



IPRoyal Residential Proxy Sourcing Documentation

Promoting fair, transparent, and sustainable IP acquisition practices.

Executive Summary

IPRoyal maintains a unique and ethical approach to IP address acquisition for its residential proxy pool. One of the primary ways we do this is through our exclusive vendor relationship with Pawns.app, an income-generating application where users voluntarily share their internet bandwidth in exchange for monetary rewards.

Pawns.app users consent to turn their devices into residential proxies, which contribute directly to our proxy pool. As a company, Pawns.app operates independently within the IPRoyal group, is managed by a separate team, and is independently profitable. This structure minimizes the risk of either business negatively impacting the other.

We closely collaborate with Pawns.app to prevent cross-pool contamination. Every proxy pool—from residential and datacenter to mobile and ISP—is constantly monitored and verified to avoid any potential mixups or misuse.

To further reduce operational risk, we distribute our IP address pool on the backend based on several criteria. We also implement fallback and safety mechanisms to ensure that, should technical issues arise, they only affect a small portion of the pool. This minimizes disruptions and maximizes service reliability.

All IPs in our pool are sourced directly from legitimate physical devices, providing customers with a continuously rotating pool of millions of high-quality IPs.

“Providing each customer with high-quality, fresh residential IP addresses has always been our primary focus. We differentiate ourselves from competitors by acquiring residential proxies from a brand that does not depend on us for their continued business operations. This lets us maximize IP quality while minimizing risk.”



Karolis Toleikis

Chief Executive Officer at IPRoyal

Direct IP Sourcing: How We Acquire Our Proxies

Many residential proxy providers rent IP addresses or acquire them through indirect sources. Both approaches carry big stability risks, as these providers don't have control over the quality, security, and reliability of their IP addresses.

Indirect sourcing also poses an operational risk due to reliance on a third-party for continuity.

We avoid these risks by sourcing proxies directly, allowing us to maintain control over quality, security, and operational continuity. This allows us to uphold one of our core business objectives: mitigating risks to our customers.

The table below highlights the differences between direct and indirect IP sourcing approaches.

	Direct Sourcing	Indirect Sourcing
Quality Control	Full control over quality and security	Limited control, reliant on third parties
Reliability	High reliability, minimal risk	Stability depends on third-party vendors
Operational Risk	Reduced risk due to in-house sourcing	Higher risk from dependency on external suppliers

Our direct provider: Pawns.app

Our direct and exclusive IP vendor is Pawns.app, a brand related to but separate from IPRoyal. Close collaboration between our teams helps ensure that IP acquisition and risk management practices are in line with our core values.

Although Pawns.app operates independently—with unique goals, revenue streams, and executive management—we maintain close collaboration to ensure IP acquisition meets our standards, with clear visibility into their acquisition processes.

Our Approach to Ethical IP Acquisition



The standard practice of the proxy industry has been to create residential proxies by secretly integrating SDKs in apps. The consent for this is often buried in the fine print of the Terms of Service, and therefore users frequently don't realize their devices are being used in this way.

When this happens, developers are paid for their clever engineering, but end users providing the actual bandwidth receive no compensation.

Clear consent and compensation

Our approach is different. Pawns.app ensures all users understand how internet sharing and residential proxies work, so that everyone contributes to our pool with informed consent.

Users of the Pawns.app also receive monetary rewards for each gigabyte of data shared. This directly compensates people for the value they contribute, and encourages users to keep their devices online in an informed, voluntary way.

Pawns.app users can also stop sharing their internet at any time, temporarily or permanently, with a simple button toggle. We don't believe in or implement any dark patterns or complicated procedures to withdraw consent.

To summarize our ethical approach to proxy acquisition:

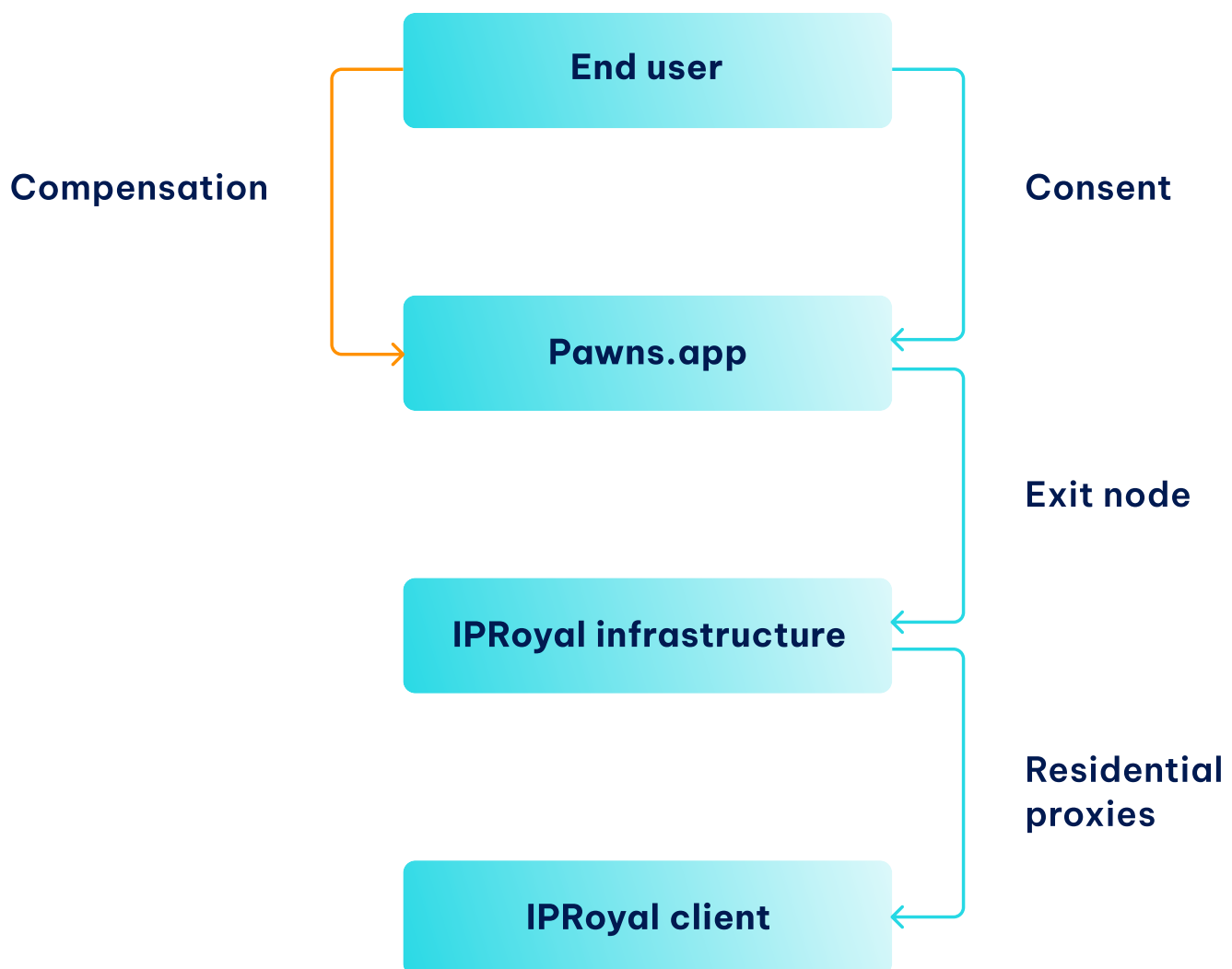
- **Informed Consent:** Users are clearly informed how their bandwidth will be used before opting in.
- **Direct Compensation:** Users who contribute bandwidth to the pool are rewarded financially.
- **User Control:** Users can opt out at any point, maintaining full control over their participation.

Any provider that wishes to contribute residential proxies to IPRoyal must meet our ethical standards and pass numerous checks and verifications. Only those who adhere to our values and follow our ethical guidelines are allowed to add their IP addresses to our pool.

IPRoyal Residential Proxy Acquisition Chain

Every IP address added to our pool goes through the same technical process.

Below is a simplified version of the steps involved:



The actual process is significantly more complex, involving multiple levels of checks and monitoring to ensure IP quality and compliance.

Risk Management & Monitoring



Our infrastructure supports numerous businesses with essential and foundational services, allowing the creation of value across a variety of sectors. We understand that any issues on our end could significantly impact our clients, so risk management is central to our operations.

Here are some of our key risk management strategies:

- **Direct, independent sourcing:** By sourcing from Pawns.app—a trusted yet independently managed provider—we minimize operational risk.
- **Customer verification:** All customers go through our Know Your Customer (KYC) procedures before they can access our proxy pool at scale, ensuring legitimate use.
- **Backend segmentation:** Our residential proxy pool is divided into smaller segments, each managed by different servers at all times. This separation is invisible to customers, but adds redundancy and reliability.

Continuous quality monitoring

In addition to the above measures, we also monitor our infrastructure with various tools to prevent abuse. We cannot directly see our customers' activity, but patterns of activity like request numbers and targets allow us to detect and prevent any abuse.

We also use custom-built monitoring systems to prevent tampering and ensure that only verified household devices contribute to our residential proxy pool. Any attempts to add other proxy types (e.g., datacenter IPs) are automatically removed from the pool.

Our existing pool is constantly monitored for quality. Only fresh, low-threat residential IPs are included, while those not meeting our standards are removed.

Finally, our technical teams are constantly improving performance and minimizing the potential for downtime. Together, these risk management measures allow us to provide efficient, secure services and the highest level of client satisfaction.

Summary

At IPRoyal, we prioritize ethical, transparent, and sustainable residential proxy sourcing. By directly partnering with Pawns.app, we're able to offer reliable, secure, high-quality IPs sourced directly from real users.

Our approach avoids common risks of indirect sourcing, and reinforces our commitment to transparent user rights and fair compensation.

We focus on risk management at every stage—from customer verification to continuous quality monitoring—to provide a reliable and trustworthy proxy service for our clients.

This commitment sets us apart in the industry, ensuring we deliver a high-quality service and peace of mind to users, both at IPRoyal and Pawns.app.

To sum up, our proxy sourcing practices include:

- **Independent and ethical sourcing:** All residential IPs are sourced directly from real users via Pawns.app, ensuring transparency and consent.
- **User-centric approach:** Users maintain full control and receive direct compensation for participation.
- **Comprehensive risk management:** Backend segmentation and continuous monitoring ensure reliability and prevent misuse.

Sustainability and quality focus: We maintain a high-quality pool of residential IPs, continuously evaluated for suitability and safety.

These IP acquisition practices reinforce our dedication to delivering ethical, transparent, and reliable proxy services that our clients can trust.





Interested in IPRoyal Proxies?

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