The Algebraix® Personal Secure Vault

The Monetization of Personal Data

Blockchain technology is disrupting the commercial world. One part of that world, the part that Algebraix focuses on, is advertising. To that end, Algebraix is building a permission-based advertising platform which includes a Personal Secure Vault (PSV) as a basic component. The PSV will empower individuals to store, secure, manage and monetize their personal data. Via the platform, advertisers will reward PSV owners for their voluntary attention—for viewing ads and promotions.

PSV activity will be supported by a decentralized blockchain that manages all transactions, recording them in a ledger. Using anonymized data, the Algebraix platform will maintain a database that enables advertisers to identify legitimate target groups for their promotions. Targeted individuals will be presented with appropriate lists of advertisements, and if they so *choose*, will engage with the advertiser and be rewarded accordingly (in ALX coin, the network's digital token). Simply put, in the Algebraix network individuals own their own data and advertisers pay them for sharing it.

The activity of both PSV owners and advertisers will be regulated by a reputation system to maximize the likelihood that when users respond to ads they are genuinely interested and that the ads the network carries are not deceptive. Digital advertising will thus be far better targeted than it currently is and Internet users will be more receptive to digital advertising than they currently are.

Automated trust will be the overriding principle that runs like a thread through the design of both the Algebraix platform and the business model it executes.

The Algebraix Business Opportunity

The personal data of Internet users is currently exploited in a variety of ways by Internet companies, particularly giants like Google and Facebook, based on a "push advertising" model, where ads are pushed at users without their permission, often in distracting and irritating ways: pop-ups, autoplay videos, unavoidable video ads, search result ads—even ads that stalk you from web site to web sites. It is a virtual blizzard of interruption, worse than ads on TV. The cost of gaining the consumer's attention has grown by a factor of 7 - 9 over the last two decades and it shows. It is no wonder that 25% of US web users run adblocking software.

Nevertheless, the digital advertising business is tremendously successful and growing dramatically. In the Global Advertising Forecast Report, published in December 2016, Magna estimated digital advertising revenues for 2016 to be over $178 billion (36% of the total global advertising spend of $493 billion). Approximately 54% of the revenue was shared between Google and Facebook. Magna predicts that the total global spend will rise to 50% of the total by 2021 (i.e., $300 billion of an estimated $600 billion).

Algebraix intends to disrupt this valuable market with a new and innovative approach to advertising. Advertisers will be attracted to it because this approach is better able to target consumers. Consumers will be attracted because they will be rewarded for their attention and their participation will be entirely voluntary. Algebraix will take a simple commission on each interaction.

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People will **own their own data**
and if they wish, **monetize it**

"I OWN MY DATA"

> A free market will be created where advertisers will compete to gain attention. The more they offer in ALX coin the more attention they will receive from individuals who accept their offer. In this advertising market, it is the individual who earns—not the Internet behemoths.

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The Personal Secure Vault

The PSV, which stores an individual's personal data, will encrypt the data and make it available only to its owner. The stored data will comprise: credentials (proof of identity), digital currency holdings, profile information (preferences for targeting purposes), and any other data the individual chooses to store (financial information, personal history, health information, etc.).

The Algebraix network will connect the PSV with blockchain technology that records and manages the PSV's activity, network nodes where data will be stored securely, and a distributed database that enables advertisers to target groups of individuals. This flexibility will allow the PSV to reside on any mobile device or PC.

Advertising will not be the PSV's only application. There is potential for many other useful interactions with other blockchain services. In anticipation of these additional uses, we will build an InterBlockchain Communication Fabric (IBCF) that enables such interactions.

The ALX Token

The currency of the network will be the ALX coin or token which will be used both for payments and receipts. ALX tokens will be used by advertisers, by PSV owners and by those who run network nodes to support the network. There will be a fixed (non-inflating) supply of 100 billion ALX for these purposes.

The Role of Data Algebra®

As the Algebraix network expands it will acquire millions of users, each of whom will likely store a great deal of data and who will execute many millions of transactions each day responding to adverts or pursuing any other activities the network supports. Operating this network will require very efficient widely distributed software and highly effective data management.

Algebraix will not only build the software infrastructure but also some of the applications, and in doing so will employ data algebra, which has proved itself able to define any data structure (as will be required by a distributed data directory) and in accelerating query performance (as will be required for accessing and retrieving data from distributed databases).

Algebraix has registered a number of patents for the application of data algebra which relate to its capability in these areas. Nevertheless Algebraix will donate all the related software it produces to open source, so that it can be leveraged by other blockchain projects.

The SAFT and Crowdfunding

Algebraix is conducting a Simple Agreement for Future Token (SAFT) to raise initial funding for these developments. It will make 5 billion future ALX tokens available to accredited investors. The SAFT will commence on October 23rd 2017, hosted by SAFTlaunch.com. ALX crowdfunding is scheduled to take place in March 2018 when the ALX Ledger will be available for use. The crowdfunding event will be managed by The Argon Group through their TokenHub platform. For more information on either the SAFT or the crowdsale, please email investors@algebraixdata.com. or visit Algebraixdata.com.