create audience measurement reports. These reports define the program rating points that become the currency advertisers use to buy spots and sponsorships. Audio fingerprints is also used to identify the content. Services such Shazan, Samsung and Gracenote uses fingerprints approach to identify content.

[5] Bell Media, Quebecor Media and V Tele.

[6] https://which-50.com/ad-fraud-will-44-billion-industry-2022/

scheme using a bot network to fake up to as many as 300,000,000 video views a day with an average payout of $13.04 per thousand faked views, resulting in fraudulent profits of approximately $3,000,000 to $5,000,000 per day[7]. Although the digital advertising industry is continually taking steps to identify and appropriately deal with ad fraud and invalid traffic problems, fraudsters are also continually improving their methods as new technologies are developed. In our view, distinguishing between real human interaction and artificial/fraudulent interaction will only become more difficult over time.

Other major areas of fraud in the digital advertising industry, are false product reviewers and fake followers. Product reviews can be easily manipulated, either to pump up inferior products by production of false positive reviews, or to sabotage other products through production of false negative reviews. Unfortunately, a lot of media companies and publishers currently lack sufficient incentive to identify and remediate these false reviews. Fake followers are also a significant problem with peer-to-peer or influencer marketing, which is becoming increasingly popular. For companies that look to connect influencers to brands, the number of people that an influencer can reach is an important part of the initial pitch. Even if there is no guarantee that a brand's message will connect with said audience, having a lot of followers at least means that a certain amount of people is going to see it. Fake followers is a growing problem which could potentially be addressed if brands start to use and rely on engagement metrics more broadly and move from a cost per thousand impressions (CPM) model to a cost per engagement (CPE) model with real human engagement metrics, with or without attribution.

2.2.2.2 The untapped potential of digital and TV video content

In our view, the current dominant digital video distribution solutions are unfair to their key stakeholders being content creators, users and attention marketers:

- content creators have little or no control over the monetization model and requirements that are used to monetize their work. Just recently, YouTube announced that smaller channels will no longer be able to monetize their content on the video platform, unless they can increase their subscriber base to above 1,000, with over 4,000 hours of view time in 12 months[8];

- users have their attention sold for fractions of cents in Audio/Video On Demand models (measured in impressions), while their personal data is mined and sold for profit. In most cases, users are essentially marginalized in the economic equation, under the guise of "free" content and basic service; and

- attention marketers (advertisers, sponsors and agents alike) to whom audience is a key metric must trust third-parties for what they buy. Incentives between them are rarely aligned, as fraudulent charging mechanisms of traditional ad-exchange platforms not only account for fake traffic, but are also more permissive with fake traffic when audience is being paid for.

For the past 50 years, TV and radio programmers have operated in a business dynamic with no concrete return path. The distribution networks have isolated them from their viewers and listeners, and the arrival of modern set-top boxes and connected-TV technologies has been insufficient to connect them with their audiences. In our view, with the emergence of OTT services and online advertising allowing measurability and accountability, programmers must change their approach with their audiences and advertising

[7] https://www.google.ca/amp/s/www.forbes.com/sites/thomasbrewster/2016/12/20/methbot-biggest-ad-fraud-busted/amp/
[8] https://www.theverge.com/2018/1/16/16899068/youtube-new-monetization-rules-announced-4000-hours

customers. Programmers' core need is the ability to connect and engage with their audiences.

In recent years, social networks like Facebook, Twitter and YouTube have been connecting with programmers' audiences without contributing to content creation or assuming distribution right costs. Advertisers buying TV and radio spots, however, don't currently have the tools to make this direct connection. Programmers need a solution that allows them to identify viewers and listeners, create data segments and qualify them, and report these segments to online data management platforms, so programmers can engage and monetize their viewers and listeners.

In our view, they need:

- Speed: The lion's share of advertising dollars is spent during time-sensitive events like sports broadcasts, the news and primetime series. Therefore, programmers need a solution that offers real-time reporting.

- Reliability: In the US, Nielsen produces TV audience measurement reports based on statistical analyses of roughly 15,000 people (or 4,000 in Canada for Numeris). This has led to dissatisfaction within the industry with respect to the reliability of Nielsen (Numeris) ratings, especially because the number of channels has exploded over the past 10 years, leaving specialty channels with little to no rating points. In our view, programmers need a solution that gives a more representative picture of their audiences, and a solution that does not involve user intervention, to ensure the viewership and listenership data's accuracy.

- Value: Programmers are increasingly losing linear channel viewers, and are therefore seeking to build their OTT services and recover those audiences. In our view, programmers need a solution that will help them increase engagement with the viewers and listeners and capture their interest—millennials and younger generations in particular. Programmers generate revenue by monetizing their audiences; the more they can profile their viewers and listeners, the better they can sell their inventory at a premium but also create value-added experiences and services to their audience.

- Ease of use: There has never been such abundant consumption of online video content, which has curbed linear television's advertising and subscription revenues. The pressure for cost reduction and production efficiency has never been higher, which is why programmers need, in our view, a solution that is easy to use and integrate with their existing content creation, playout infrastructure and management tools.

In short, participants in the current digital and TV video distribution and interaction ecosystem are effectively disenfranchised and their interests are often misaligned. Properly incentivizing content creators, developers and publishers for proposing unique viewing experiences to an audience and transparent and verifiable metrics to advertisers, will be key to nurturing the future of content consumption.

2.2.3 The IVEP solution

2.2.3.1 Interactivity as the new standard metric

In our view, attention is not the proper metric to determine whether content is being effective or not. Some blockchain-based projects are betting that smarter trackers of user attention data can be monetized with cryptoeconomics and tokenization. However, we believe this approach is weak because it relies on a premise that attention has the same value as it used to have decades ago. In our view, it fails to seriously consider that a significant portion of the audience may suffer from attention deficit[9] or "convenience blindness" when surfing the Web or watching TV. It also fails to improve the viewer experience which is what businesses and consumers need. At the very least, we believe that attention should be better captured and measured through interaction and qualified presence. Currently, the "skip this ad" feature which is available on many videos and PVR set-top boxes is one of the most common, straightforward user behaviors online and on payTV services. The IVEP protocol will look to replace attention as an intermediary key performance indicator by real intent, engagement and lead conversion.

Two-way interactivity and real-time enhanced experiences are an obvious choice to create a long lasting impact on an audience and trigger actionable behaviors. Real human engagement metrics represent a significant improvement to existing attention based metrics and can warrant a much higher premium for the participants who embrace such an approach. We are aiming to have "real measurable attention" be better captured with the IVEP's programmable smart objects and functions, with richer and addictive features built by the community of developers and designers and with richer experiences offered by web publishers and TV programmers.

2.2.3.2 Consumers: the drivers of the advertisement industry

In our view, engaging content and experiences is the biggest driver of "real measurable attention" and brand appreciation. The IVEP protocol will offer the first truly exciting experience for audiences by empowering video content with unlimited interactive features directly on the playback device or through a second screen app synchronized with TV and radio programs. With a vast catalogue of programmable smart objects and functions, web publishers and TV programmers will be able to tell better and more captivating stories to their target audiences.

We envision a future where, through the IVEP in a single interactive frame or in a synchronized second-screen app, consumers will be able to enjoy "digitally unique" experiences, discover new products and services, shop with one tap, chat with a content creator or customer service, answer polls or donate without ever leaving the viewing experience. Furthermore, through the IVEP protocol, we are aiming for audiences to be able to choose their own storyline, and programmers will be able to create pay-by-minute subscription offerings with real time product placement and relevant informative smart objects adapted to their live feed.

Through IVEP, viewers will drive the quality of the content they consume. The IVEP protocol will enable brands to conduct A/B testing campaigns remotely and incentivize contributors automatically.

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[9] "We are doing our advertising in an ADD world", CMO, The Coca-Cola Company. https://www.youtube.com/watch?v=cSf159JjGeI&t=3s

In our view, putting the audience in a center position is the only way to recapture attention and foster a successful ad-supported and subscription-based video content distribution ecosystem.

2.2.3.3 Content Creation As-a-Service

Content creators currently lack resources to properly monetize the unique experiences they are putting together for their audience. With IVEP, creators will be able to free themselves from the limitations of certain intermediary platforms and profit directly from the sales and viewership of their videos, TV shows, documentaries and series.

New optimized and more transparent business models will emerge from the dubtoken economy. Creators will be able to, among other things:

- Create exclusive content for paid subscriptions;
- Get paid directly, and automatically share royalties with other rights holders in a transparent manner, upon the sale of items tagged on their content or per any set interactions;
- Raise donations directly from their videos; and
- Receive tips from avid viewers.

2.2.3.4 IVEP dApp Store

The Association intends to introduce a decentralized application store or “dApp Store” on which software developers and designers will offer verified applications, services and templates that will be layered into streamable content or synchronized with TV content on a second-screen app to create richer experiences and measure audience engagement. The addition of specific smart objects to content will be registered on-chain, which will keep track of all the parties and objects involved in helping deliver a vast array of first-screen and second-screen interactive services to the audience. Software developers and designers will be highly incentivized by the Association to create thousands of free and paid apps and templates that can be used on the IVEP protocol by content creators, publishers, advertisers and retailers. Mydub Media Corporation, or dubdub Inc., will be the first developer and contributor to the dApp Store[10].

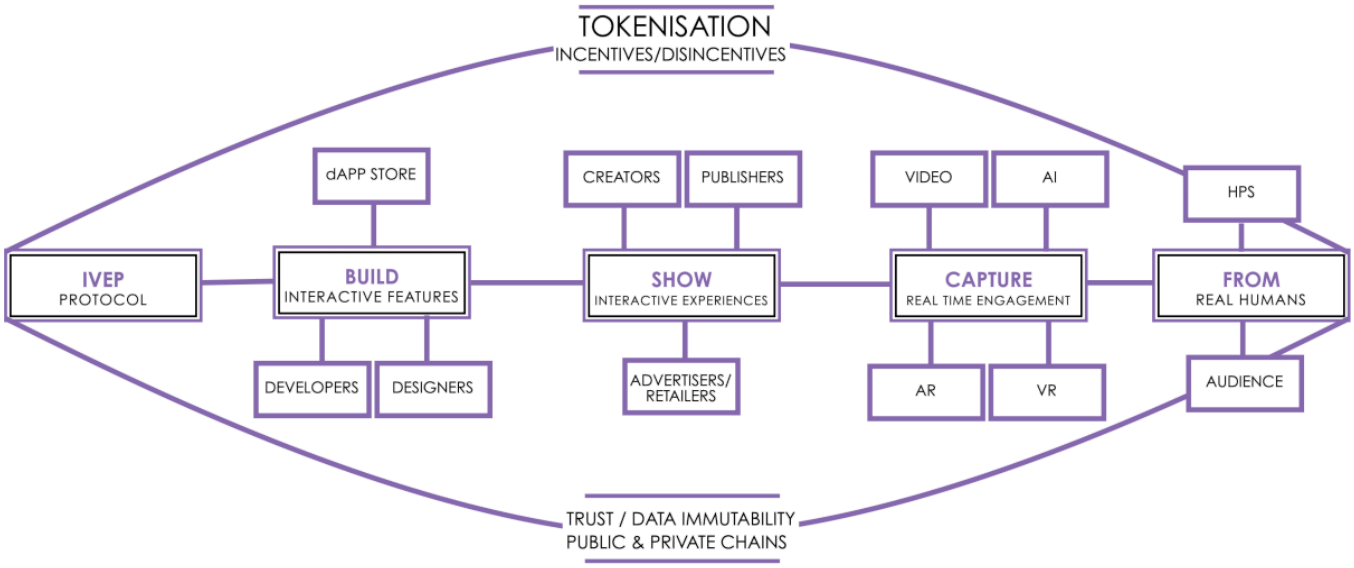
2.2.4 IVEP Economics, Roles, Assets and Architecture

2.2.4.1 Dubtokens are Powering the IVEP Ecosystem

The Association is creating an innovative economic model on top of the IVEP’s technological stack to better align the interests of all participants with the goals of creating and sharing rich interactive experiences and capturing engagement from real humans, anywhere on the Web, with TV channels and radio stations. This economic model will aim to significantly improve the end user experience and the members’ earnings in a trusted digital environment.

[10] See “Section 2.3 - Development of Business”.

Figure 1- The IVEP Battleship - No Guns, Just Unlimited Power



2.2.4.2 Roles of Participants

The IVEP participant roles are as follows:

Software developers and designers ("DEVs")
DEVs will build programmable smart objects that enable more interactive and engaging experiences by adding them to streamable content or synchronizing them with broadcast TV and radio content. These objects will also allow for engagement to be measured and registered.

Content creators ("CREs")
CREs create original video or audio content and aim to have such content monetized and distributed through a PUB's channel. CREs include professional content creators but also influencers and amateur creators.

Content publishers ("PUBs")
PUBs are responsible for deploying content obtained from CREs through rich and engaging experiences by using, together with any of CREs, ADVs and RETs, permissioned smart objects to augment the audience's experience. This process incorporates the objects into the content or embed audio watermarks inside broadcast channels to synchronize the smart objects on the second-screen app and registers their individual use. They are also charged with finding the audience to deliver broadcast and streamable content to. They have access to a channel or medium to distribute IVEP enabled content such as a cable channels, broadcast off-air channels, Over-The-Top services (OTT), blog, website, social media profile (etc.) and they will use said channel to reach their target audience.

Advertisers ("ADVs") and Retailers / affiliate remuneration channels ("RETs")
ADV buys video ad space from PUB and may commission the creation of content from CRE and the dissemination of the latter to promote a product or service and obtain leads with or without the assistance of RET.

The Audience (“AUD”)
The AUD are the recipients of rich interactive content and experiences, seamlessly streamed or synchronized with broadcast channels through IVEP. They may or may not have an IVEP ID. Once an AUD member registers with IVEP, the metrics created through content engagement becomes more valuable and may lead to increased rewards.

Human Sentient Interactive Verifier (“SIV”)
A SIV is a participant that performs a screening service within the IVEP protocol on behalf of PUB, ADV or RET. His role is to verify that content respects the guidelines of a PUB, an ADV or a RET who has hired SIVs for the purpose of filtering offensive or inappropriate content based on a unique protocol consensus model. As his/her Trust Score grows, he may be responsible for more complex tasks such as ensuring the content available for monetization by a PUB is on-brand for an ADV or RET. Video content screening is a massive challenge for online platforms such as YouTube which plans to increase their content screening force to 10,000 by the end of 2018. The SIV consensus model used within IVEP could represent a solution for all video platforms by leveraging AUD members as an alternative or complementary means for content screening, at a fraction of the cost.

2.2.4.3 Types of Digital Assets

The digital assets exchanged within the IVEP protocol are:

Rich content experience (“CNT”)
Interactive content enabled with IVEP will be using PSO (as defined below) that create a richer and more engaging audience experience.

Content source (“SRC”)
These are the different web source streams that can be stitched into or synchronized with content. If rights or royalties are due for the use of the sources this field allows those considerations to be registered. It is also used to better monitor copyright infringements.

Programmable Smart Object (“PSO”)
The programmable smart objects available in the dApp Store are layers that can be added to or synchronized with content. The aim is to make content more immersive, extensible and navigable like a hybrid between a video, or other digital experience, and a web page. PSOs can be created by CREs, PUBs, ADVs and RETs, deployed by PUBs, and permissioned amongst them to automate the sharing of royalties within the IVEP protocol.

Audience engagement metrics (“AEM”)
The engagement metrics will be gathered on the client-side by the PSO layered into or synchronized with the content. They belong to both the AUD member and the PUB who help generate them. These metrics can represent anything from a simple impression or click to more complex information about user behaviours, demographics, interests, etc. It is the DEVs role to determine what metrics of engagement are captured through the content experience.

dubtokens (“DBN”)
Tokenization is an essential part of IVEP’s economic model. The IVEP’s native tokens, called dubtokens, come with various utility, consumptive, trust, governance, transfer, growth incentive and loyalty attributes:

- Utility: dubtokens are needed to deliver interactive content or acquire engagement data through the IVEP protocol, but not to experience the rich content created with it. dubtokens must also be staked by content screeners (AUD) to participate in the PUBs' SIV video/audio content screening through the IVEP real-time consensus model. It serves as a license key for that purpose.

- Consumptive: dubtokens are used to pay for smart objects, premium content, by the minute content broadcasts and other services offered by IVEP participants to the IVEP protocol. dubtokens may also be awarded to participants for the interactions they perform on the IVEP. Whether for the creation of a smart object, the creation of content, the delivery of content, the confirmation of engagement, dubtokens are allocated to participants according to their respective level of trust and the market value of the interaction performed or service rendered. It serves as a digital means of exchange for that purpose.

- Trust: dubtokens can be used to increase the Trust Score of all IVEP participants by "tipping" them for their contributions to the ecosystem ("TIPS"). TIPS increase the Trust Score of a given IVEP participant, but the value of the TIPS will be redistributed randomly to the first 75th percentile of the same category of participants who are active and create value within the IVEP protocol (for instance, TIPS given to a PUB are only redistributed randomly to other PUB members who are active and create value within the IVEP protocol, not to all other IVEP protocol participants). This is meant to counter malversation between the beneficiary of TIPS and a tipper. It is also aligned with a shared-prosperity model by supporting economically all other active and trusted participants in IVEP in a more distributed manner. Furthermore, if the Trust Score of an IVEP participant becomes too low because of a breach of the code of conduct, then it becomes more expensive for such "untrusted" participants to use IVEP, thereby weeding out bad actors. It serves as a reputation system and trust enabler for that purpose.

- Governance: subject to the Articles of the Association and the Supplemental Regulations, each member of the Association has one vote per dubtoken. So members of the Association who hold more dubtokens will have a greater influence on the overall evolution of the IVEP protocol by voting on the election of the Board and on other matters required to be voted on by the members of the Association.

- Growth incentives: dubtokens are a digital asset, the value of which may fluctuate over time, like any other type of asset. A tokenized economic model will create incentives to support the intrinsic value of native dubtokens and the digital assets traded via IVEP (e.g. smart objects, digital content, engagement metrics). A thriving protocol may result in more purchasing power for its participants within IVEP. It serves as a reward engine for the most active and well-behaving contributors to IVEP.

- Loyalty: Native tokens greatly align the interest of all participants towards common goals, promote and reward good and valuable behaviour and penalize bad and detrimental behaviour. For this purpose, it serves to align the interest of all the participants towards legitimate purposes and success through a shared-prosperity, not for profit economic model.

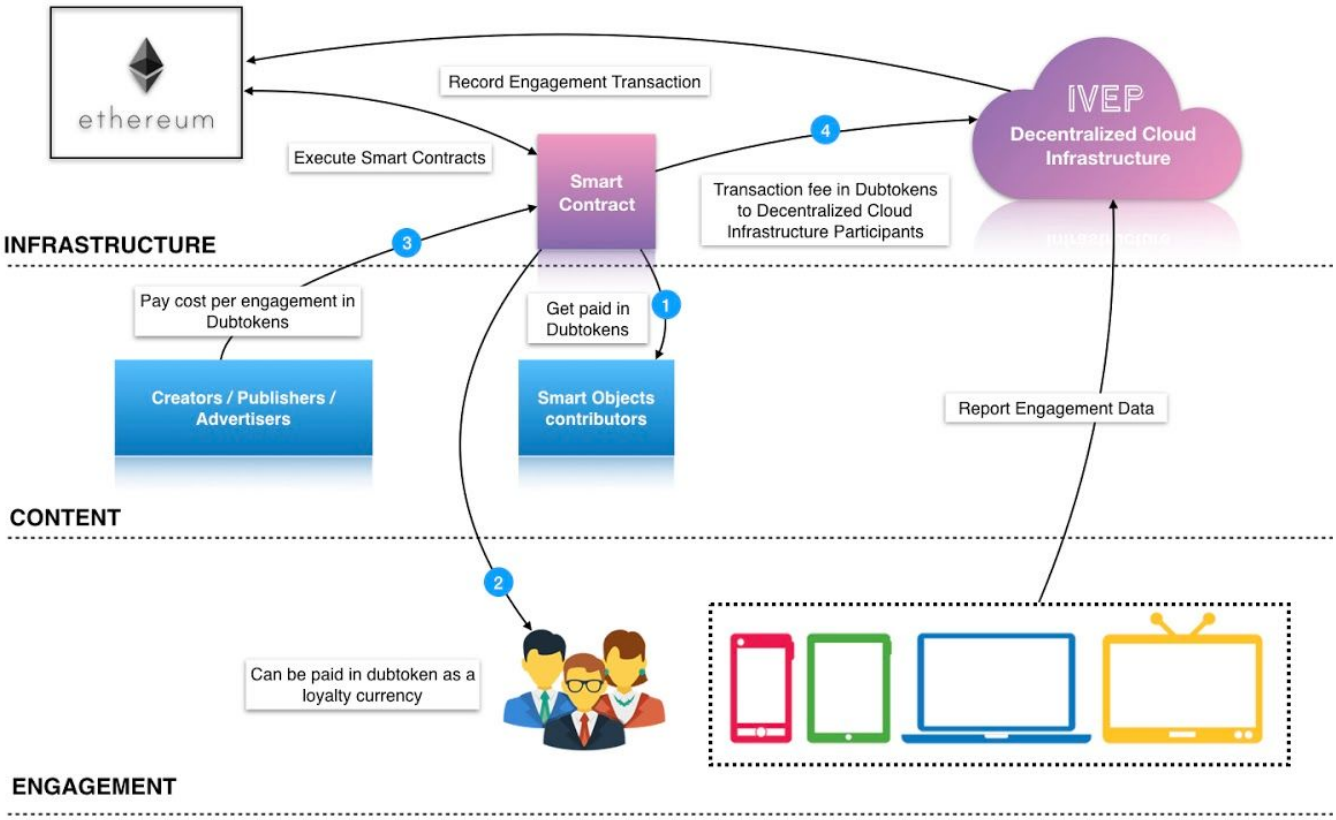
The function a blockchain network serves for the IVEP is to register all of the participants involved in the creation and delivery of rich content experiences and to incentivize the generation of truthful engagement metrics which have a value to some of the participants in the ecosystem. This value can then be recirculated amongst the IVEP participants with respect to their involvement in the process and the value multiplier tied to their individual Trust Scores.

2.2.4.4 Example use case for the IVEP token economy

Note that the following example examines the interaction for the use case of delivering video advertising to consumers but it could just as well apply to other types of interactions where the end-points or recipients of the dubtokens isn't necessarily the audience (AUD).

Our primary focus and initial vertical is the TV and online video publishing and advertising industry because the pain points are real, the problems demonstrable and the costs, losses and added value known. The IVEP protocol proposes a solution that not only solves many of their issues but also creates more valuable data, new revenue streams, better targeted advertising, real-time reporting of immutable data and reduces ad fraud and invalid traffic concerns.

Figure 2 - IVEP Token Economy Example



By participant role (looking at ENTRY and EXIT points for the dubtoken):

1 The smart object contributor may be rewarded through the use of his/her smart object in the content based on:

- The metrics it returns and their usefulness to the party interested in acquiring them;
- The added value it provides to the experience with the content;

- The frequency of asset use by participants;
- The contributor trust may command a higher price for smart object usage.

2 An AUD member may receive dubtokens based on engagement metrics collected via a PUB inserted smart object, which is packaged in or synchronized with the content produced by CRE (may be verified for appropriateness through the PUB SIV), and the entire process of content delivery and user engagement measurement is financed in most cases by an ADV (or potentially a RET). PUB manages the amount of dubtokens offered to its audience for engaging with its interactive content.

3 For a payment transaction to occur, an ADV member receives confirmation that content was delivered to the intended AUD via the engagement metrics measured and reported by the smart object.

4 The IVEP Cloud infrastructure aims to be a decentralized cloud storage and event processing network composed of IVEP nodes where contributors are incentivized to process and store engagement transactions. The decentralized aspect of the cloud storage is expected to be implemented in various phases once the protocol has launched.

2.2.4.6 Token Fees

The Association seeks rent on interactions made on the IVEP protocol. The Association is expected to deduct a service fee in dubtokens when a participant sends dubtokens :

- to a DEV for a paid application;
- to a CRE/PUB for paid content;
- to SIV for bounties by ADV or PUB;
- as TIPS to DEV, CRE or PUB;
- to search the IVEP database or access the monetization API; or
- to another participant.

The Association is also expected to charge a fee to any participants who wish to share the engagement data to another registered participant of the IVEP protocol with the consent of the AUD (e.g. fees are charged if PUB and ADV agree that the immutable engagement metrics must be accessible to both of them in real time using the IVEP's channel, subject to AUD's approval given to PUB).

Such fees are variable and will be set based on the IVEP protocol's supply and demand parameters.

2.2.5 IVEP Trust Scores

IVEP intends to introduce a unique trust score (a "**Trust Score**") for every IVEP participant, to measure the behavior of each IVEP identity (an "**IVEP ID**") and determines how likely the "controller" of the IVEP ID is to respect the protocol's code of conduct and consistently bring value to IVEP.

Trust Scores directly influence the remuneration of each IVEP ID for the use of programmable smart objects and the resulting engagement. They are ratios that incentivize and disincentive the behavior of the IVEP participants with respect to the remuneration or cost to partake in the IVEP's interactions. The Trust

Scores will range from [-100 to +100] and all new IVEP ID's will be initialized with a Trust Score of 0 in a tit-for-tat[11] reward scheme. Each role in IVEP receives a Trust Score[12]:

Human Proof Score (HPS)
A measure of user behavior that determines the likelihood of non-human traffic (NHT). The HPS is the equivalent of an immutable and transferable CAPTCHA[13] score calculated from the engagement metrics of each rich video experience. Any actions deemed to be bot-like have an adverse effect on this score. Currently, measures of user behavior that determine the likelihood of NHT, such as Google's reCAPTCHA, need to be repeatedly used each time as the outcome is a one time event. Incentivizing the audience to register with IVEP to earn tokens and giving them a HPS score will be the equivalent of adding an invisible CAPTCHA to use cases like advertising, where traditional CAPTCHA's would obviously break the UX and reduce conversion to near zero. The HPS can also be incremented by offering additional identifying information to increase the proof of humanness (e.g. OAuth from Facebook, Google, loyalty programs, etc.) or by staking dubtokens that can be reclaimed by the Association if the terms and conditions are violated. The HPS is meant to evolve as new NHT becomes more sophisticated to mimic human behaviour.

Developer Trust Score (DTS)
A measure of how useful and valuable the experiences and engagement created by the developer's smart objects are. This score is affected if the objects do not perform as advertised or if they are malicious. DTS can also be augmented by testing and auditing other DEV's smart objects, a good action rewarded with increased trust.

Creator Trust Score (CTS)
A measure of how well the creator abides by IVEP's rules for content creation. The SIVs can affect this score if content is rejected by PUB based on inappropriateness. Copyright infringements also adversely impact CTS. Poor brand association can be disputed by the ADV and decrement the CTS. Dubtokens can also be staked against CTS to temporarily inflate it but the risk of losing them is real if CRE acts in bad faith of IVEP rules.

Publisher Trust Score (PTS)
A measure of the level of AUD engagement and the validity of the engagement metrics the PUBs delivery channel can obtain. PTS is closely tied to HPS because the PUB's audience is what determines the kind of AEM the channel gathers. PTS can be augmented by awarding dubtokens to PUB's audiences who engage with the IVEP interactive content.

Verifier Trust Score (VTS)
This score relates to how well and fast a SIV is catching online content that is not within the guidelines of the IVEP code of conduct or within the expectations stated previously by a PUB, CRE, ADV or RET.

Over time, Trust Scores will be adjusted to reflect how well a given participant respects the IVEP code of conduct and how much value such participant adds to IVEP. This Trust Score will also be able to be increased through user disclosures, token staking and TIPs, as discussed above. The concept of a

[11] https://en.wikipedia.org/wiki/Tit_for_tat

[12] Except for advertisers and retailers who already have "skin in the game" for ad-supported content distribution models. They can also in certain circumstances play additional roles, such as a publisher one.

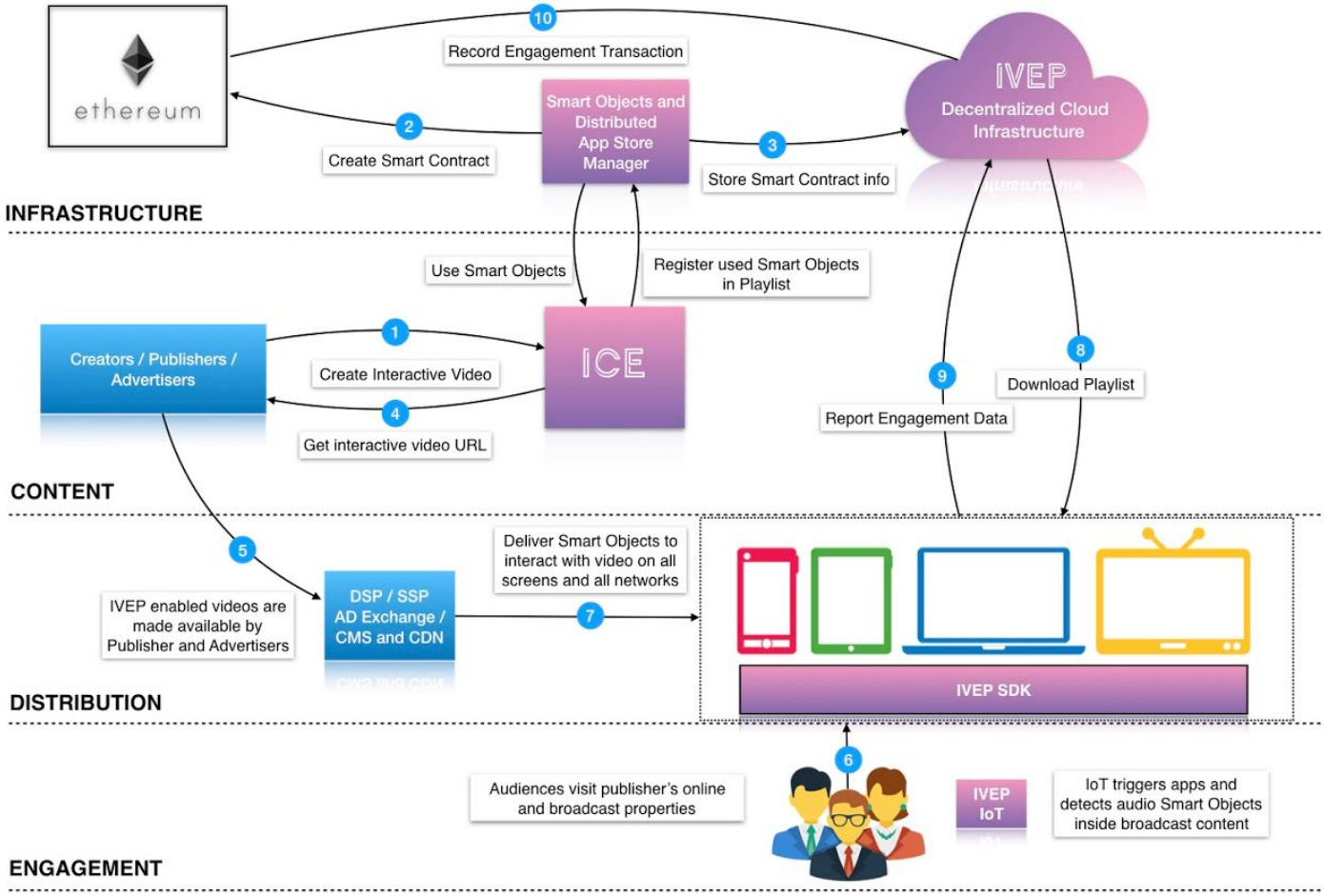
[13] Completely Automated Public Turing test to tell Computers and Humans Apart.

verifiable trust metric[14] (i.e. the Trust Score) for the IVEP participants will combine evidence from various sources to arrive at a degree of belief (commonly known as evidence theory or “Dempster-Shafer Theory” [15]). The belief that a participant is good is the core function that IVEP improves over the incumbent system where trust is controlled by intermediaries.

2.2.6 IVEP Architecture

The IVEP protocol layer and its underlying dubtoken will run on top of Ethereum and will fill a void in the Web3 (the collection of Javascript libraries which allow one to interact with an Ethereum node) and surrounding decentralized technology stack that allows dApp, web and native app developers to create rich interactive video experiences, while bringing forward a new system for immutable traceability of distributed video content, automated accountability of royalty payments and verifiable integrity of engagement metrics. IVEP embraces a new paradigm, following in the footsteps of Gnosis, 0x and other projects that are moving value away from the application layer to the protocol layer.

Figure 3 - IVEP Engagement Data flow



[14] https://en.wikipedia.org/wiki/Trust_metric

[15] https://en.wikipedia.org/wiki/Dempster%E2%80%93Shafer_theory

The IVEP engagement data flow diagram presents the different elements that compose the IVEP architecture and how the IVEP protocol is used to interconnect these elements from CRE, PUD and ADV to deliver the engagement measurement and to support a transactional economic model. The IVEP protocol not only support the Web but also broadcast TV and radio channels.

The Interactive Content Editor (ICE) is the online editor for creating immersive interactive content using the IVEP protocol. IVEP makes videos and audios embedded on the open web or broadcasted over TV and radio channels 2-way interactive, real-time editable, shoppable, clickable, pollable, expandable (and more) in minutes, with programmable smart objects.
The IVEP Cloud infrastructure aims to become a decentralized cloud storage and event processing network composed of IVEP nodes where contributors are incentivized to process and store engagement transactions. The data processing is done in real-time and all collected data gets encrypted while remaining available at any moment in real-time to eligible parties as defined in the smart contract established between the PUB, CRE, ADV and its AUD. PUBs will be provided real-time access to that data through a direct integration of their business intelligence (BI) tools. For audit purposes, all user data sessions will be hashed and their hash values stored in the associated IVEP smart contract on the Ethereum blockchain.

The IVEP SDK will provide users with the web or application building blocks to build rich interactive video experiences. These will be compatible with modern web development frameworks such as nodejs NPM for client side or backend integration and the emerging WebAssembly standard for CPU intensive browser applications.

The IVEP IoT device is capable of reading fingerprint and watermark information[16] from online, TV and radio content and coupled with the Interactive Display, Engagement and Augmented Links app (IDEAL), can trigger interactions synchronized with that content on mobile devices. From a user's perspective, IDEAL is activated when the device on which it is installed is close to the IoT device. The app gives users quick and easy access to contextual information and links to programmers' online properties. Contrary to other second-screen apps on the market, IDEAL does not need to be launched by the user, as it is an always-on app. With IDEAL, users can, for example, watch a TV show and instantly find information about a contest mentioned during the broadcast, access the show's Twitter feed, install related apps or go to associated websites—while using the app, directly from their locked screens or at a later time, when they are ready.

The IVEP API is a public interface using the JSON-RPC protocol with methods for checking account balances and accessing IVEP core smart contracts. This will allow websites to display data to internet users without requiring a Web3 wallet extension installed in their web browser. This API will also serve to manage off chain storage and any required server side computation and will initially be a balance between centralized and decentralized solutions. As more secure, scalable, decentralized computation solutions such as TrueBit[17] are made available they will be analyzed and pushed onto the IVEP tech stack.

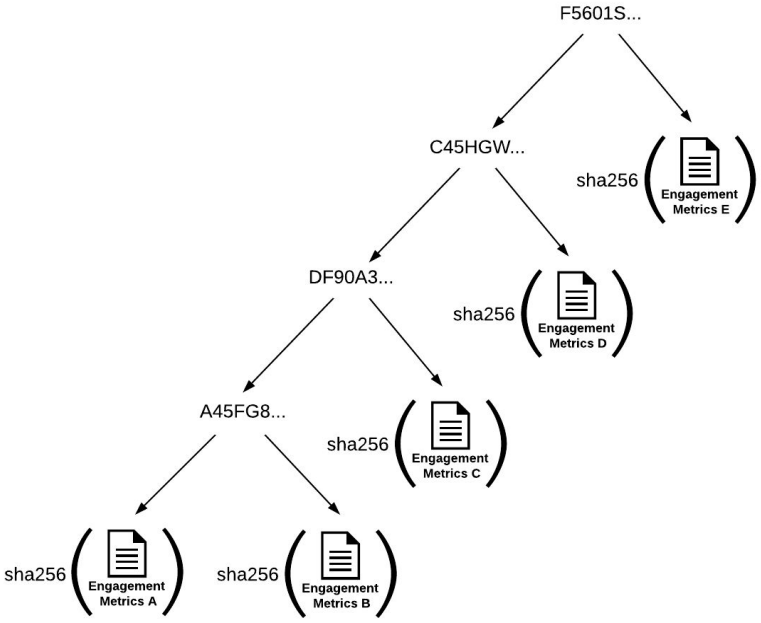
[16] *Supra*, note 4.
[17] https://truebit.io/

Proof of Engagement
The audience interactive process outlined in this paper generates engagement metrics. At times these metrics may need to be audited, and participants may need to provide proof that the metrics have not been altered, fabricated or tampered with in any way.

This can be done with a merkle hash tree. In the diagram shown below (Fig. 4), one or more sequences of engagement metrics produced by the same audience member creates a chain of metric stores related to the process. They create a SHA-256 hash of each metric as they go, and publish the root hash of their tree to a smart contract every time it changes. The first root hash is just the hash of Engagement Metric A, the next one is the hash of the combination of the hash of Engagement Metric A with the hash of Engagement Metric B, and so on. However, even if audience members never share the raw engagement metrics themselves, the timestamped root hashes are an audit trail which provides cryptographic proof that Engagement Metrics A through E existed at the time their related hashes were sent to the smart contract, and that the engagement metrics have not been altered. It should be noted that this process works for an engagement metric as well as a set of related engagement metrics.

In particular, hashing is a useful tool for recording an immutable witness of an engagement metric. By storing this hash on the blockchain, anyone who receives a copy of the engagement metrics can hash it themselves and make sure that it hasn't been altered since it's hash was recorded to the chain.

Figure 4: Keeping track of the merkle root hash for engagement metrics.



Encrypting for data privacy
The Ethereum platform can be leveraged to send encrypted messages. Ethereum addresses are based on public keys, and these public keys can be recovered from the signature of a transaction from that address (e.g. using the ecrecover_to_pub function). A number of tools (bitcore-lib, bitcore-ecies) can then be used to encrypt messages directly in the web browser, without sending private information over the network.

IVEP Throughput Considerations
In order to fulfill our promise in providing audience engagement metrics (AEM) for each AUD sessions, it becomes an obvious choice to consider a decentralized storage and event processing system in order to distribute the burden of having to process and store a significant amount of information as well as providing a technology stack at a reasonable cost. That decentralized system distributes the processing load and cost to all available nodes allowing scalability and availability of the system while keeping the data secured and private to smart contract owners only. To provide a high degree of availability and responsiveness of the system, an incentivized program similar to the ones used in various blockchain protocols will be created where the most responsive nodes will receive dubtokens in exchange of the amount of work done and storage used.

Challenges
Data privacy and transaction scalability have been the focus of blockchain technology for the past year. Already in testing, the upcoming Metropolis[18] release of Ethereum may solve these issues and is one of the options taken into consideration for IVEP. Alternatively a custom state channel implementation can be built to handle throughput. IVEP can also be used with existing permissioned blockchain networks by using inter ledger technologies such as Cosmos[19] for token and arbitrary state transfer from Ethereum.

2.2.7 The Interactive Content Editor ("ICE")

On January 21, 2018, we released the pre-release version 0.1 of ICE which enables online publishers to create and customize, in real-time, complex interactive video experiences for the open web with programmable smart objects. This pre-release version is, at as the date of this Offering Memorandum, only available to a select number of online publishers.

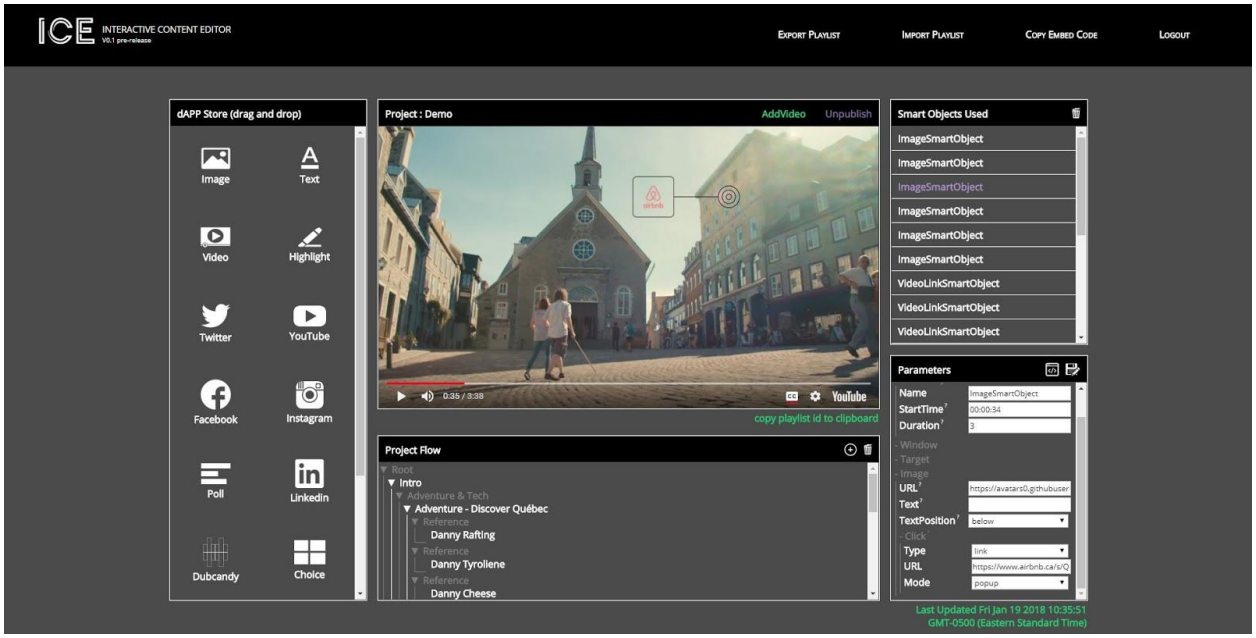
Online publisher Shared.com has been the first online publisher with 30 million fans to use the pre-release version of ICE to create interactive experiences with its audience[20].

To access ICE, you currently need to join the waiting list at https://ice.ivep.io/login.html?signup=true. The IVEP open API and ICE will be released to all IVEP participants on the Protocol Release Date.

IVEP will also offer to TV and radio programmers the ICE tools to create additional engagements with their audiences, as well as a data broker allowing them to build, analyze and sell their user profiles and data segments. This client management platform is capable of brokering its data to more than 90 business intelligence (BI) tools already used by programmers and their advertising customers.

[18] https://cointelegraph.com/news/update-on-ethereum-metropolis-from-core-dev-meeting
[19] https://cosmos.network/
[20] For instance, see: http://www.throwbacks.com/blair-witch-project-facts/

Figure 5 - the Interactive Content Editor (version 0.1)

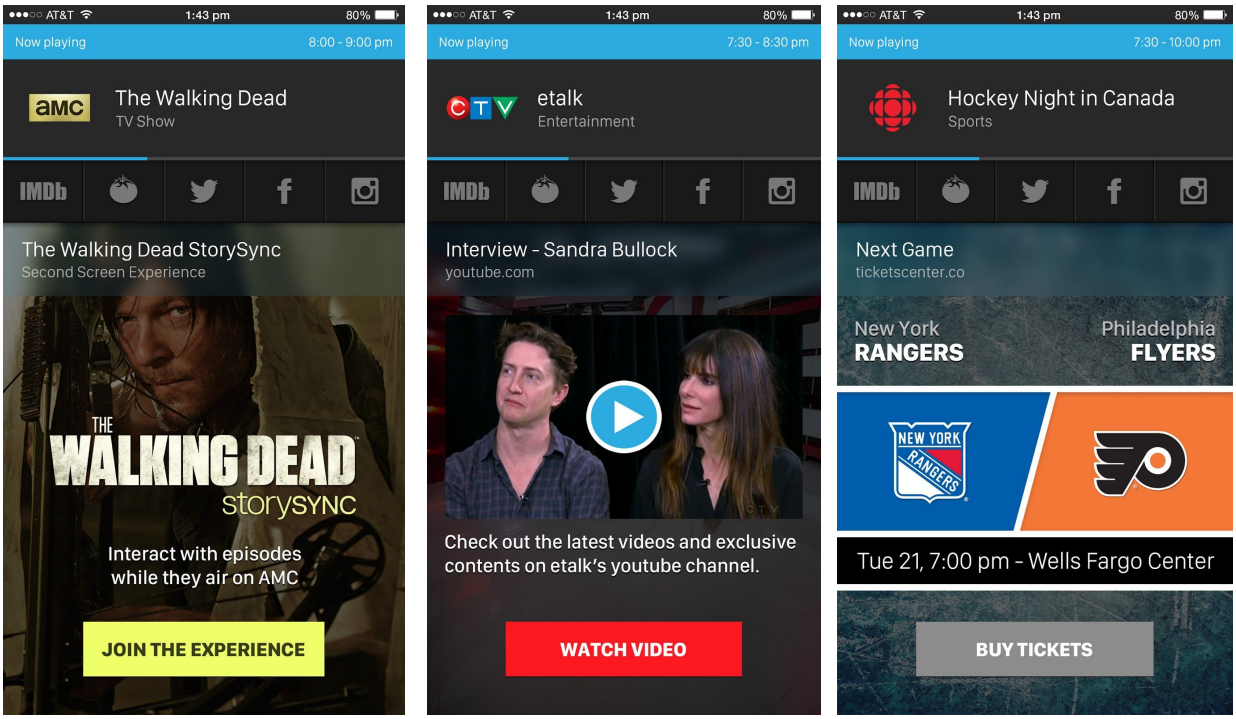


2.2.8 The Interactive Display, Engagement and Augmented Links (“IDEAL”)

A first level of service of the IVEP protocol is user monitoring and real-time notification of events to TV programmers and video web publishers. They can use this information to communicate with their audiences and convert them into active online users. From that initiated communication they can build interactions, grow engagement and better monetize inventory. To achieve this for television and radio, IVEP will develop an IoT watermark detector that will work with a mobile application called IDEAL. The app will relay the watermark information, received by the IoT device, to the IVEP Data Management Platform.

From a user’s perspective, IDEAL is activated when the device is close to the IoT device. The app can be described as an interactive news feed giving users quick and easy access to contextual information and links to programmers’ and advertisers’ online properties and campaigns. Contrary to other second-screen apps on the market, IDEAL does not need to be launched by the user, as it is an always-on app. With IDEAL, users can, for example, watch a TV show and instantly find information about a contest mentioned during the broadcast, access the show’s Twitter feed, install related apps or go to associated websites—while using the app, directly from their lock screen, or at a later time when they are ready. Users can then be rewarded by the programmers and advertisers for engaging with live interactive content.

Figure 6 - examples of the IDEAL app interactive feed synced with television or radio content (the Association does not have, currently, a relationship with AMC, CTV or CBC).



2.2.9 Unlimited Use Cases and Programmable Smart Objects and Watermarking Technology

There are potentially limitless cases and smart objects for dApps on IVEP that could be developed to address market needs, including certified human metrics, shoppable videos, customer service, donations, live chat and news feed, polling, interactive storytelling, A/B testing, education, music and ticket sales, digital product placement, augmented and virtual reality experience, live gaming broadcasts, video-on-demand services, real-time video editing, copyright management, dynamic live broadcasts and video content searching. Combating fake news is also a potential use case for IVEP: by combining its watermark technology and blockchain, IVEP will be able to trace video or audio content to a particular news organisation anywhere on the open Web.

Figure 7 - Use Cases and Programmable Smart Objects

CUSTOMER SERVICE

Live chat can be added within a video broadcast to create a live interaction with, and provide one-on-one additional information to, the audience. Chat functionality can be started by bots and taken over by a real human. Integrates with existing messaging platforms such as Messenger or iMessage.

DONATIONS

Donations can be made right within a video with touch ID on a smartphone. Influencers promote a charitable event or cause with a video or live broadcast and raise funds for the charitable organisation

A/B TESTING

A/B testing is a powerful feature for optimizers to test different sets of interactions with various groups of viewers. It can help optimize the experience and make it the most engaging and relevant to its audience in real-time.

NEW AD FORMAT

With its flexibility and complete customization, **IVEP** can facilitate the next generation of interactive ads that will create a meaningful discovery experience for the viewers across all digital media.

MUSIC AND TICKET SALES

IVEP can allow artists to sell songs and albums right within their music videos or live broadcast, onboard fans to their fan clubs, provide exclusive content through subscriptions or sell concert tickets within a video broadcast or other digital experience.

PRODUCT PLACEMENT IN DIGITAL WORLD

IVEP can allow digital product placement to be added to new digital experiences such as Augmented and Virtual Reality Experiences and live gaming broadcasts, but also for VOD services, on all devices. It will represent an additional way to monetize these experiences.

COPYRIGHT MANAGEMENT

With the unique compliance and governance attributes, **IVEP** is a protocol that incentivizes good behaviour and punishes infringers. The management of copyright infringement can be done more efficiently with the protocol than with the existing takedown notice system.

DYNAMIC LIVE BROADCASTS

IVEP can allow smart interactive objects and relevant information and links to be added during live broadcasts. It can also allow publishers to charge access to their broadcasts by the minute, giving them a new dynamic source of revenue in addition to advertising.

EXPERIENTIAL PICTURES

IVEP layers can be added on top of any static picture to transform it into a dynamic and interactive experience.

YOUR OWN SMART OBJECTS / USE CASE 1

Define your own use cases and work with us - Contact us at *hello@dubtokens.com*

2.2.10 Competition

In our view, decentralization offers obvious benefits compared to traditional platforms such as Youtube and Facebook. As such, we will focus our competition analysis on blockchain-based projects that are already leveraging the power of decentralization.

As both the video and the advertising industry represent massive opportunities and token distribution events (“TDEs”) have been an effective way to tackle these opportunities from a blockchain perspective, there are some competitors in both industries but no project has had the vision to target IVEP’s broad value proposition and include TV and radio distribution channels.

These include:

- *Basic Attention Token (“BAT”)*: one of the first projects to benefit from the TDE model, BAT aims to reward the attention of the Brave browser users to create a healthier interaction between audiences and advertising. As discussed previously, we believe that attention is not the right metric and incentive model as it fails to enrich the consumer experience. Additionally, BAT is restricted to the Brave browser whereas the IVEP protocol will provide an open API and white-labeled interface accessible on most operating systems and devices. BAT doesn’t bring new solutions to enhance viewing experiences but only focuses on monetizing an advertisement ecosystem. By focusing on video and audio, IVEP takes a stand in the future of content consumption. Moreover, BAT’s crowdsale created a centralized model in which only a little more than 330 contributors were able to participate. IVEP’s TDE will aim to allow tens of thousands of contributors to be a part of the Association, truly creating a decentralized ecosystem tailored to the members’ needs.

- *AdEx (“AdEx”)*: AdEx is a decentralized ad exchange that allows end users to share their profiles with advertisers in order to obtain hyper-targeted ads. The project allows end users to create profiles but no mechanism ensures that the token holder is human, thus arguably defeating the purpose of blockchain-based statistics. The network is not tailored for content creators or developers which have no role to play in the ecosystem. Accordingly, we are of the view that no innovation is brought to the viewing experience and consumers are exposed to the same old content.

- *AdChain (“ADC”)*: The ADC registry is a decentrally-owned domain whitelist in which adToken holders vote to determine whether a domain is a legitimate and reputable publisher or not. Even though in the long term the model aligns the interest of token holders, malicious voters could undermine the reputation of some domains or, oppositely, push for the listing of illegitimate publishers as the token price will not fluctuate in the short term. Additionally, the registries’ potential is restricted since time and experience are required to properly vote for publishers. In the IVEP protocol, publishers score cannot be altered by malicious actors as it is based on the average score and profile of its audience, and other “skin in the game” metrics. Thus, it is an unalterable and seamless process.

- *PROPS by YouNow (“PROPS”)*: PROPS is a decentralized ecosystem of video applications. PROPS focuses on live broadcasts and experiences, bringing together large amounts of viewers to monetize content. We believe that although it is part of the future of media consumption, live streams are only a part of the broader video offering. The IVEP gives publishers and content creators the ability to reach their audience through multiple channels, at different times, in order to maximize their exposure. The IVEP protocol is a unique cross-platform and cross-network solution.

Although these projects and IVEP are tackling similar problems, IVEP can be seen as a complementary offering to these projects for interactive video and experiences and real human engagement metrics for web, TV and radio publishers. Such future collaboration can empower every network involved.

2.3 Development of Business

Frédéric Dionne, the founder of Mydub Media Corporation, is the founding member of the IVEP Association. Mydub Media Corporation is the parent company of dubdub Inc., a 3-year old Canadian based technology and content creation company lead by a team of serial entrepreneurs. It has been featured by, among others, L'Oréal Paris, Forbes, Metabridge, the Disruptors and was a finalist technology company representing Canada at the French Founders competition in New York. dubdub was also among the startups that pitched at Dx3's first-ever Retail Innovation Challenge. Early in 2016, dubdub had been awarded funding by the Canada Media Fund through a jury of international industry experts for its innovative technology and business plan but declined such funding.

dubdub has launched an innovative platform for online video together with two products on the App Store and Google Play store: dubsuite (patent-pending), for mobile video editing and dubcandy, for shoppable videos. It has also built a content creation division which provides brands with a unique user generated, crowdsourced content creation system which promotes authentic peer-to-peer marketing. It also offers content creators with an additional source of revenue with affiliate revenue generated from sales made with their own shoppable video content.

A few months after its launch, dubsuite was featured on the App Store as an innovative Canadian mobile application to discover. dubsuite has been used by hundreds of thousand of content creators in various parts of the world and by media companies, such as Huff Post[21], to create professional looking videos on the fly and cover community events, only with an iPhone.

dubcandy launched on the App Store and Google Play store less than one year ago and has been used by thousands of content creators and brands who wish to create unique interactive shoppable videos that can be embedded all across the web.

dubdub works with numerous brands, publishers, content creators and reputable online retailers (more than 50 online retailers as at the date of this Offering Memorandum). Recently, it created peer-to-peer marketing campaigns with leading retailers such as Walmart.

The Association will retain, on a non-exclusive basis, the services of dubdub for various matters. dubdub is also expected to offer dubcandy as the first shoppable and attributional video service within IVEP, which will reward its creators with dubtokens for product sales made within its shoppable videos. dubdub is also expected to integrate within IVEP a new service for non-profit, charitable organizations and content creators called dubgive, to accept donations within online videos and promote peer-to-peer marketing of nonprofit and charitable causes across the globe and subsidize good content creators (collectively, "dubdub Apps").

The Association is a non-profit entity based in Switzerland that is independent from dubdub. Neither Frédéric Dionne, Mydub Media nor dubdub will have a controlling interest in the Association. Frederic Dionne is the Chief Executive Officer of the Association and is no longer an executive nor a member of

[21] For instance: https://dubdub.com/video/587bdcb978293f1100694f6e

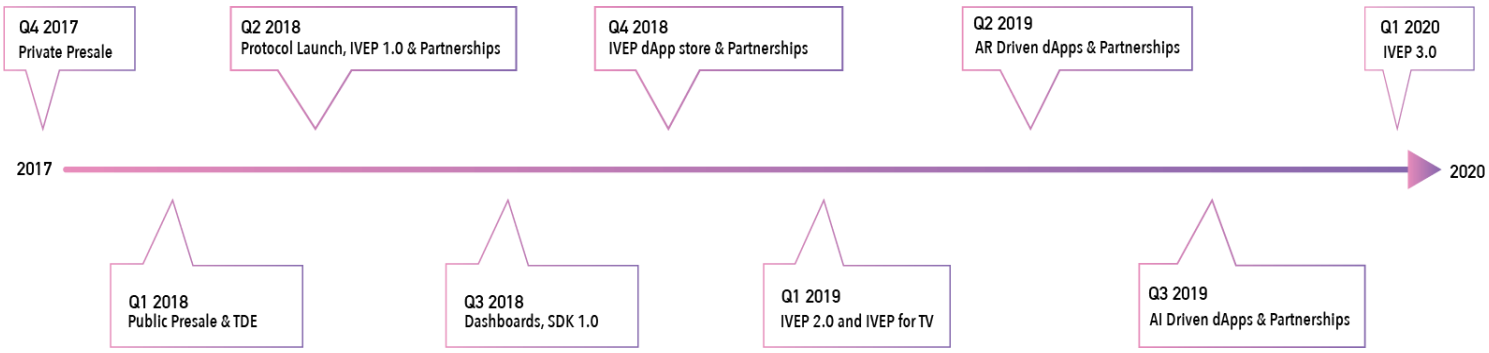
the board of dubdub.

2.4 Long Term Objectives

The long term objectives of the Association is to build an innovative economic model for creating and sharing rich interactive experiences and capturing engagement from real humans, anywhere on the Web, with TV channels and radio stations and in the physical world through the use of its IoT device and other location based services. Achieving these long-term objectives relies upon the development, testing and implementation of the IVEP and its underlying technologies and various partners.

Development of, and improvements to, the IVEP protocol are expected to occur in phases over at least 24 months. The roadmap is the responsibility of the Board of Directors. Monthly updates will be given to members of the Association. The following are high-level highlights of the roadmap. A more detailed roadmap will be provided upon agreement by the Board.

Figure 8 - General Roadmap



2.5 Short Term Objectives and How we Intend to Achieve Them

Our short term plan will focus on completing the IVEP platform and signing web publishers to test consumers engagement. Our second objectives will be to build the support of second screen interaction enabled by IVEP and work with TV programmers to test viewers engagement and advertisers interest in the solution.

The envisioned key IVEP milestones in the next 24 months are as follows:

	Launch	Expand	Scale Up
Description	IVEP protocol, ICE authoring tool, IoT detector and IDEAL app in Canada	US and Europe	International
2018	• Develop and launch the IVEP protocol minimum viable product to support end-to-end smart contract to manage the	Establish US and European go-to-market partnerships to expand the IVEP protocol	Establish global go-to-market partnership to further expand the IVEP

	distribution of the Smart Objects between members of the association. ● Integrate the IVEP protocol to the Ethereum protocol ● Develop and launch the ICE authoring tool and the distributed App Store (dApp Store) ● Build the Canadian go-to-market partnership to deploy the IVEP Protocol with web publishers and TV programmers		protocol
2019	● Operate and grow the IVEP protocol platform and dApp Store ● Augment the feature set of the ICE authoring tool ● Build and launch the IDEAL application ● Build and launch the IoT watermark detector.	● Expand the complete IVEP protocol to operate at scale Smart Objects from all members ● Increase partnership to include TV and radio programmers ● Establish operational presence in the US	● Deploy IVEP with web publishers, TV programmers, radio stations, retailers and agencies across North-America ● Establish presence in France or UK

Key steps for the IVEP business	**Target completion date**	**Our minimum cost to complete**
Develop, test and launch the first version of the IVEP 1.0 platform and ICE authoring tool with selected video web publishers	June-August 2018	$500,000
Sign agreements with technology partners and build the beta release of the IVEP solution for TV programmers	November 2018	$250,000

2.6 Insufficient Funds

The funds available as a result of this Rights Sale may not be sufficient to accomplish all of the Association's proposed objectives and there is no assurance that alternative financing will be available or, if available, may be obtained by the Association on reasonable terms. Objectives are provided for information purposes and a Contributor has no right to request the accomplishment of any objectives set out herein.

2.7 Material Agreements

The Association has entered into a binding term sheet to acquire, directly or indirectly through IVEP Canada (defined below), all of the assets or shares of screenjumper.tv, including all of its intellectual property, PCT patent application, key talent, goodwill and agreements entered with top Canadian broadcasters to complete a trial of the screenjumper.tv interactive technology. The acquisition is expected to close before the end of the crowdsale. If the Association does not raise a minimum of $2,000,000 in its presale and public crowdsale, the parties may renegotiate the terms of the acquisition.

The Association has entered into a service agreement with Toronto based dubdub Inc. and Montreal based Studios illogika Inc.

The Association is also expected to enter into a service and/or license agreement with a Canadian corporation ("**IVEP Canada**") providing for the development of IVEP technology and may enter into additional agreements with international service providers. IVEP Canada may conduct commercial activities and build commercial products on top of the IVEP protocol.

ITEM 3 - INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and DBN Participation

The following table sets out information about each director and officer of the Association and IVEP Canada. No director, officer or related party holds more than 10% of the IVEP Rights or will hold at the Protocol Release Date more than 10% of DBN, other than Mydub Media Corporation.

Name and municipality of principal residence	**Positions held and the date of obtaining that position**	**Compensation anticipated to be paid in the current financial year**	**IVEP Rights/DBN Holdings**
Frederic Dionne, Montreal, Canada	Founder, CEO and Director September 2014 (Mydub Media) February 1st, 2018 (IVEP Association and IVEP Canada)	$135,000	DBN will be issued from the Employee and Advisor Incentive Pool. Subject to a 24 month vesting in equal monthly installments for 75% of DBN.
Fahima Anwar Toronto, Canada	Head of Global Marketing October 2016 (dubdub) February 1st, 2018 (IVEP Canada)	$115,000	DBN will be issued from the Employee and Advisor Incentive Pool. Subject to a 24 month vesting in equal monthly installments for 75% of DBN.
Yves Daoust	VP, Business	$135,000	DBN will be issued from

Saint-Lambert, Canada	Development July 2015 (ScreenJumper) February 1st, 2018 (IVEP Canada)		the Employee and Advisor Incentive Pool. Subject to a 24 month vesting in equal monthly installments for 75% of DBN.
Martin Benoit, St-Jean-Sur-Richelieu, Canada	Chief Technology Officer July 2015 (ScreenJumper) February 23, 2018 (IVEP Canada)	$135,000	DBN will be issued from the Employee and Advisor Incentive Pool. Subject to a 24 month vesting in equal monthly installments for 75% of DBN.
Erik Bégin, Singapore	Independent Director and Chairman of the Board (IVEP Association)	N/A	DBN will be issued from the Employee and Advisor Incentive Pool. Subject to a 6 month vesting in equal monthly installments for 50% of DBN.
Mydub Media Corporation Toronto, Canada	Promoter	N/A	Will receive DBN from the Mydub Media Pool. Subject to a 24 month vesting in equal monthly installments for 75% of DBN. See “Item 4 - Capital Structure”

Each executive is entitled to a discretionary year-end performance bonus in such amount determined by the Board.

According to the Articles of Association, any member who holds 15% or more of the outstanding tokens, directly or indirectly, must immediately inform the Chairman and the Chief Executive Officer in writing. Such position will be made public on the website of the Association. Furthermore, the Articles of Association contain protective provisions to guard against controlling position or change of control.

3.2 Management Experience

Name	Principal Occupation and Related Experience
Frédéric Dionne	Fred is a serial entrepreneur, technology innovator and lawyer. Named as one of Canada's top technology lawyer (Lexpert) and innovator, Fred has a computer science, legal and finance background. Before founding the IVEP protocol and dubdub.com, a video technology company in 2014, Fred practiced law in the areas of financing, technology, intellectual property, securities and mergers and acquisitions at Stikeman Elliott LLP and Osler, Hoskin & Harcourt LLP in Montreal (Canada). He is also the Founding Partner at blue HF, a successful boutique business law firm located in Montréal (Canada) which specializes in corporate, commercial and transactional legal services to VCs, SMEs and startup companies, with a focus on software technologies. Aside from being deeply immersed in technology and law from an early age, Fred also served in the Canadian Armed Forces as a Royal infantry officer and platoon commander between 1992 and 1996.
Fahima Anwar	Named one of top 8 women to watch in blockchain in 2018. Fahima is a marketing and branding strategist with expertise in lifestyle, tech and travel verticals. She has led multinational digital campaigns for UN agencies, tech and lifestyle brands, as well as, airlines and credit card companies and excels in strategic innovation and user acquisition. Her work can be seen on BBC, CNBC, FOX, MSNBC, Globe and Mail, Huffington Post, Teen Vogue, Cosmopolitan among various others. Aside from her background in new media marketing, Fahima also has extensive experience in product management, and bio-tech consulting having worked for Fortune 100 companies globally.
Yves Daoust	Yves is a serial entrepreneur with a technology background, who has successfully built technology ventures over the past 20 years in North America and in Europe. He co-founded Bluestreak Technology, a Montréal-based embedded software company that developed a solution deployed in more than 25 million cable boxes and connected TVs, and 10 million mobile devices worldwide. Used by operators, programmers and consumer electronics manufacturers for video delivery and user experiences, the solution pioneered the modern software environment for TV-centric consumer applications. Yves was responsible for all aspects of the company’s business development. He signed corporate licensing agreements with Vidéotron and Time Warner Cable in the first two years. He started business development in Europe, signed licensing agreements with NDS/Cisco, Thomson, TVCabo, SAGEM, DivX/NeuLion and Orange. Yves also introduced the solution in Asia and contributed to its implementation in mobile devices, which led to agreements with Qualcomm FLO TV, Access Japan, Mitsubishi and Panasonic LSI. The company was acquired in the spring of 2015 by Espial, an Ottawa-based IPTV solution provider.

	Over the past 25 years, Yves has acquired extensive experience in corporate strategy, product planning and international business development in the TV technology industry. In 2015, Yves, who is highly motivated by exciting new endeavours, designed the Screen Jumper solution with Martin Benoit, and used his product strategy and business networking expertise to validate the solution and form partnerships to launch the service in Canada. Over the years, Yves has built an impressive network of professional contacts in a wide range of industries, which he tapped into in order to assemble best-in-class technology and professional partners to deliver the IDEAL service. Yves holds a bachelor's degree in electrical engineering from Polytechnique Montréal.
Martin Benoit	With over 15 years of experience in the fields of telecom, networking, video and streaming protocol technology, Martin has spent much of his career solving streaming challenges in VoIP, IPTV and financial tick data streams. Now, as IVEP's Chief Technology Officer, he aims to leverage the tremendous potential of blockchain technologies to bring online video and audience engagement to the next level of technology innovation. Before joining IVEP, Martin was a consultant at Bloomberg LLP and Director of Operations and Technology at Bluestreak Technology (sold in 2015), after which he co-founded Screen Jumper, a content discovery, engagement and monetization solution for TV and radio (acquired by the Association). Martin is a respected leader, recognized for his forward-thinking and his ability to thrive in unfamiliar situations. Martin holds a bachelor's degree in computer science from the University of Sherbrooke.
Erik Bégin	Erik is a member of the Quebec Bar and has been practicing law for the last 17 years. Erik's main practice is in the areas of financing, project financing and general corporate law. His career has lead him to practice in different regions with highly reputable law firms such as Stikeman Elliott (Montreal), Gide Loyrette Nouel (Paris) and Allen & Overy and Baker & McKenzie (Singapore) and to gain transaction experience and business exposure in many countries around the globe, notably in South-East Asia and Japan. Erik has been based in Singapore for the past 11 years and now acts as an independent legal consultant.

More information can be obtained about the management and team of IVEP, and its advisors, at www.dubtokens.com.

3.3 Penalties, Sanctions and Bankruptcy

No director or executive officer of the Association, or an issuer of which any of the foregoing persons was a director, executive officer or control person at the time, has, to the knowledge of the Association, within the ten years prior to the date of this Offering Memorandum, been subject to any penalties or sanctions or had cease trade order that was in effect for more than 30 consecutive days or been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

3.4 Loans

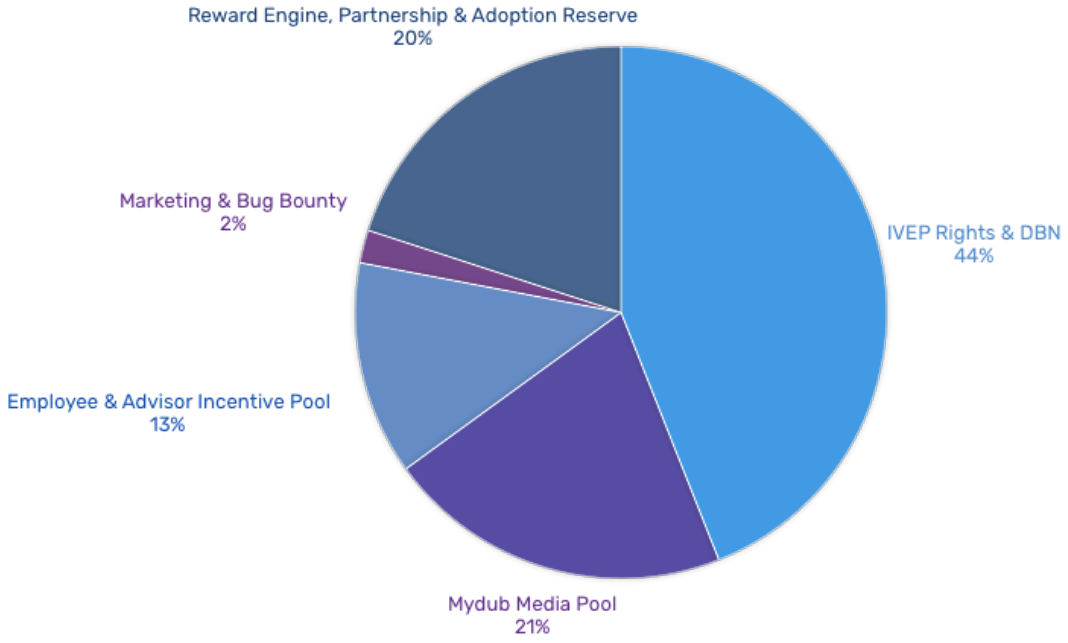
There are no debentures or loans due to or from the directors, management, promoters and members of the Association as at the date hereof other than interest free demand loans in the aggregate amounts of C$101,173.12 which are due to Frédéric Dionne, Fahima Anwar and Erik Bégin.

ITEM 4 - CAPITAL STRUCTURE

4.1 Membership and Tokens

As a not for profit association (*Verein*), the Association does not have share capital. Accordingly, no dividends can be distributed nor have ever been distributed by the Association. Each issued and outstanding IVEP Right entitles the holder to obtain one DBN on the Protocol Release Date. The Association is authorized to issue up to 440,000,000 IVEP Rights pursuant to this Rights Sale and a maximum of 1,000,000,000 DBN, as follows:

Figure 9 - dubtoken Allocation Chart



(a) Up to 44% IVEP Rights and DBN: Up to 440,000,000 IVEP Rights, including bonuses, will be made available in consideration of member contributions during the private pre-sale conducted by dubdub Inc., and the public pre-sale and crowdsale conducted by the Association. The following bonuses may be offered:

- **Private presale discounts and bonuses** (ended on February 18, 2018)
  - 25% to 35% Discount;
  - 10% demo bonus;
  - 15% bonus vested for 18 months.
- **Public presale bonuses**
  - Stage 1 - February 19, 2018- March 2, 2018: 30% Bonus
  - Stage 2 - March 3, 2018 - March 16, 2018: 25% Bonus
  - Stage - March 17, 2018 - March 30, 2018: 20% Bonus
- **Crowdsale bonuses**
  - Stage 1 - April 9, 2018- April 20, 2018: 15% Bonus
  - Stage 2 - April 21, 2018 - May 4, 2018: 10% Bonus
  - Stage 3 - May 5, 2018- May 18, 2018: 7% Bonus
  - Stage 4 - May 19, 2018- June 1, 2018: 5% Bonus
  - Stage 5 - June 2, 2018- June 10, 2018: none

In addition to the foregoing bonuses, affiliate bonuses of 5% may be granted, subject to applicable law. The Association may negotiate in good faith additional bonuses with Contributors who commit to purchase at least $300,000 of IVEP Rights, as principal or through a syndicate of Contributors. The foregoing bonuses may be revised by the Association at any time in its sole discretion, as further indicated on its website www.dubtokens.com.

No vesting will be applicable for contributions made during the public presale and crowdsale but Contributors will be encouraged to hold their dubtokens for at least 18 months and earn an additional bonus of up to 15% in aggregate, calculated as follows:

Number of Additional dubtokens (Calculated on Initial dubtokens Held)	**Airdrop Date Following Protocol Release Date**	***Example Only: if Contributor Holds 1M Initial Tokens***
1% dubtokens airdropped	6 months	10,000 New DBN
2% dubtokens airdropped	9 months	20,000 New DBN
3% dubtokens airdropped	12 months	30,000 New DBN
4% dubtokens airdropped	15 months	40,000 New DBN
5% dubtokens airdropped	18 months	50,000 New DBN
TOTAL:		*150,000 New DBN*

The percentages indicated above are calculated on the total number of initial dubtokens continuously held by the Contributor between the Protocol Release Date and each respective airdrop date indicated above. The foregoing airdrop bonuses may be subject to minimum trust scores being obtained by the Contributors to demonstrate an active state within the IVEP protocol.

(b) 21% DBN for the Mydub Media Pool: Mydub's and dubdub's team and shareholders will share 21% of the dubtokens, for all of dubdub's research and development efforts creating and testing the technology and building a broad community of content creators, advertisers, publishers and retailers over the last three years and the provisioning of such technology, network and knowledge transfer to the Association. dubdub will also commit to provide the dubdub Apps to the IVEP protocol. 75% of the Mydub Media Pool will be locked in a smart contract and will vest in equal monthly instalments over 24 months.

(c) Up to 13% DBN for the Employee and Advisor Incentive Pool: dubtokens will be awarded to the CEO and key management, employees and advisors who are making this project possible. At least 75% of every employee's dubtokens will vest in equal monthly installments over a minimum period of 24 months. Advisors' dubtokens will be locked in a smart contract and 66.67% will vest in equal monthly instalments over at least 6 months.

(d) Up to 2% DBN for Marketing and Bug Bounty: dubtokens will be awarded to influencers participating in social media campaigns and code auditors. Any unissued dubtokens in this pool will be allocated to the Employee and Advisor Incentive Pool.

(e) No less than 20% DBN for the Reward Engine, Partnership & Adoption Reserve: The reserve will be allocated gradually in weekly or monthly instalments to developers, designers, content creators, publishers and partners who demonstrate a clear intention and ability to develop the platform and promote the IVEP protocol, as further indicated in this Offering Memorandum.

4.2 Long Term Debt Securities

As of the date of this Offering Memorandum, the Association does not have any long-term debt outstanding.

4.3 Prior Sales

In the past 12 months, the Association has not issued any IVEP Rights, other than the promise to issue dubtokens under a SAFT Agreement entered into between certain private presale investors and dubdub Inc., in accordance with the discounts and bonuses of the private presale indicated above.

ITEM 5 - MEMBERS CONTRIBUTIONS AND THE OFFERING OF IVEP RIGHTS

5.1 Terms

Each IVEP Right issued to a Contributor will be automatically converted into one DBN at the Protocol Release Date unless the Contributor has exercised a cancellation right. *See "Item 11 - Purchasers' Rights".*

Holders of DBN will be admitted as voting members of the Association, subject to the terms and conditions of its Articles of Association, only upon the Protocol Release Date.

A copy of the Articles of Association and Supplemental Regulations will be provided to each Contributor at the time of contribution.

All members will be entitled to elect the Board, appoint the auditors and vote on important matters (such as migrating the IVEP protocol or exporting the Association to another jurisdiction). All members will be entitled to information rights as provided in the Articles of Association. The Association will have its financial statements audited by a reputable accounting firm.

The following participants may become voting members of the Association:

- Software Developers and Designers
- Creators/Producers/web Publishers/TV and radio programmers/broadcasters
- Audience/Human Sentient Interactive Verifier (SIV)
- Advertisers and Retailers

No Contributor will be admitted as a new voting member the Association until the Protocol Release Date, and provided such Contributor holds at least one dubtoken. After the Protocol Release Date, each member will be entitled to such number of voting rights equal to the number of vested DBN held. The Association may also have non-voting members, i.e. members who no longer own any DBN after the Protocol Release Date. The Association will have the right to suspend or permanently ban repeat infringers of its constituting documents, regulations or code of conduct.

5.2 Contribution Procedure

IVEP Rights will be available for purchase through the Association's website at http://ico.dubtokens.com. Contributors may purchase IVEP Rights by transferring Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC) to the specified account addresses provided by the website or by specified USD or CAD purchases through traditional payment processes such as bank transfers. Confirmation of closing will be provided to Contributors at the e-mail address provided. If a minimum of $1,250,000 is not received in aggregate on or before the last day of the Rights Sale, funds will be returned as Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC), or USD or CAD, depending on the method of deposit by the Contributor, within 15 days without interest and less any and all applicable blockchain and bank transaction fees, at the Contribution Exchange Rate. The consideration for IVEP Rights will be held in trust until the minimum amount of the Rights Sale is reached.

All contributions to the Association will be subject to the terms and conditions of a contribution agreement to be entered into between every Contributor and the Association, including the contribution agreement made available to the Contributors on the www.ico.dubtokens.com website.

5.3. Future Sales

The Association may sell at any time after the Protocol Release Date any DBN that were not purchased during the Rights Sale pursuant to the terms of this Offering Memorandum, provided that the price per DBN sold is equal to or greater than $0.10, except as otherwise agreed to by a special majority of the members of the Association (66.67%) at a duly called special meeting of the members. The Association

may not issue more than 1,000,000,000 DBN unless a special majority of the members of the Association (66.67%) agree to such issuance at a duly called special meeting of the members for any future development of, and improvement to, the IVEP protocol. The foregoing shall not apply to any DBN sold by the Association in its normal course of business after the Protocol Release Date.

ITEM 6 - INCOME TAX CONSEQUENCES

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

The Association will comply with all of its tax obligations, including withholding and reporting obligations, to the extent applicable.

On January 30, 2018, the Association was granted a tax ruling from the Zug (Switzerland) tax authority. Based on said tax ruling, the Association will not have to pay corporate income tax on the proceeds of the dubtoken distribution but will rather be taxed on a cost plus 5% basis during the development/deployment phase.

The Association may be required to pay sale taxes, such as VAT, to the tax authorities of a competent jurisdiction in respect of any Contribution received from residents of any such jurisdiction, including the Swiss Federal Administration in respect of contributions made by Swiss residents and may not be able to recoup such taxes.

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

The Association may offer affiliate fees of 5% to Contributors and marketers, and additional bonuses as indicated on the dubtokens.com website, including to Contributors who contribute an amount of at least $300,000, the whole subject to applicable law. Any such bonus may vary at different stage of the Rights Sale.

ITEM 8 - RISK FACTORS

A purchase of IVEP Rights involves certain risks. The following information describes certain significant risks and uncertainties inherent in the Rights Sale and the business of the Association. Prospective purchasers should take these risks into account in evaluating the Association and deciding whether to purchase the IVEP Rights. This section does not describe all risks applicable to the Association, or its industry or its business, as applicable, and is intended only as a summary of certain material risks. In addition, prospective purchasers should consult their own financial and other legal and tax advisors, and should carefully consider, among other matters, the following discussion of risks before deciding whether to purchase IVEP Rights. The risk factor disclosure set out herein generally will also apply to the DBN issued to the holders of IVEP Rights on the Protocol Release Date.

8.1 Contribution and Pre-Purchase Risk

No Existing Public Market; Restrictions on Resale

We are of the view that IVEP Rights are not securities nor an investment contract but rather a pre-purchase of digital assets and a contribution to the Association, a not for profit entity. There is no existing public market for the IVEP Rights and the Association does not intend to apply for a listing of the IVEP Rights or DBN on any stock exchange. There can be no assurance that a secondary market will develop or, if it does, that it will provide holders of IVEP Rights with liquidity of investment. The price for DBN may be affected by changes in general market conditions and numerous other factors beyond the control of the Association.

IVEP Rights purchased pursuant to this Offering Memorandum will be subject to restrictions on resale, and may only be resold with the prior consent of the Association and in accordance with applicable laws. Subscribers will not have the benefit of a review of this material by any regulatory authority.

Highly Speculative; Loss of Contribution

A purchase of IVEP Rights is highly speculative and is appropriate only for Contributors who have the capacity to absorb a loss on their contribution (including the entire amount of their contribution). IVEP Rights should not constitute a significant portion of the contributor's portfolio.

Tax Treatment

The tax characterization of the IVEP Rights and the dubtokens is uncertain, and each contributor must seek its own tax advice in connection with the purchase of IVEP Rights. The purchase and the IVEP Rights and the receipt of dubtokens may result in adverse tax consequences to contributors, including withholding taxes, income taxes and tax reporting requirements. Each Contributor should consult with and must rely upon the advice of its own professional tax advisors.

Price Fluctuation Risk

As no blockchain based ecosystem can thrive by restricting the transfer of its digital rights, the dubtokens are made transferable among participants of the IVEP protocol. One inherent consequence of these digital token attributes is price fluctuation. The price of a dubtoken may fluctuate based on the quantity of tokens earned, spent or transferred among the IVEP protocol participants, including via the Association or otherwise, and for various other reasons which are not under the control of the Association.

Lack of Insurance

The assets of the Association are not insured by any government or private insurer except to the extent that portions of assets may be deposited in bank accounts insured by a government agency such as the Canada Deposit Insurance Corporation or the Federal Deposit Insurance Corporation (United States) and such deposits and securities are subject to such insurance coverage (which, in any event, is limited in amount). Therefore, in the event of the insolvency of a depository, custodian, sub-custodian, broker, or other similar service provider, the Association may be unable to recover all of its funds or the value of its securities so deposited.

The Association's cryptoassets are held by a custodian offline in "cold storage". Assets held in cold storage are subject to security measures adopted by the Board.

8.2 Risks of the Association

Limited Operating History

The Association has limited operating history. Accordingly, the Association does not have any significant operating history upon which prospective contributors may evaluate its performance.

Early Stage Association Risk

The Association is an early stage of development and is heavily dependent on its ability to continue to expand its target market. Should the market of the Association cease to exist, fail to grow or grow more slowly than anticipated, or become saturated with competitors, the Association's business, financial condition and results of operations could be adversely affected. There can be no assurance that the business of the Association will have sufficient economic or human resources to develop and market its business in a timely manner, or at all. The Association relies on industry relationships, continued growth of the cryptocurrency market, and broad adoption of the IVEP.

Reliance on Participants Risk

Each participant of the IVEP protocol provides value-added services to make the IVEP protocol an innovative, decentralized, thriving and resilient ecosystem. Each participant has the obligation to abide by its terms of service and code of conduct or risks being banned for serious breach or repetitive non-compliant behaviours. The dubtoken attributes come with governance rights and incentives to grow and promote the IVEP protocol but also deterrence mechanism to ensure services are rendered in accordance with the purpose of the IVEP protocol and its code of conduct, such that the IVEP protocol can realize its full growth potential.

IVEP Development and Adoption Risk

The IVEP protocol has not yet been completely developed by the Association and will require significant funding, expertise of the Association's personnel and that of its founding member(s), time and effort in order to develop and successfully launch a fully functional protocol. The Association may have to modify to the current specifications of the IVEP protocol or the dubtokens for many reasons or may be unable to develop the IVEP protocol in a way that realizes those specifications or any form of a functioning network. It is possible that the dubtokens and the IVEP protocol may not ever be released and there may never be an operational dubtoken or that the Protocol Release Date will not occur. The IVEP protocol or dubtokens, if successfully developed and maintained, may not meet contributor expectations at the time of purchase the IVEP Rights. It may be possible that the IVEP protocol will not be adequately developed or maintained, which may negatively impact the IVEP protocol and dubtokens.

It is possible that the IVEP protocol will not be used by a large number of individuals, companies and other entities or that there will be limited public interest in the creation and development of distributed ecosystems (such as the IVEP protocol) more generally or distributed applications to be used on the IVEP protocol. Such a lack of use or interest could negatively impact the development of the IVEP protocol and the utility of dubtokens.

There is currently no market for dubtokens and none may develop. It may be difficult or impossible for you to sell your dubtokens.

Additional Funding

The Association may require significant amounts of capital to fund its planned development of the IVEP protocol, beyond what is raised from the Rights Sale. In the event that the Association is unable to raise sufficient funds through other financing methods, the Association will be unable available to implement its business plan, or may be required to delay or reduce the scope of its business plan. Additional financing may not be available to the Association or may not be available on commercially reasonable terms.

Expansion

Any expansion of Association's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Association will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that Association will be able to manage growth successfully. Any ability of the Association to manage growth successfully could have a material adverse effect on the Association's business, financial condition and results of operations.

Changes in Legislation

There can be no assurance that certain laws applicable to the Association, IVEP Rights and dubtokens, including income tax laws, will not be changed in a manner which adversely affects the subscribers of IVEP Rights, the Association or its members.

Conflicts of Interest

The directors, officers and employees of the Association and related entities may serve as directors or officers of other companies, including companies providing services to the Association, such as IVEP Canada or Mydub Media Corporation, and companies in competition with the association, or such persons may have significant shareholdings or other interest in such other companies. Conflicts of interest will be handled in accordance with applicable laws dealing with such conflicts, if any.

8.3 Industry Risk

Limited History of Cryptoassets

Cryptoassets are new technological innovations with a limited history. There is no assurance that usage of any particular cryptoasset and its blockchain, including dubtokens and IVEP, will continue to grow. A contraction in use of a cryptoasset or its blockchain may result in increased volatility or a reduction in the price of such cryptoasset.

Potential Decrease in Global Demand for a Cryptoasset

Each cryptoasset must serve as a means of exchange, store of value, and unit of account. If consumers stop using a cryptoasset as a means of exchange, or its adoption therein slows, then the value may

suffer. Contributors should be aware that there is no assurance that any cryptoasset will maintain its long-term value in terms of purchasing power in the future or that the acceptance of a cryptoasset for payments by mainstream retail merchants and commercial businesses will continue to grow.

Regulation of Cryptoassets

The regulation of cryptoassets continues to evolve in North America, Switzerland and other jurisdictions, which may restrict the use of a particular cryptoasset or otherwise impact the demand for a cryptoasset.

Ethereum Blockchain

The Ethereum blockchain on which IVEP is expected to operate is new and has certain risks associated with it. The blockchain could experience times of uncertainty. The Ethereum blockchain could experience slow transaction speed, could fork or be subject to a denial of service attack.

Value of Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC)

It is possible that the value of Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC) could drop significantly in the future, which could negatively impact the Association to the extent proceeds from the Rights Sale are maintained in any such cryptocurrencies. To manage this risk, the Association will maintain a certain portion of proceeds in USD and CAD and may hedge a portion of cryptocurrencies it received on recognized futures exchanges.

Hacking

Hackers may attempt to steal Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC) raised from the Rights Sale, which would impact the ability of the Association to operate and develop the IVEP. The Association will implement comprehensive security precautions to safeguard the Bitcoin (BTC), Bitcoin Cash (BCH), Ether (ETH) or LiteCoin (LTC) raised from the Rights Sale.

Improper Transfers of Cryptocurrencies

Generally, cryptocurrency transfers are irreversible. An improper transfer (whereby bitcoin is accidentally sent to the wrong recipient), whether accidental or resulting from theft, can only be undone by the receiver of the cryptocurrency agreeing to send the cryptocurrency back to the original sender in a separate subsequent transaction. To the extent the Association erroneously transfers, whether accidental or otherwise, cryptocurrencies in incorrect amounts or to the wrong recipients, the Association may be unable to recover the cryptocurrencies.

Loss of "Private Keys"

The loss or destruction of certain "private keys" could prevent the Association or its members from accessing its cryptocurrencies or tokens. Loss of these private keys may be irreversible.

Technological Advances

Technological advances such as quantum computers could present risks to cryptoassets and IVEP resulting in a theft of dubtokens. The Association will take commercially reasonable efforts to design the

IVEP protocol to account for any such advances in cryptography and incorporate appropriate security measures, however, there can be no guarantee that such measures will be effective.

Industry Competition

It is possible that alternative networks could be established that utilize the same or similar open source code and protocol underlying the IVEP protocol and attempt to facilitate services that are materially similar to the IVEP protocol. The IVEP protocol may compete with these alternative networks, which could negatively impact the IVEP protocol and the dubtokens.

Open Source Risk

The IVEP protocol will rely on certain open source software, and there is a risk that the Association or other third parties not affiliated with the Association may introduce weaknesses or bugs into the IVEP protocol causing the Association to lose some or all of the contributor's dubtokens.

The foregoing statement of risks does not purport to be a complete explanation of all the risks involved in purchasing the IVEP Rights. Potential contributors should read this entire Offering Memorandum and consult with their legal, tax and financial advisers, before making a decision to invest in the IVEP Rights.

ITEM 9 - ONGOING REPORTING OBLIGATIONS

As further set out in the Articles of Association, Supplemental Regulations and applicable law, the Association will be subject to various reporting obligations towards its members and towards competent authorities, such as Swiss and Canadian tax authorities, including providing yearly audited financial statements to the members of the Association at the annual members' meeting.

ITEM 10 - RESALE RESTRICTIONS

IVEP Rights will be subject to resale restrictions, including a restriction on trading during the Rights Sale period.

Upon the Protocol Release Date, DBN will be exchangeable among participants within the IVEP protocol.

All persons purchasing IVEP Rights pursuant to this Offering Memorandum should consult with their own advisors prior to acquiring the IVEP Rights pursuant to this Offering Memorandum for advice with respect to the restrictions on resale of such IVEP Rights.

ITEM 11 - PURCHASERS' RIGHTS

11.1 75% Cancellation Right

A Contributor may not exercise any cancellation rights other than those contemplated in this Item 11.

Each Contributor may exercise a cancellation or pre-purchase refund right ("**75% Cancellation Right**") at any time before the Protocol Release Date in respect of 75% of his or her total contribution amount for IVEP Rights, in which case 75% of the contribution will be returned to the Contributor at the Contribution Exchange Rate, without any accrued interest and less any and all applicable blockchain and bank transaction fees. Except if the 75% Cancellation Right has been exercised, all outstanding IVEP Rights will be automatically converted, upon the Protocol Release Date, into an equivalent number of DBN.

If a Contributor exercises his or her 75% Cancellation Right, any remaining contribution will not be converted into DBN and may be used by the Association in its sole discretion as a membership contribution for the purposes of conducting its not for profit economic activities.

11.2 Two Business Day Cancellation Right

If you purchase the IVEP Rights you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

(1) *Two Business Day Cancellation Right* - You can cancel your agreement to purchase the IVEP Rights. To do so, you must send a notice to us, by midnight on the 2nd business day after you sign the agreement to purchase the IVEP Rights, at funds@ivep.io and clearly state that you wish to cancel your purchase of IVEP Rights ("**2 Business Day Cancellation Right**").

(2) *Statutory Rights of Action in the Event of a Misrepresentation* – If there is a misrepresentation in this offering memorandum, you may have a statutory right to sue:

(a) the Association to cancel your agreement to buy IVEP Rights: or
(b) for damages against the Association.

This statutory right to sue is available to you whether or not you relied on the misrepresentation.

ITEM 12 - FINANCIAL STATEMENTS

Financial Statements

IVEP Verein

December 31, 2017

IVEP Verein
Table of Contents
December 31, 2017

FULLER LANDAU LLP

AUDIT
TAX
ADVISORY

Independent Auditors' Report

To the Directors of
IVEP Verein

We have audited the accompanying financial statements of **IVEP Verein**, which comprise the statement of financial position as at December 31, 2017, and the statements of operations and changes in equity and cash flows from commencement of operations on November 20, 2017 to December 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the Association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of **IVEP Verein** as at December 31, 2017, and its financial performance and its cash flows from commencement of operations on November 20, 2017 to December 31, 2017 in accordance with International Financial Reporting Standards.

Fuller Landau LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
February 16, 2018

IVEP Verein
Statement of Financial Position

December 31	2017
Assets	
Amounts receivable	$ 112,838
Prepaid expenses	3,712
HST receivable	16,928
	$ 133,478
Liabilities	
Amounts payable and accrued liabilities	$ 337,414
Advances from directors, note 4	22,600
	360,014
Net Deficiency	(226,536)
	$ 133,478

See accompanying notes to the financial statements

Approved by the board:

_____, Director

_____, Director

IVEP Verein
Statement of Operations and Changes in Net Assets

From commencement of operations on November 20, 2017 to December 31	2017
Revenue	**$ -**
Expenditures:	
Subcontract	**110,233**
Advertising and promotion	**67,138**
Professional fees	**28,228**
Incorporation costs	**15,460**
Computer expense	**5,088**
Office and administration	**500**
	226,647
Deficiency of revenue over expenditures from operations	**(226,647)**
Other income:	
Gain on foreign exchange	**111**
Deficiency of revenue over expenditures, at December 31, 2017	**$ (226,536)**

See accompanying notes to the financial statements

IVEP Verein
Statement of Cash Flows

From commencement of operations on November 20, 2017 to December 31	2017
Cash was provided by used for:	
Operating activities:	
Deficiency of revenue over expenditures	**$ (226,536)**
Cash was provided by (used to finance) changes in the following working capital items:	
Amounts receivable	**(112,838)**
Prepaid expenses	**(3,712)**
HST receivable	**(16,928)**
Amounts payable and accrued liabilities	**337,414**
	203,936
	(22,600)
Investing activities:	
Advances from directors	**22,600**
Net change in cash during the period and cash at December 31, 2017	**$ -**

See accompanying notes to the financial statements

December 31, 2017

1. Nature of Operations

IVEP Verein (the Association) is a Swiss not for profit association founded on November 20, 2017 having its registered office at c/o Thelema AG, Baarerstrasse 78, CH-6300 Zug, Switzerland, and registered with the commercial register of the Canton of Zug, Switzerland, under company no. CHE-310.928.158, since December 11, 2017.

The Association promotes the following key pillars: the advancement of science and open source technologies, video/audio and interactive experience technologies for the decentralized web, TV and radio a fair and reasonable copyright framework for content creators, trust and transparency among the IVEP protocol's participants, blockchain technologies, cryptocurrencies, cryptoeconomics and shared-prosperity economic models, good governance, transparency, good advertising practices and online consumer protection rights; as well as promote the interest of its members. Finally, the Association will also support the fight against online fraud.

The Association is not subject to tax.

2. Basis of Presentation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were authorized for issuance by the association's Board of Directors on February 16, 2018. The Board of Directors have the power to amend the financial statements after issue.

Basis of measurement

A summary of the association's significant accounting policies under IFRS is presented in note 3.

These financial statements have been presented in Canadian dollars which is the functional currency of the association and are prepared under the historical cost basis, unless otherwise stated.

3. Significant Accounting Policies

These financial statements are prepared in accordance with International Financial Reporting Standards. The significant policies are detailed as follows:

Revenue recognition

Revenue is recognized when services are provided to the extent that it is probable that economic benefits will flow to the association and the revenue can be reliably measured.

3. Significant Accounting Policies, continued

Cash and cash equivalents

Cash and cash equivalents are defined as cash and highly liquid investments, consisting primarily of term deposits, with terms to maturity of three months or less at the date of purchase.

Equipment and leasehold improvements

Equipment and leasehold improvements are recorded at cost. Amortization is based on the estimated useful life of the capitalized asset.

Impairment of financial assets

A financial asset is considered impaired if objective evidence indicates that one or more events have had negative effect on the estimated future cash flows of the asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognized in income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

Impairment of non-financial assets

The carrying amount of the assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in income in the period in which they occur.

The recoverable amount of the assets is the greater of the asset's fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

When impairment subsequently reverses, the carrying amount of the asset is increased to the extent that the carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment had been recognized. Impairment reversals are recognized in income in the period in which they occur.

3. Significant Accounting Policies, continued

Financial instruments

All financial instruments are initially recognized at fair value on the statement of financial position. The association has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available for sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in income. Financial assets available for sale are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax. Financial assets held to maturity, loans and receivables and other financial liabilities are subsequently measured at amortized cost using the effective interest method.

Transaction costs are added to the initial fair value of financial assets and liabilities when those financial assets and liabilities are not measured at fair value subsequent to initial measurement. Transaction costs are amortized to net earnings, using the effective interest method.

The association measures amounts receivable, amounts payable and accrued liabilities, and advances from directors at amortized cost and their carrying amounts approximate their fair value.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are as follows:

Level 1:	Quoted prices in active markets for identified asset or liability;
Level 2:	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; or
Level 3:	Inputs that are not based on observable market data.

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the association has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis when permitted by the IFRS standards, or for gains and losses arising from a group of similar transactions.

Leases

Leases are classified as either capital or operating leases. Leases that transfer substantially all of the benefits and inherent risks of ownership of property to the association are accounted for as capital leases. At the time a capital lease is entered into, an asset is recorded together with its related long-term obligation to reflect the acquisition and financing. Equipment recorded under capital leases is amortized on the same basis as described above. The costs of operating leases are expensed on a straight-line basis over the term of the lease.

December 31, 2017

3. Significant Accounting Policies, continued

Foreign currency translation

The financial statements are presented in Canadian dollars which is the functional currency of the association.

Monetary assets and liabilities of the association which are denominated in foreign currencies are translated at the year end exchange rate. Non-monetary assets and liabilities are translated at rates in effect at the date the assets were acquired and liabilities incurred. Revenue and expenses are translated at the rates of exchange in effect at their transaction dates. The resulting gains or losses are included in income.

Variable interest entities

The association has neither identified nor consolidated the accounts of any variable interest entities.

Use of estimates

The preparation of these financial statements in accordance with IFRS requires management to make estimates and assumptions in order to apply the association's accounting policies, which have an effect on the reported amounts and disclosures made in the financial statements and accompanying notes.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations issued by the International Accounting Standards Board (IASB) have been proposed but are not yet effective for the period ended December 31, 2017, and consequently, have not been applied in preparing these financial statements. Based on the nature of the business, the association has identified proposed standards that may have an impact on the financial statements as follows:

IFRS 9- Financial instruments

On July 24, 2014, the IASB issued the final version of IFRS 9 incorporating a new expected loss impairment model and introducing limited amendments to the classification and measurement requirements for financial assets. This standard replaces IAS 39, "Financial Instruments: Recognition and Measurement" and effective for periods beginning on or after January 1, 2018 with early adoption permitted. The association is currently assessing the potential impact of this new standard.

December 31, 2017

3. Significant Accounting Policies, continued

New standards and interpretations not yet adopted, continued

IFRS 15 - Revenue from contracts with customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers", which is a new standard that would replace IAS 18 "Revenue" and IFRIC 13 "Customer Loyalty Programmes". This standard outlines a single comprehensive model for entities to account for revenue arising from contracts with customers. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. Due to the nature of the day-to-day operations of the association, management does not anticipate this standard to have significant impact on the financial statements of the association.

IFRS 16 - Leases

In January 2016, the IASB issued IFRS 16, "Leases", which is a new standard that would replace IAS 17, "Leases". This standard introduces a single accounting model for lessees and for all leases with a term of more than 12 months. A lessee will be required to recognize a right-of-use asset and a lease liability. IFRS 16 is effective for annual periods beginning or after January 1, 2019. The association is currently assessing the potential impact of this new standard.

4. Advances from Directors

For reporting purposes herein, related parties are defined as the directors and key management personnel. Key management personnel include the directors and senior officers of the association who are primarily responsible for planning, directing, and controlling the association's activities.

The advances from the directors are unsecured, non-interest bearing, and due on demand.

5. Financial Risk Management

The association is exposed to various risks through its financial instruments. The following provides a measure of the association's risk exposure:

Credit Risk

Credit risk is the risk of financial loss to the association if a customer or counterparty to the financial instrument fails to meet its contractual obligations. Management believes its exposure to credit risk is low.

December 31, 2017

5. Financial Risk Management, continued

Liquidity Risk

Liquidity risk is the risk that the association is not able to meet its obligations associated with its financial instruments. Management believes they have secured sufficient financing to allow the association to meet its obligations as and when they become due. Liquidity needs are monitored in various time bands, on a day-to-day and as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 365-day lookout period are identified monthly. Management believes that financial resources are expected to be sufficient over the lookout period.

Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risks: currency risk, interest rate risk and price risk. The association is not exposed to any of these risks.

6. Capital Management

The association's objectives in managing its capital is to ensure sufficient liquidity to preserve its ability to meet its financial obligations as they become due in the short-term and long-term. Capital is defined as loans and cash, calculated in accordance with IFRS. The association has primarily financed its liquidity through funds advanced from related parties as outlined in note 4.

ITEM 13 - DATE AND CERTIFICATE

Dated February 19, 2018

This offering memorandum does not contain a misrepresentation.

(signed) "**Frédéric Dionne**"
Chief Executive Officer

On behalf of the Board of Directors

(signed) "**Frédéric Dionne**"
Director