SPUME

THE FIRST FULLY DECENTRALIZED, COMMUNITY OWNED NFT MARKETPLACE ON ETHEREUM, POLKADOT, AND THE BINANCE SMART CHAIN

SPUME.IO
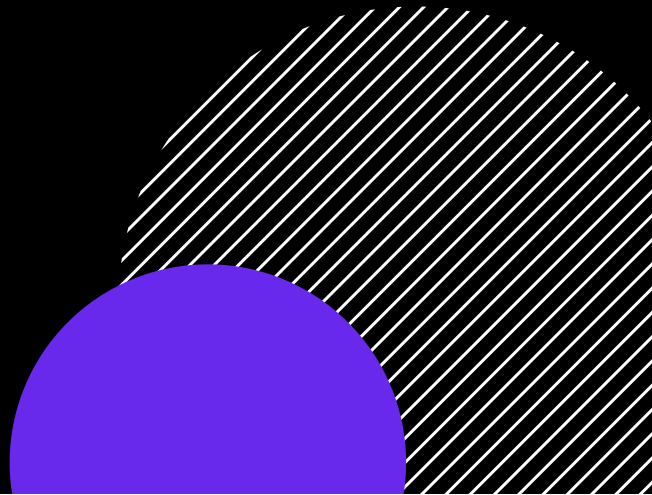
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PREFACE

Spume is a community governed holder-owned NFT marketplace that facilitates the non-fungible tokenization of physical and digital assets and removes brokers, banks, and other centralized authorities from unjustifiably taxing the transactions and property of individuals. Our vision with Spume is the complete removal of all intermediaries that prey on individuals during the trading of digital and physical goods. This covers a broad range of markets: everything from artwork to real estate will be tokenizable and tradable on Spume's marketplace. All revenue generated from Spume's marketplace is given directly back to SPUME token holders. The marketplace and all decisions on development are now controlled by SPUME token holders with a governance system unlike anything ever seen before.

The Spume Protocol is an end-to-end transactional layer that facilitates payment infrastructure for physical and digital non-fungible token assets on the Ethereum blockchain. The Spume Protocol will enable anyone to build branded and personalized NFT storefronts complete with on-chain payment processors while being able to tokenize both physical and digital assets. These can include but are not limited to: digital/physical art and real estate, intellectual property and its licensing, patents, and luxury goods. This opens the Spume Protocol up to all specific industries and allows users to conduct tokenized asset finance efficiently.

PREFACE

Why bring digital property and real estate onto the blockchain, what are the benefits of tokenizing music and houses?

The importance of bringing real estate and digital property onto the blockchain is centered around our goal to minimize as many intermediaries as possible. In the process of buying real estate, there are a number of taxing intermediaries including escrow services and banks that take fees, namely large interest payments on mortgages, and escrow fees. By tokenizing real estate and using smart contracts, we can completely automate escrow and crowdfund mortgages. Leading us to far lower interest rates and returns that go directly back to the individuals. In the case of digital property, musicians who create songs can tokenize them and have complete control and ownership of overuse and royalty payments, thus effectively removing record labels and other fee-charging services. Though the idea of digital property and real estate may seem disjointed, they are strongly linked by being controlled heavily by centralized, taxing intermediaries. Spume will usher in a new era of complete control over both physical and digital property, and the platform on which it is tokenized and traded.

To put into perspective the importance of this platform and the implied utility, here is a list of what Spume is doing in it's native dApps:

- Simple and Accessible Tokenization and Trading of Real Estate
- Tokenization of Digital Products and a Standardized Format for Digital Licensing
- A True Democratic Republic Community Governance With Untaxed Profit Sharing
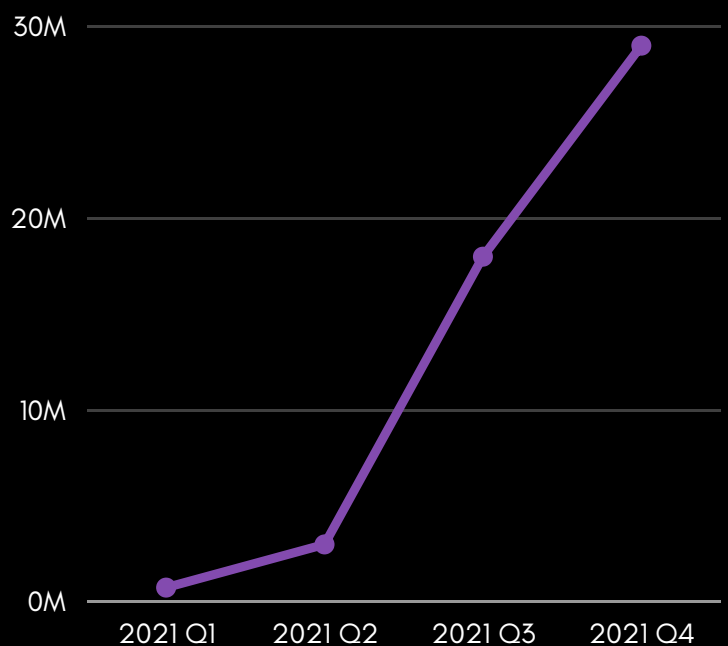
NFT ARTWORK ANALYSIS

NFT Revenue 2020-2021 (USD)
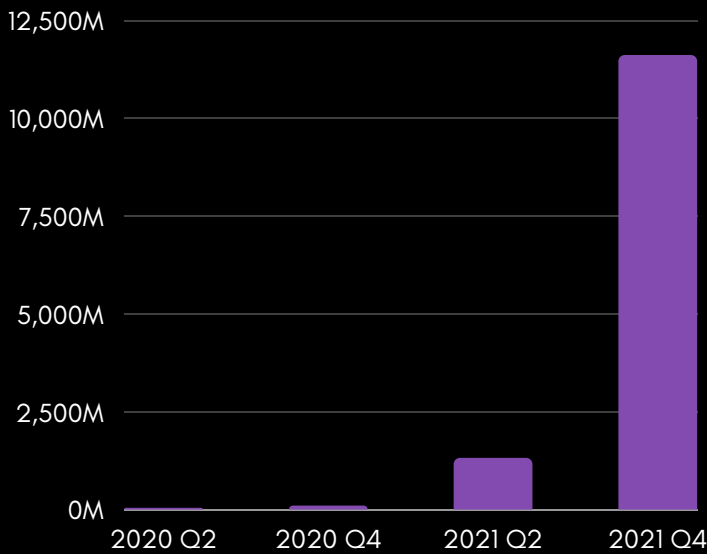
According to Reuters, Nft sales grew from $94.9 million in 2020, to $24.9 billion in 2021. Numbers like these are a clear indicator that this is an explosively growing market and shows no sign of slowing down anytime soon. Our plan of action is right on time, as over 50% of previously mentioned 2021 sales took place in Q4.

Not only has the trading volume increased, but the amount of wallets involved has increased exponentially. In the same timeframe, 2020-2021, active NFT swapping wallets have increased from 545,000 to 28.6 million wallets. That is effectively a 5,148% increase in usage in one year.

## Wallets Involved in NFT Trading (2021)

NFT ARTWORK ANALYSIS

With many active trading platforms charging fees up to 7%, and an average of 3%, we can safely assume that there were approximately $1.2B in transaction fees alone in 2021 derived from approximately $40B in NFT revenue. There is currently a major gap in the market for a truly decentralized NFT marketplace that will function adequately enough to meet the needs and values of Web 3.0. A system that can redistribute these transaction fees to a community of token holders, will provide not only the proper ledger maintenance, but also communal morale for artists, traders, and investors. With the large amount of transactions, a well-organized and interactive DAO is very attainable. In conjunction with a very sizeable user base, both from the standpoint of an NFT guru or a token holder, this is a project for all.

OpenSea, referenced in the graph,* showed $1.1M in revenue in March 2020, and exactly one year later did $3.4B in the month of March, 2021. December of 2021 produced $3.3B in sales, showing a consistent pattern.

Comparable Platform Growth by Revenue (Billions, USD)

| | 2020 March | 2021 March | 2021 Dec. |
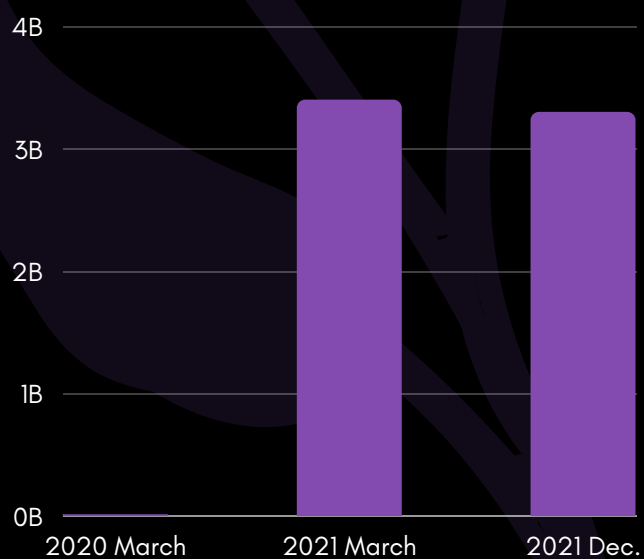
*According to Forbes, "The First NFT Billionaires."

NFT OWNERSHIP RATES

.00004%

The percent of Americans that owned an NFT three years ago.

2.8%

The percent of Americans that own an NFT in 2022.

As seen from the figures above, the NFT market has been nothing short of explosive over the last year. NFT's are starting to become a common asset amongst not only citizens in the United States, but throughout the entire world. Celebrities, artists, politicians, and investment firms have all started to accumulate NFTs for a multitude of reasons.

WHY ETHEREUM?

Percent Increase in price (USD) Annually

Legend: BTC-USD, ETH-USD
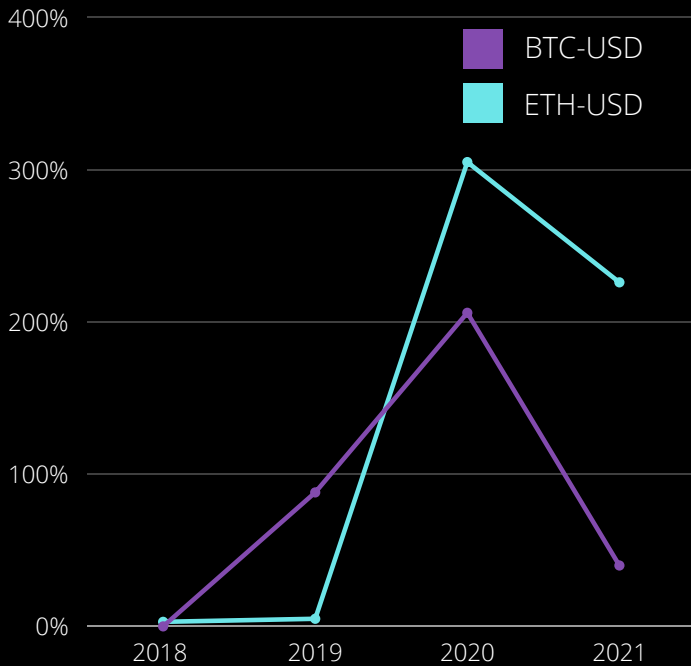
Not only has the NFT space experienced massive growth over the last two years, the usage and cost of Etheruem and ETH native tokens has followed suit. The annual percent increase of coin cost is compared here to that of bitcoin, showing a clear correlation between NFT/ETH usage, starting in 2020. Additionally, the ETH market shows stronger growth than BTC over that period.

In this visual we can see that the percent increase of ETH has fallen just short of doubling the numbers put up by the BTC market over the last four years. Paired with the ease of transaction and general utility, this is why we believe in the use of an ETH native token.

Price Increase Comparison (2018-2021)

BTC 34.5%

ETH 65.5%
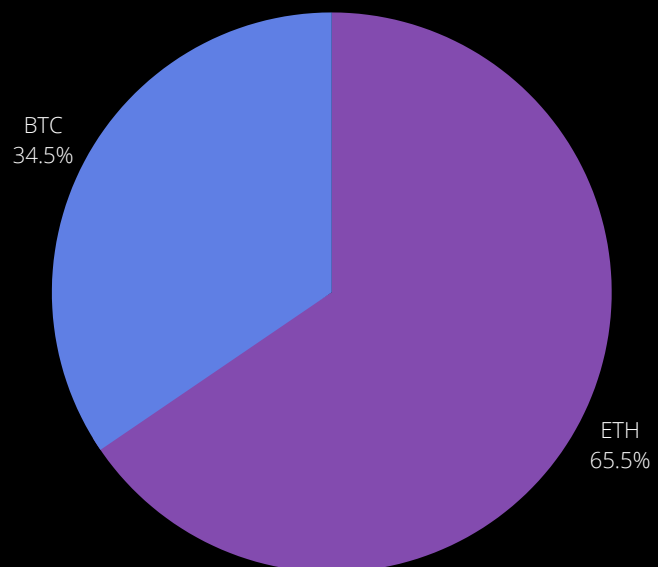
CROSS CHAIN COMPATIBILITY

The Spume Marketplace will launch on Etheruem, the second largest blockchain in the world by marketcap, and the largest blockchain in the world by total value locked on chain. Our smart contracts for our platform are written in Solidity and will be usable with any EVM compatible blockchain. This makes our goal of moving to other EVM compatible blockchains such as Polygon (an Ethereuem layer 2), and Moonbeam (a parachain on Polkadot) painless. Our cross chain integrations will not happen until we have our full marketplace and DAO working on Ethereum.

Our non-exhaustive list of blockchains we will be integrating Spume with:
- Polygon
- Moonbeam
- The Binance Smart Chain

Cross Chain governance is not a topic that has been thoroughly explored or implemented therefore it may take some time before we feel we are ready to expand to other chains. We are working through various ideas and proposals on how best to handle voting on multiple different chains at once. What we can guarantee, is an accurate and even representation of all SPUME token holders regardless of what chain they own SPUME on. There is more information on this in our technical paper.

TARGET MARKETS

With the large amount of components in this system, we intend to appeal to a vast consumer base comprised of various demographics. These markets can be broken down into four main categories- creators, investors, consumers, and token holders. This is a broad overview that is explained in detail below.

Creators - This includes but is not limited to: Artists, musicians, celebrities, content creators, politicians, athletes, title companies and banking systems. In this grouping we include the people and entities that will be involved in the creation of NFT's, which can and will come in the form of many mediums.

Investors - Again, included but not limited to: Art collectors, NFT traders, asset consumers, cryptocurrency investors, corporations, investment firms and banking systems. These are the people and entities that will benefit from the NFT transactions on our platform, whether buying from creators or buying and selling on a secondary market.

Token Holders - Our third class is that of token holders. This is an individual who sees the benefit of holding an investment in the exchange system and chooses to financially support the idea. Decisions on large updates to the marketplace and additional utilities will be voted on by SPUME token holders.

Every-Day Consumers - With physical assets being tokenized and the transaction speeds of our real estate process being extremely swift, consumers looking to simply reduce middlemen in order to keep more money in their pockets but maintain the same quality (or better) of transaction will naturally gravitate to our platform.

In conclusion, the way that SPUME is structured aims to target every corner of the cryptocurrency space as we know it today. There is utility available to every user of Web 3.0 built into this apparatus.

PLATFORM OVERVIEW

Spume will be the standard marketplace to tokenize and trade NFT artwork, real estate, the rights to digital property, and more. Most importantly, Spume will be completely community governed and controlled. By the end of 2022, our goal is to have a true democratic republic DAO deciding all future development plans for Spume.

The Spume Marketplace has four different sub-platforms: The NFT Artwork Platform, the Real Estate Platform, the Licensing Platform, and the Ticketing Platform.

The NFT Artwork Platform:
- Mint and trade NFT artwork just like Open Sea and Looks Rare

The Real Estate Platform:
- Tokenize real estate
- Buy and sell tokenized real estate

The Licensing Platform:
- Tokenize digital property like music, software, and images
- Create purchasable licenses that require various royalties or fees
- Purchase licenses to use digital property

The Ticketing Platform:
- Partnered with novelT to bring fully customizable white label solutions for event ticketing
- Eliminates fraud, scalping, and pricing increases for event organizers and artists

The Licensing Platform and the NFT Artwork Platform will eventually merge together as the Licensing Platform is an extension of the NFT Artwork Platform. More on this in our technical paper.

PLATFORM

Current enterprise NFT protocols are not use case agnostic, but rather hyper niche within their offerings. The Spume Protocol introduces a scalable end to end transactional layer that allows for the tokenization and subsequent monetization of both physical and digital assets. The protocol enables scalable, multichain token gated commerce that drive loyalty and subsequent revenue generation, while also implementing no-code branded NFT creator, dapp tools and storefronts for brands and businesses via Spume API, branded iframe's & web 2 integrations.

The functionality of the NFT Marketplace will at first closely mirror that of LooksRare. Our end goal however is to create a similar experience to that of OpenSea. Primarily meaning we equip those who have little to no experience minting NFTs, with the ability to mint and sell through our site without needing to fund their wallet.

The types of NFT's we interact with will follow the standard OpenSea has helped standardize, ERC721 and ERC1155.

Our initial NFT Artwork Marketplace functionality will include:
- Listing NFTs both for instant buying or for auctioning
- Buying and bidding on auctioned NFTs
- The ability to create collections (NFTs under a single contract)

Our initial NFT Artwork Marketplace data will include:
- Collection holders, floor price, volume, and percent change in price
- Individual NFT trades and prices of those trades

Real Estate
PLATFORM

The real estate process and market is undoubtedly inflated and institutionalized now more than ever before seen in history. With an industry as centralized and non-consumer centric as real estate, this industry was a natural choice to be Spume's flagship physical asset for our marketplace.

Anytime real world assets are integrated into the blockchain, a multitude of complications are swift to arise; however, the Spume team is determined to simplify the complicated. Our legal team and blockchain team have created a three fold system to integrate almost every possible aspect of the existing real estate into the blockchain.

There are few attempts at this sort of integration between real estate and NFTs; however, the attempts that have been made mainly focus on streamlining the buying and selling process and making it less cumbersome for the consumer. With Spume's process, the goal is not to simply save time (this will still be a result), but to actually create strict smart contracts that automate as many steps of the home buying process as possible. Our goal is to remove unnecessary people and processes from these transactions and automate as much as possible. This will undoubtedly benefit the average consumers who typically have no voice, compared to the large corporations that operate most of the intermediary services in real estate transactions.

The first main area we will be focusing on is the buying and selling of residential homes using stable coins on Ethereum. This process will work closely with current U.S. legislation around property reporting and transfer laws. Spume will streamline the transaction from start to finish by eliminating escrow, minimizing the use of real estate agents, and reducing title paperwork. All of the titling and deed claim will sit and be processed on the blockchain by adding it to the metadata of the NFT (more information on this can be found in our technical paper at spume.io).

Real Estate
PLATFORM & ANALYSIS

The other two sections of the tokenization and transaction process that will be focused on throughout our development will be 1) creating a loan process, starting with stable tokens, that is similar in utility as a traditional mortgage but costs the consumer less and is not biased with approvals nor take weeks or months to allow someone to obtain access to a home. This will be done with Spume DAO funds with the interest going back to the DAO fund in order to fund the community's ideas and/or aspirations for Spume. Funds will be secured and distributed automatically through our smart contracts after a simple KYC protocol, as well as the real estate being collateralized.

Finally, our real estate platform will allow consumers to secure crypto loans against their real property with the interest being lower than any fiat loan and the ability to loan 120% LTV; again, this will be another revenue source for the community and the DAO in order to keep funding our community. There is more information on the tokenization, mortgage, and loan process in our technical paper.

Approximate Dollars Allotted to Intermediaries in U.S. Real Estate Transactions (Billions, USD)
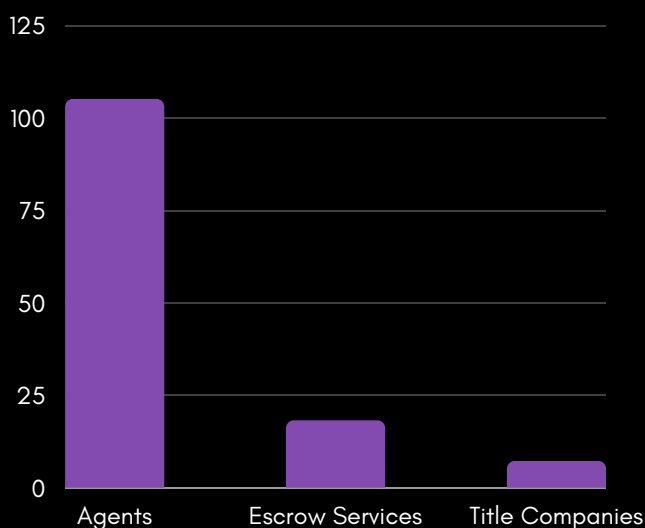
PLATFORM

There is no standard method for tokenizing digital property on the blockchain. Specifically, the current NFT standards ERC721 and ERC1155 do an excellent job of demonstrating ownership, but completely lack any way to verifiably grant licenses or pay royalties. This works fine when the majority of NFTs are artwork with little to no derivative work being spawned from them, but to fully utilize the potential of NFTs, there must be a standard way to represent digital property and those who have rights to use that property.

We aim to standardize a method by which licenses can be granted and royalties can be paid verifiably on the blockchain. There are a number of ways this can be accomplished but we plan to extend the ERC721 NFT standard to include a mapping of licenses and addresses they are associated with. There is more information on this in our technical paper.

Our Digital License Platform will be capable of tokenizing music, software, and other forms of digital property. Users will be able to list their tokenized digital property and the various licenses and prices of those licenses, and then individuals can purchase any available licenses they are interested in and verify on the blockchain the rights they have to use that property. Our platform will include the flexibility for custom licenses making it universal and adaptable to any situation.

We see a world where image licensing platforms like ShutterStock no longer exists, and companies like Spotify buy licenses on the blockchain directly from creators. The use cases for a licensing system on the blockchain are endless, and we see it as a necessary standard to have before the adoption of crypto grows.

REVENUE GENERATION

Everyone who holds SPUME is eligible to receive a share of the sales fee the Spume Marketplace charges. This sales fee is flexible and can be changed by the DAO but will start at a fixed 2.5% fee. The 2.5% sales fee is distributed evenly to all SPUME holders based on the percent of SPUME tokens staked. The Team and DAO will not apply any additional fees on top of the 2.5% nor tax the 2.5% sales fee. Instead, as mentioned later, because the DAO holds 30% of all tokens, they are entitled to their respective percentage of staked tokens at that time of the 2.5% transaction fee, and will fund their treasury through their entitled dividends.

Let's assume Spume has just launched, only sells NFT artwork, and does the average volume OpenSea does per day (2.3b / 30): 76m per day. We take 2.5% of the volume and redistribute it to our holders (76m * 0.025): $1.9m redistributed to our holders per day. In other words, a single SPUME token earns about $0.02 per day (Numbers based off of data taken from January 2022). It is unrealistic to expect we will be the size of Open Sea as soon as we launch, but this example demonstrates the huge upside sharing revenue gives. A more realistic example and the ideas behind the starting price of the SPUME token on page 20.

UPCOMING FEATURES

- This project will offer many intuitive features unlike anything seen in the sector before. The first truly decentralized NFT marketplace of its kind.

- Our proposed enhanced categorization design allows for the expansion of the NFT space itself, everything from music to social justice will benefit. Along with the arts, we aim to bring tokenized utility features to popularity. This includes and is not limited to carbon credits, land deeds and other documentation of the sort. A true utilization of advanced blockchain technology.

Testnet (NFT Music Studio)

- A true valuation system to equip the fiat banking complex with meaningful tools to collateralize NFT's. This can be accomplished by working with art and data appraisers to create a seamless valuation process.

- Multi chain use and bridge functionality. Currently it is the industry standard for platforms to favor one blockchain. With the ability to swap with many coins, people will feel free to use what makes the most sense for them.

NovelT Ticketing

- NovelT is a decentralized peer-to-peer marketplace with a fully customizable white label solution for event ticketing which is built on blockchain technology that eliminates fraud, scalping and increases over all efficiency & revenue for event organizers, & artists. We are able to do this via our smart tickets.

SPUME TOKEN

The spume token (ticker: SPUME) is an ERC20 token with a total supply of 100 million and 18 decimal places. The token is an implementation of Open Zeppelin's standard ERC20 token, with the addition of their snapshot class. Adding the snapshot class allows us to take snapshots of the current holders of Spume at any moment. Snapshot information is stored on the blockchain, and can be accessed by anyone. Snapshots can only be taken by accounts we authorize, and will be utilized later on for voting purposes with the Spume DAO and potentially to pay out rewards with the NFT Marketplace. Anyone who holds SPUME is a shareholder of the DAO (more on this in later sections).
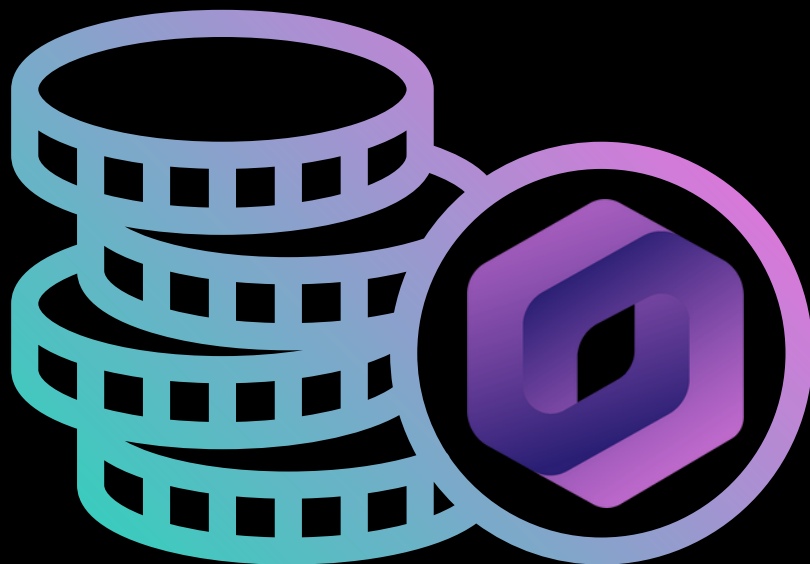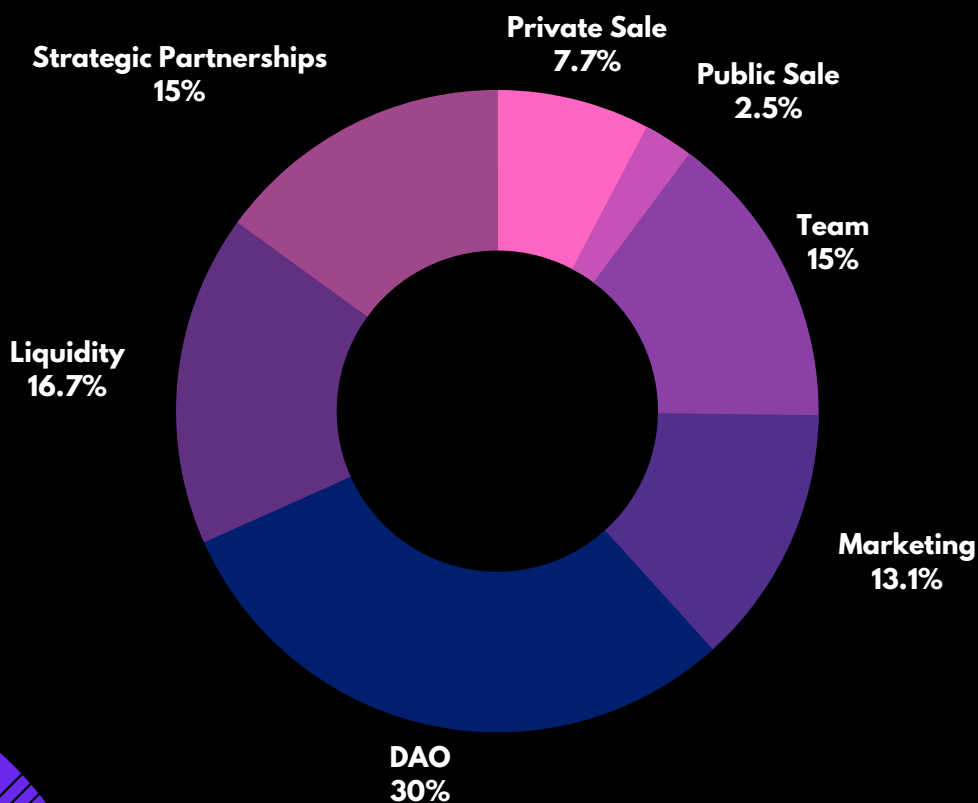
Tokenomics
SPUME TOKEN

Spume's tokenomics were hand crafted by industry and blockchain experts. Our tokenomics are based around our key objectives as a project and with our community as the main focus. Token utility, price stability, and community security are the core ingredients that crafted Spume's tokenomics.

There are a total of 100,000,000.00 (100 Million) Spume Tokens. This number allows our market cap to be interpreted easily and achieved more understandably. It should be noted that unlike typically vesting structures where tokens are locked useless, the Team Tokens will be locked in a contract staked to Spume's marketplace sharing contract, linearly vesting for two years. The team will still receive a share of the marketplace fees, but their tokens will still be locked. This allows the team to be continually funded before the DAO is complete, but equips our token holders with security knowing the team tokens are still vested.

The Spume token supply is distributed as follows:

Strategic Partnerships
15%

Private Sale
7.7%

Public Sale
2.5%

Team
15%

Liquidity
16.7%

Marketing
13.1%

DAO
30%

Starting Price

SPUME TOKEN

SPUME will be available in the private sale at $0.30 per token, the launchpad phase at $0.40 per token, and be listed on exchanges starting at $0.50 per token. These prices were not chosen randomly, they were derived from the expected derivatives the SPUME token will earn. In a previous example we stated if we only traded NFT artwork and were the size of Open Sea each SPUME token would earn holders $0.02 per day, but lets view a more realistic example where we are 1/10th of the size of Open Sea, and only *35% of SPUME tokens are staked (you must stake your tokens to earn rewards).

Example:
Assuming we only trade NFT artwork and are 1/10th the size of Open Sea, we will trade roughly $7.6 million in NFT volume per day, redistributing $190,000 per day to our holders. To be eligible to share in redistributed rewards, a holders's SPUME tokens must be staked. Assuming *35% of SPUME tokens are staked, each SPUME token will reward its holder with $0.0054 per day. That is a 1% return per day assuming they bought the SPUME token at our exchange listing price of $0.50 per token. Had they bought in at the private sale, they would be making a daily return of 1.8% per day.

*we deem 35% to be a realistic expectation for SPUME staked for the first year of the project based off of the tokenomics, specifically the amount allocated to the private sale, public sale and DAO. Note that SPUME will need to be moved off of centralized exchanges and into a wallet like Meta Mask to be staked.

TOKENOMICS

Private Sale Price: $0.30 USD
Public Sale Price: $0.40 USD
Exchange Listing Price: $0.50 USD

Public Valuation:

$40M USD (based on projected marketplace revenue and proprietary technologies that have been developed)

TGE Initial Market Cap:

$1.189M USD

TGE Fully Diluted Market Cap AKA Valuation:

The fully diluted market cap at launch is $50 Million (100 Million * $0.50). However, this number does not take into account other factors such as the DAO tokens and Team tokens, 46.3% of the total supply, being locked forever. With this taken into account, the fully diluted market cap will be $26.85 million. Also, there will be 2.378M Spume tokens in circulation at launch.

SPUME VESTING

Private

$0.30 - 5% released at TGE, daily vesting for the following 9.5 weeks

Public

$0.40 - 20% released at TGE, daily vesting for the following six weeks

Marketing

0% at TGE, 14 day cliff and 39 month vesting

DAO

Staked forever at TGE

Liquidity

12.5% at TGE then monthly linear distribution over 31 months

Strategic Partnerships

18-month cliff then 12-month linear distribution

THE SPUME DAO

The Spume DAO is in charge of every aspect of the Spume Marketplace. All design, development, and expansion is done by members of the DAO. The DAO itself is governed by token holders, those who hold SPUME tokens. Unlike normal DAOs, Spume's DAO will give token holders complete and absolute control. The shareholders will have the power to add and remove members, and freeze the funds of the SPUME DAO if they feel the DAO is not meeting their expectations. The goal of the Spume DAO is to create a true democratic republic, giving control of the Spume Marketplace to the individuals that use it.
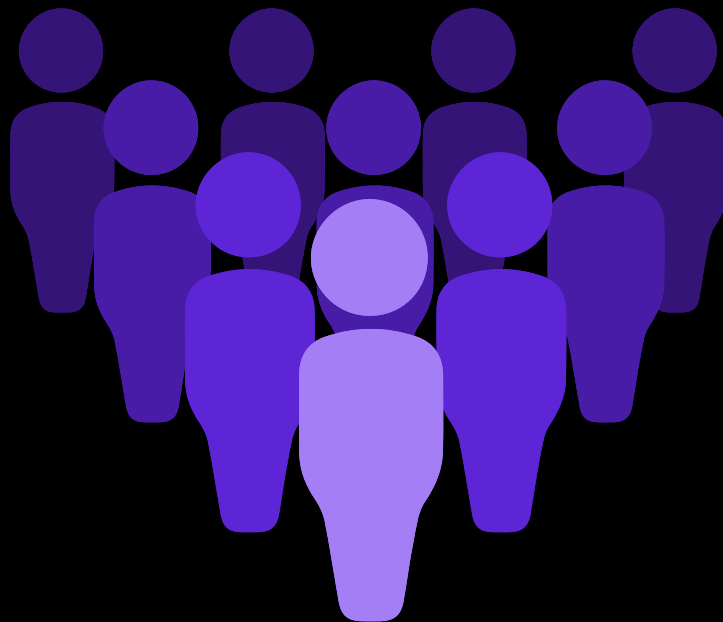
THE SPUME DAO

Members & Token Holders:

There are two types of individuals within the DAO: members and token holders. Members are people who work for the DAO, getting paid from the DAO Treasury which is funded by the DAO's dividends. Token holders are people who do not work for the DAO but hold any number of Spume. It should be noted that individuals can be both members and token holders of the DAO.

Token Holder's Ownership and Voting:

Everyone who owns Spume tokens is a token holder of the DAO, and therefore is entitled to vote on proposals. Every token holder can vote once on any vote. The value of their vote will not be weighted by the number of SPUME tokens they hold. Instead, we are introducing a novel voting system, that we believe is far more beneficial for the community. There is more information on this in our technical paper.

Treasury and Dividends:

Just as token holders are paid out dividends from the 2.5% Marketplace fee, the DAO is paid out dividends. Because the DAO holds 30% of all SPUME tokens, they are entitled to 31.3% of the Marketplace's 2.5% fee. Instead of being paid out to an individual wallet, these dividends are paid out to the DAO Treasury smart contract, which in turn will payout dividends to the individual members of the DAO. This is how the members who participate in the DAO will be paid.

ROADMAP
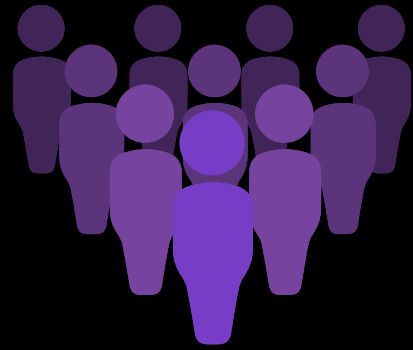
01
Q3 2022
- Public Sale
- CEX/DEX Listing
- Testnet and Mainnet (NFT Artwork)

02
Q4 2022
- Testnet (NFT Real Estate)
- Testnet (NFT Licensing/Royalties

03
Q1 2023
- Mainnet (NFT Licensing/Royalties/ DAO Governance
- Testnet (NFT Ticketing)

04
Q2 2023
- Mainnet (NFT Real Estate)
- Mainnet (NFT Ticketing)

ROADMAP

Spume is an ambitious ever evolving project. The direction our roadmap takes may shift slightly as we adjust to best realize Spume's vision: the complete removal of all taxing intermediaries. It should also be noted that the development of Spume will be incremental. Features involving various add-ons will launch at different times. We do our best with our roadmap to show the development life of Spume, but it often will not be as linear. Most often various real estate features and artwork features will be under development simultaneously.

THE TEAM

Each experts in their field, the core Spume team is dedicated to realizing a decentralized autonomously owned NFT Marketplace where holders have the power.

Beauregard Moody
Operations

Silas Marvin
Technology

Leonidas Peña
Executive Advisor

Jeff Juker
Community Relations

Kenny Patel
Marketing

Zevin Clark
Strategy

THE TEAM

Edvardo Bissiccio
Executive Advisor

Wyatt Walker
Technology and Development

Oliver Stamatoski
Executive Advisor

Hakim Draper
Executive Advisor

Tayler Everett
Technology

David Lotwin
Executive Advisor

COMPANY INFORMATION

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Phone: (503) 717-6888

Twitter: www.twitter.com/spumeio

Discord: www.discord.gg/drsUncjXJr

Instagram: www.instagram.com/spume.io/

Telegram: www.t.me/spumeio

Tiktok: www.tiktok.com/@spume.io

Token Contract Address:
https://etherscan.io/address/0xa16a609fF4e1
A15b6cCb469E7a5dD14E89305283