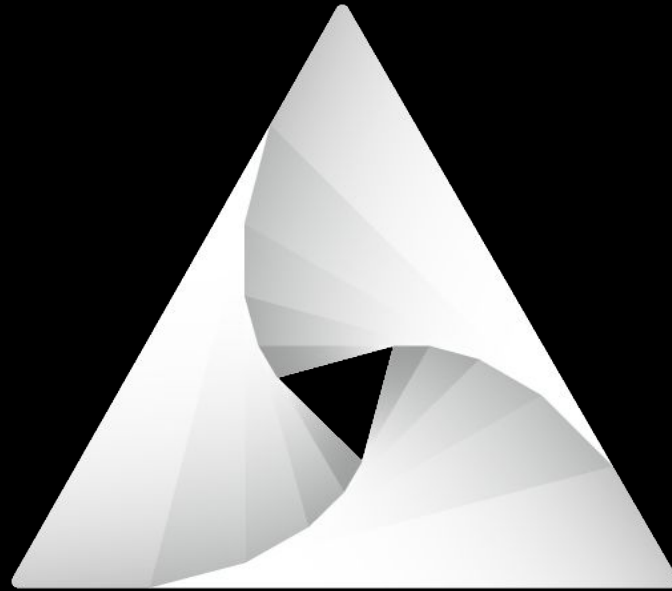


**Oregon
Blockchain**



API3

Safe, Decentralized, Reputable API's

1/18/2022

**Analysts:
Chris Garcia & Aaron
Rudder**

Presentation Outline

1. What is the **Problem** API addresses?
2. What is **API3**?
3. The Competition
4. Team, Founders, VC Funding, Audits
5. Stats & Integration
6. Tokenomics
7. Fund **Recommendation**

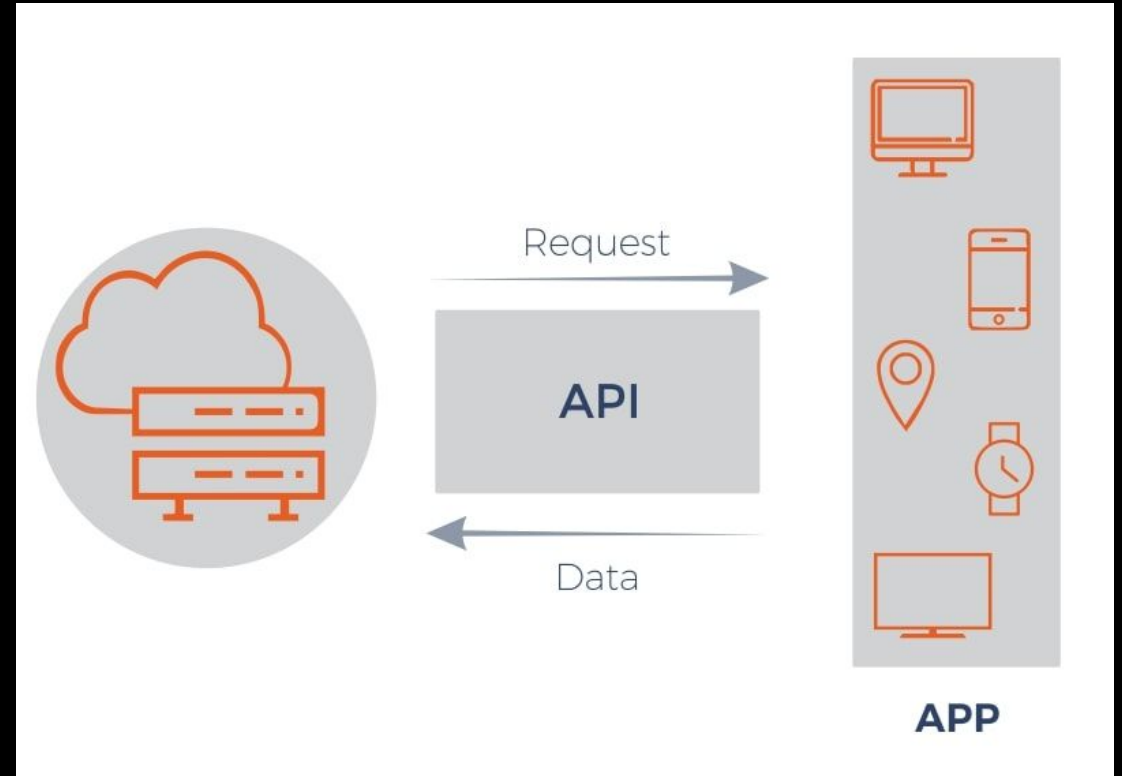




What is the Problem API3 Addresses?

First Off, what Is an “API”?

- Application Programmable Interface
- Software Intermediary that facilitates information flow
- Salesforce, Expedia, and Ebay make most their revenue from API's, and for all companies that provide API's, it averages to be 25% of their revenue



The Problem

- API providers are typically **not crypto-savvy**
- Creating an oracle, or hiring an oracle node operator are **difficult and expensive**
- **No easy way to link** API providers to the crypto ecosystem



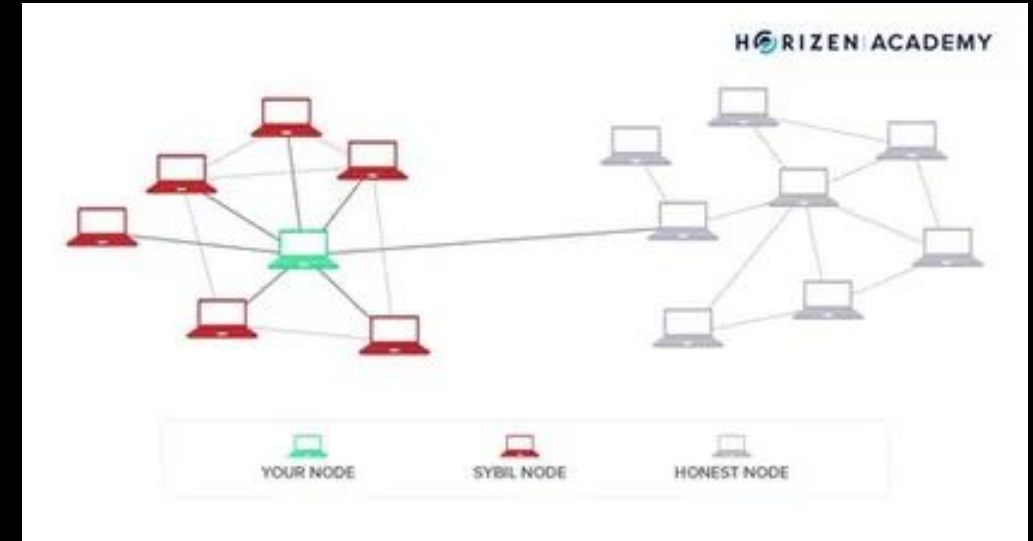
The Problem Cont'd

- All other projects (LINK, BAND, etc) use 3rd party oracles which have:
 - Vulnerability (ex: Sybil Attack)
 - Middleman Tax
 - Expensive (& ineffective)
 - Redundancy
 - Lack of Transparency



Vulnerability (Sybil Attack)

- Multiple Identities (thru collusion or fabrication) can **manipulate outcomes**
- Even build record of honesty, then skew data **when economically favorable**
- Therefore fees are needed to align incentives....



Middleman Tax

- ...fees are now needed to make it economically favorable (by a lot) always to act honestly
- This gets expensive
- Basically a “tax” that is avoidable with 1st party oracles



Expensive (& ineffective) Redundancy

- Many oracles are needed to ensure data is “accurate”
- This is expensive, slow, and largely ineffective



A NOTICE

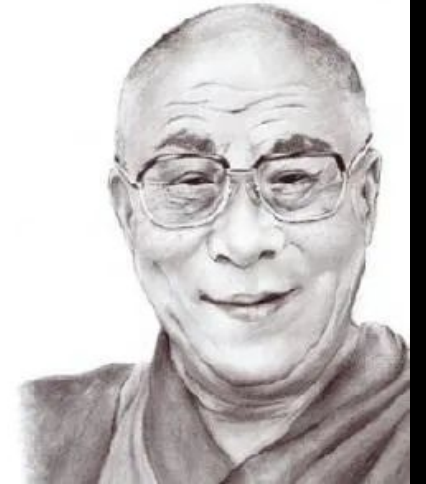
Brought to you by the redundancy department of redundancy

Lack of Transparency

- **Difficult to assess** where data originates
- Thus, number of oracles **doesn't necessarily correlate** with number of unique data points
- Overall quality of data is then **uncertain**

A lack of transparency results in distrust and a deep sense of insecurity.

Dalai Lama





What is API3?



API3

- Facilitates the connection of **API providers** to the blockchain through **1st party oracles**
- This means API providers send data to **their own oracles via API3**
- Introducing the “dAPI”



**PURE DATA FROM
THE SOURCE**

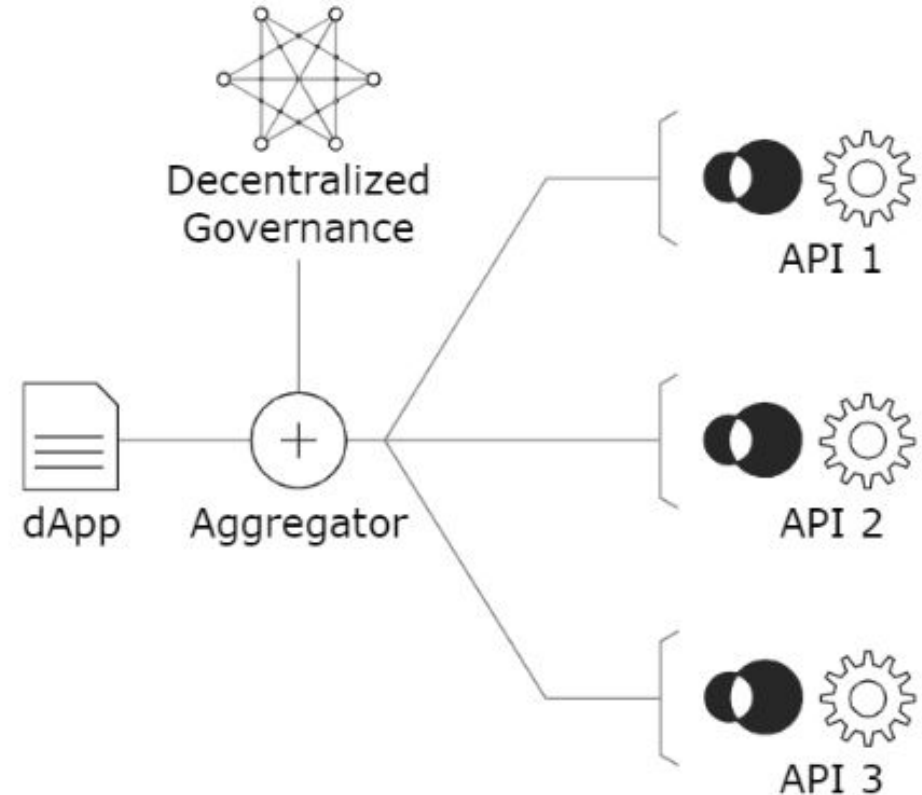


**DATA FROM A
MIDDLEMAN**

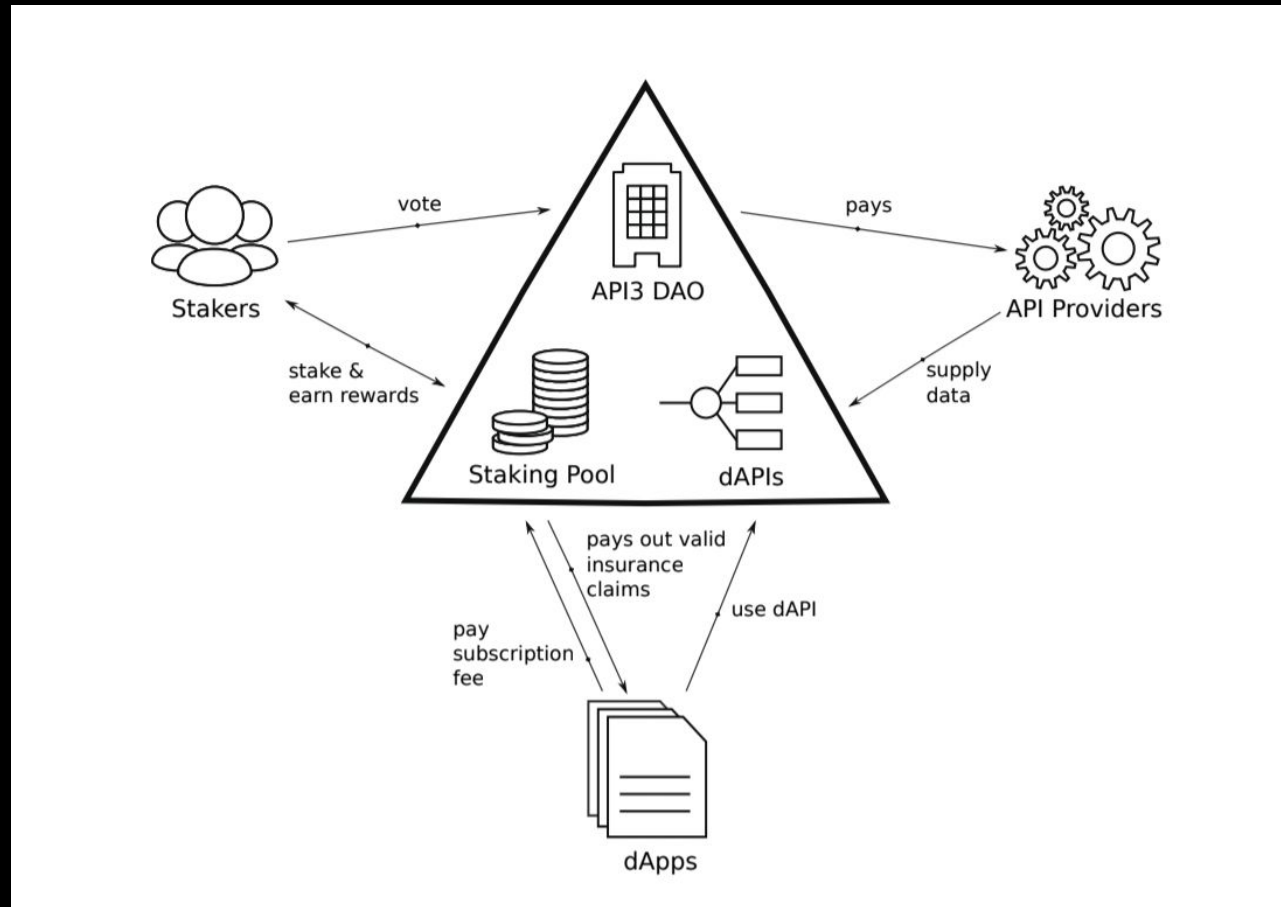
What is a “dAPI”

Decentralized API

- **Multiples APIs**, referring to both a technical interface and a service an IRL business provides
- **1st party** oracles
- Decentralized **governing entity** to oversee oracle network



Mechanics



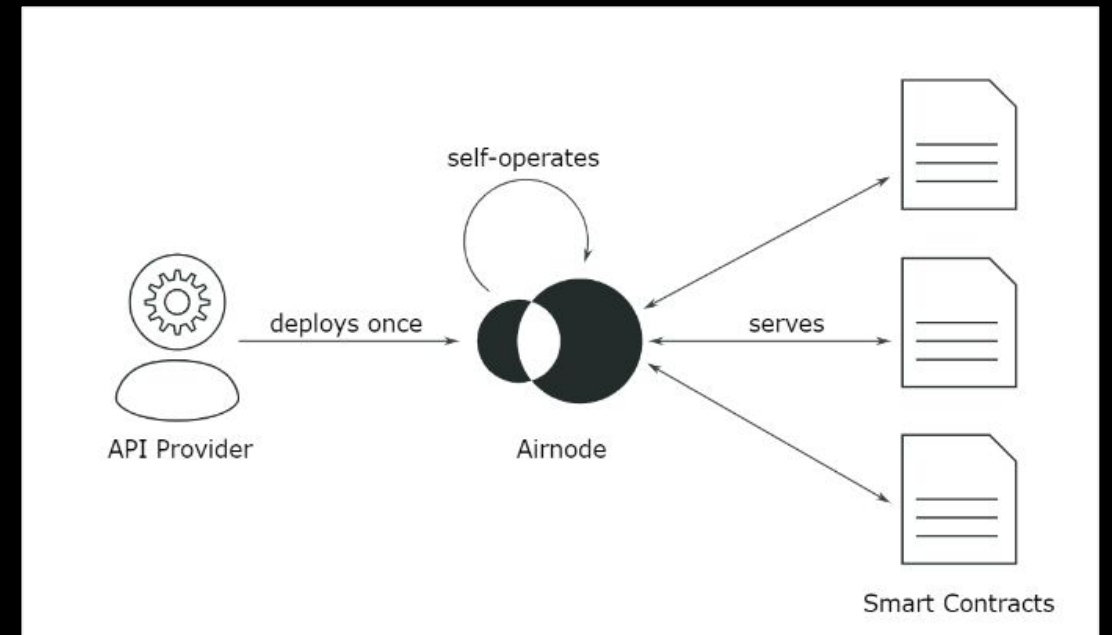
Addressing the Issues

- Data is **verifiably** from the “source”
- Conservatively estimated **50% more gas-cost efficient**
- **Eliminates** multiple attack surfaces for **Sybil attacks**



“Airnode”

- Fully serverless oracle node for API providers to operate their own oracles
- No specific know-how - “set and forget”
- No day-to-day maintenance
- Proportional cost structure
- Node operator doesn't deal with cryptocurrencies

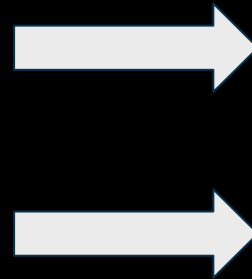
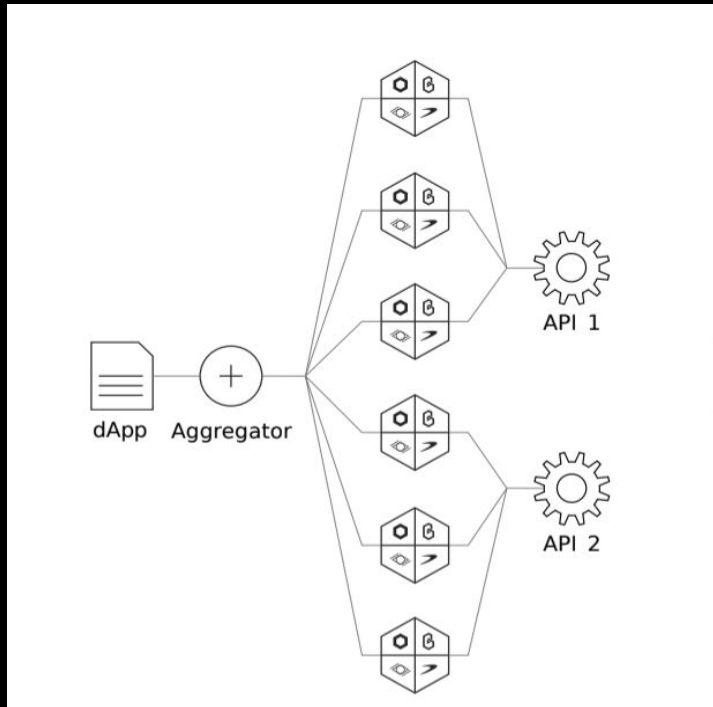




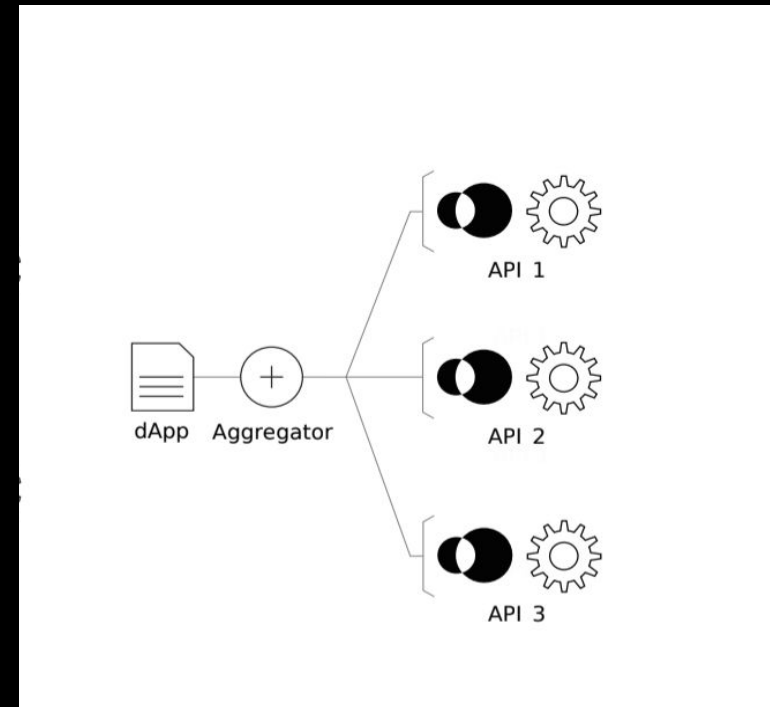
The Competition

The Two Systems

Current API Structure



API3s Solution



Chainlink (\$LINK)

- Original Oracle solution
- Strong Brand Recognition
- 3rd party oracle network that has already had governing failures and attacks



Band Protocol (\$BAND)

- Faster & more efficient than much of the competition
- Cross-chain
- Extremely simple integration





A network diagram of various cryptocurrencies including Bitcoin (BTC), Ethereum (ETH), Cardano (ADA), and others, connected by lines on a dark blue background with a starry pattern.

Team, Founders, VC's, Audits



Background

Funding

-Two funding rounds totaling **3 million dollars**

-12 Large capital investors

Team

-Co-founders: Heikki Vanttinen & Burak Benligiray

~9 employees



Seed Backers

Extremely **competitive** and **selective** funding round



Audits

June '21  Quantstamp

 CERTIK Oct. '21

April '21  SOLIDIFIED

 sigma prime April '21

June '21  Team Omega

June '21

All Findings Resolved



Stats & Integration



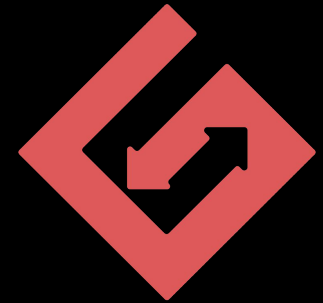
Where to buy?



KUCCOIN



OKEX



gate.io



coinbase



Huobi

New Large Partnerships

Cudos

- Cloud computing network
- Layer 2
- Mainnet launching in a month



Plasm

- Polkadot Chain



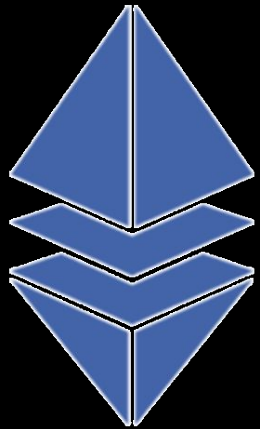
ARK Chain

- Developer tool
- Built Simple



New Large Partnerships Pt. 2

**EEA Member (Enterprise
Ethereum Alliance)**



**ENTERPRISE
ETHEREUM
ALLIANCE**

Fantom



FANTOM

- Higher capacity transactions
- Faster transaction speed

Glitch Chain

- Hong Kong Base
- Defi chain solution



Glitch



Tokenomics



On Chain Insurance

Why?

This unique aspect of on chain insurance **provides financial incentives** for dapp developers to trust the protocol

Obvious Solution to data feed malfunction

How it Works?

With limited access points for security breaches, API3 is confident in its security.

Using **KLEROS** to facilitate the dispute resolution **for claims**.

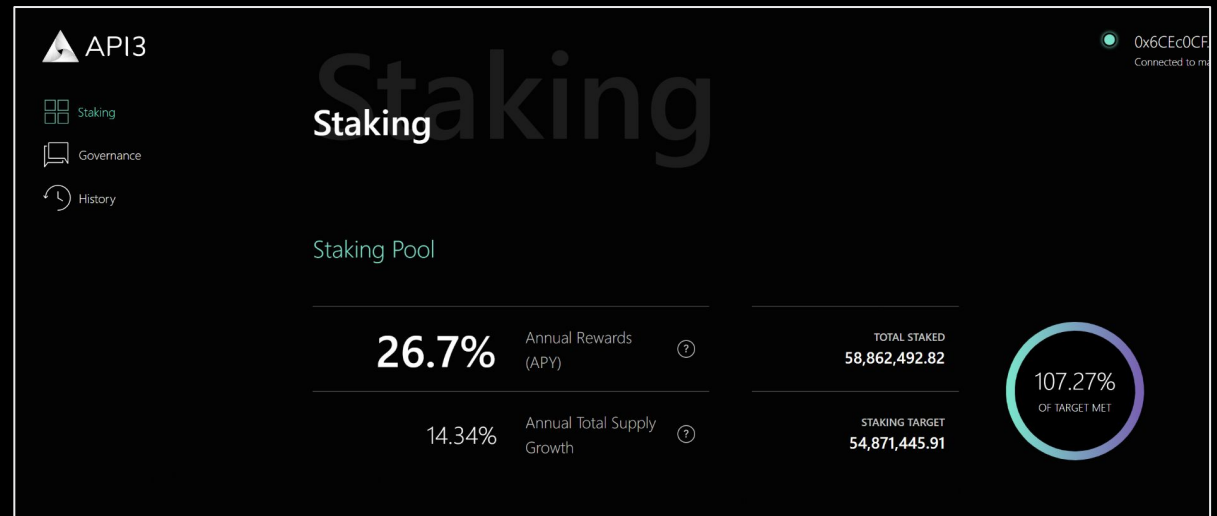
DAO has first ruling on filings/Kleros for escalated cases

Token Governance

API3 is the **native** token of the project

Gives token holders the right to take place in the **governance** of the ecosystem

Shares of governance is earned through **staking** in **insurance** pool



Token Staking

- Staking API3 at the pool grants voting power at the authoritative DAO, which will have full control over the project.
- Staking API3 at the pool yields weekly rewards in an automatic and compounding way.
- The DAO will be able to utilize the staked tokens as collateral for the insurance products it will provide to secure its services.

Aligning Incentives

Insurance

- Staked tokens are voting power, but also the collateral for dAPI failure
- This incentivizes stakers (and hence voters) to engage and vote to the benefit of keeping data-feeds operational

Staking

- Can only withdraw staked rewards after 1 year
- Rolling nature of staked payouts incentivizes stakers (voters) to act in a way that benefits the DAO in the long run (rolling 1 year time-frame)

Value Drivers

-Extremely low market cap compared to competitors

-Strong growth of web3 and **the only truly decentralized API/oracle network** on-chain

-Niche decentralization market

*“provide superior **data transparency** all the way to the factual data source level, compared to existing decentralized oracles, which do not consider the data source API to be within the scope of their solution.”*

-Vanttinen

Current Circulation & Stats

Market Cap: \$134 million

Fully Diluted Market Cap:
\$378 million

Volume/Market Cap: .056x

Circulating Supply:
36,907,810 API3



Chainlink & Band Protocol



Market Cap: \$11.3 billion

Fully Diluted Market Cap:
\$24.2 billion

Volume/Market Cap: 0.084x

Circulating Supply:
467,009,549 LINK



Market Cap: \$188 million

Fully Diluted Market Cap:
\$535 million

Volume/Market Cap: .115x

Circulating Supply:
35,191,821 BAND



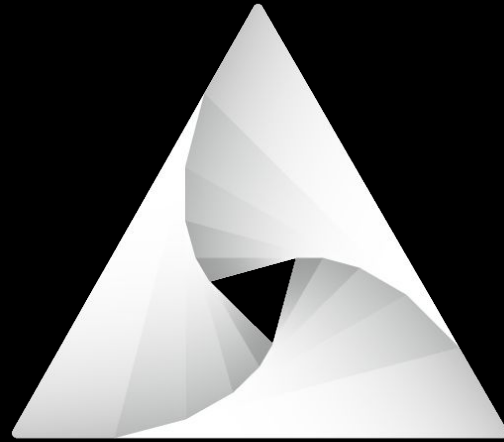
Fund Recommendation



Fund Recommendation

**Current
Price:**

\$3.62



API3

Action:

**Buy with
0.25 ETH &
Stake**

Questions?

