



Tokenized Platform for Consumer Data

WHITEPAPER

February 2020

1. Introduction

PREDIQT's blockchain platform is disrupting the way consumer data is being monetized by companies like Facebook and other data gatherers, by "tokenizing" personal data and properly compensating consumers for providing quality data.

Today market research firms are experiencing a severe decline in consumer participation. People don't want to be bothered. The consumers that do participate provide poor data. At the same time, collection of insight from big data is ripe with fraudulent transactions from hacks and bots.

The problems exist because the current system of paying for consumer data is outdated and insufficient.

PREDIQT solves this inadequacy with its blockchain enabled platform which includes an App that makes it easy for consumers to provide data in a safe and rewarding way. Consumers become part of a global community of users where they receive the value they deserve. To grow this community, PREDIQT has integrated with the largest consumer data exchanges accessing over 50 million consumers globally.

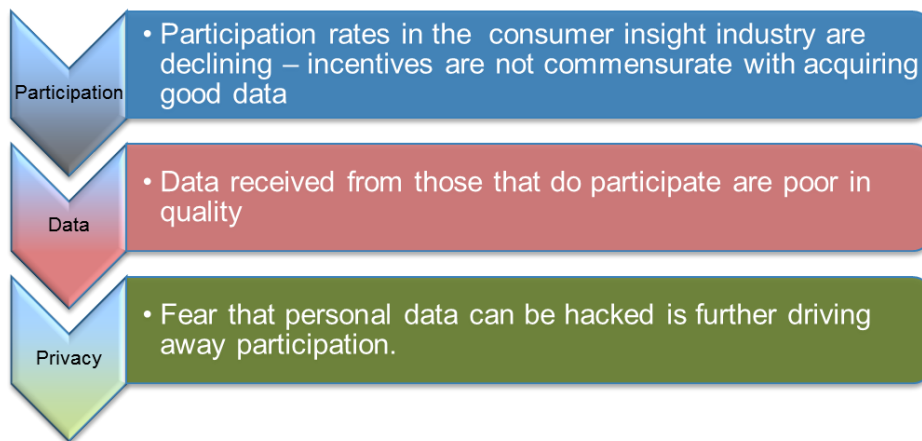
2. The Data Market

In 2018, \$170 billion was spent globally on advertising. \$46 billion was spent globally on market research just to guide to the \$170 billion in advertising expenditure (ESOMAR Global study 2018).

3. The Problem

Today's businesses are spending an estimated \$46 billion on research and data to guide their \$170 billion of ad spend. However, the traditional datasets they are using are riddled with problems. Analysis of current data collection reveals the following issues:

- There is a lot of inaccurate data.
- Data is limited to a small number of unmotivated respondents.
- The information is hard to work with and offers few insights.
- Data is often untimely and unreliable.



Companies pay too much for too little.

Consumers are also harmed by this status quo. Their privacy is rarely respected and they are given no incentives to participate in data-collection. Consumers only risk inaccurate conclusions about their interests and profiles.

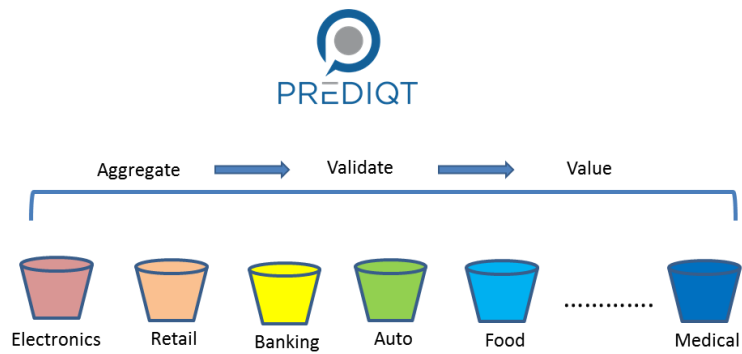
4. The Solution

The solution is tokenized consumer data. PREDIQT's model uses the token economy to reward consumers for providing high-quality data to its data marketplace. The more useful the data, the larger the reward.

For brands, this means more accurate information provided by more motivated consumers. They can make decisions based on accurate data rather than old-fashioned, unreliable data sources.

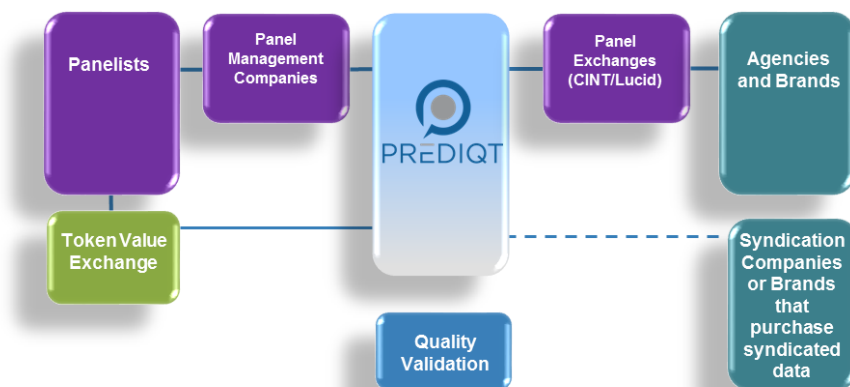
The PREDIQT model is unique in that PREDIQT will serve as a centralized data validator ensuring quality data where everyone wins. This disruptive approach offers immense value to all participants in the data economy.

Transactions are executed quickly and efficiently on our blockchain.



4.1 PREDIQT Platform

- PREDIQT's blockchain platform provides an alternative incentive and execution system. Through smart contracts, a better matched exchange of value for data between consumers (panelist) and companies is achieved.
- PREDIQT injects a validation process to ensure a standard of data is achieved before transactions are completed.



4.1.2 The PREDIQT App

Consumers access our platform through the PREDIQT App.



The App enables consumers to earn tokens for their valuable input. The more the consumer provides data and the more it is used by buyers, the more tokens they receive.

The App will compensate the consumer for the kind of data and the amount of data they provide, whether it is data gathered in the background as they use their device, or from surveys. Consumers will earn tokens for their participation and they will be scored for the value of their participation (In the way Uber scores riders and drivers).

4.1.3 Data Purchase Portal

Businesses will reach over 50 million consumers through the PREDIQT Web dashboard (currently in beta). The dashboard allows for targeting consumers with specific profiles and demographics.

BASIC SETTINGS

Demographics

Country: USA

Gender: ☒ Male ☐ Female ☐ Both

Minimum age: 18 Maximum age: 55

Survey-specific data

Number of wanted completes: 10

Estimated incidence rate (IR): 100

Estimated length of interview (LOI): 5

Start date: 09/19/2018

Number of days in field: 7

QUALITY SCORE

Minimum Quality Score

500

0 500 1000

Total Reward Amount

\$ 50.00 (Token Equivalent = 25.00 QT)

Validation

☐ Do you Want to Validate the Participant Results?

SUMMARY

Project name: Survey 2018 Test

Contact name: Predigt

PO number:

Contact email: email@predigt.co

The dashboard also allows for selection based on pre validated quality. Thus allowing businesses to receive the quality of data that they intend to pay for.

5.0 Traction

5.1 Milestones

The PREDIQT App was launched less than 1 year ago to prove that a new “value for data” model works. PREDIQT has spent nearly zero (\$0) dollars on marketing to achieve over 85K downloads of the PREDIQT App with 1000 daily active users. Influencers are making videos endorsing our App urging users to receive value for their data. Multinational companies like **Nielsen**, **Survey Monkey**, **OMD** and **Duracell** are buying data from PREDIQT.

- ✓ **Nearly \$0 spent on marketing**
- ✓ **85K downloads of our App – pilot stage**
- ✓ **1000+ daily active users – pilot stage**
- ✓ **Consumers excited and influencers are making videos of our App**
- ✓ **Largest audience measurement company in the world issued LOI to purchase our quality data directly**
- ✓ **Data exchanges have signed with PREDIQT**

5.2 Industry Traction

PREDIQT’s platform produces validated data that has demonstrated significant improvement in data quality. Companies such as Nielsen, Kantar and Qualtrics are buying data from PREDIQT. Below is a list of other companies purchasing PREDIQT data.

64Inspired Consulting	Euromonitor	National Research Group	Rirmenich Brasil
ABC (Australia)	Fandango	Nepa (AB)	RTC Research
Ales Market Research	Firmenich Brasil	New Mexico State University	Saranta
Asking Canadians	Gfk	NEXON	Schmiedl Marktforschung
AYTM	GMO Research	Nielsen	Skift United States
Azure Knowledge	Gutchcuk	NPD Group	Sondem Internet
B3TSI	IFF Research	Op4G	Statista GmbH
BCS, The Chartered Institute of IT	Ispos	Opinion Route	Survey Gizmo
Blue Ocean Market Intelligence	Jockey International	Opinium	Survey Monkey
Borderless Access	Kantar	P2Sample	Syno Japan
Buzzback	KJT	Pacific Market Research	The IWSR
CGA Strategy	Lexis Ricerche	Penn Schoen Brand	Toluna
Conjoint.ly	Lightspeed	Precision Sample	Tyhann Market Research
Course5 Intelligence	Limelight Networks	Princeton University	UAB
Cross Marketing Inc	Liquid Hub	Prosokers Brazil	United Minds AB
Data Diggers	Macromill	Protese	Universum Communications Sweden
Dhana Kannan	Market Cube	Publicis NA	Valmaison
Edelman Berland USA	Market Probe	Qualtrics	Vish Britain USA
EMI Surveys	Metrix Lab	Quest Global Research	Wilton Brands
Epiphany RBC	Morning Consult API	Research Bods	Witten Brands
Equation Research	Morpace	Researchscope Int'l	ZappiStore

6.0 Roadmap

6.1 Operating Platform

The PREDIQT platform is operating and generating revenues. The PREDIQT App is integrated with data exchanges and v1 of our blockchain is linked to the App through API for blockchain transaction execution. As part of its roadmap, PREDIQT will incorporate complex data validation layers on top of the blockchain. Additional AI methods for qualifying data in real time will also be developed.

6.2 Marketing

PREDIQT has spent nearly zero (\$0) funds for marketing. Current marketing has been conducted through partnerships. Initiatives in Ad Networks, Social Media, Targeted Marketing and use of Affiliate programs will drive consumer use base and business data purchases immensely.

6.3 Data Segments

We are in the process of running live projects through our integrated platform. Panelists are recruited via the exchange and we are applying our quality filters to the data. These filters are first applied semi-automatically as we fine tune our screening with the next step being full automation and machine learned screening.

6.4 User Base

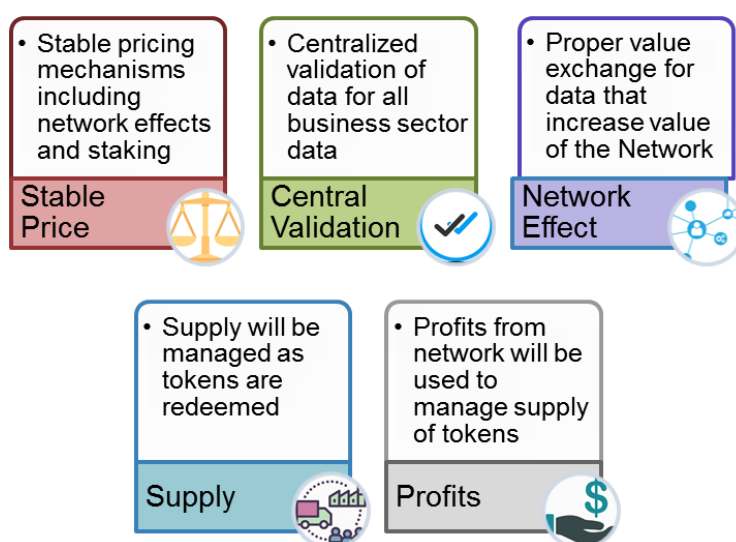
At time of this writing PREDIQT 's App achieved over 85,000 downloads in 12 month's time with 1000+ daily active consumers. This was achieved with near zero marketing expense and piloted in a few select countries. Going forward, through focused marketing initiatives and engagement globally, PREDIQT intends to reach 100M users by 2024.

Platform	Marketing	Segments	User Base
Blockchain protocol	Partnerships	General	50K
V1 Blockchain API	Ad Networks	Consumer	5M
Integratable Prototype	Social Media	Retail	10M
Client Integrated Platform	Targeted Mktg	Financial	25M
V1 Mobile App	Affiliates	Industrial	50M
Consumer Panels		Energy	100M
V2 Mobile App/Blockchain		Medical	
V1 Data Validation Engine			
Automated MVP			

7.0 PREDIQT Tokenomics

PREDIQT's PQT utility token will serve as store of value as well as the currency that facilitates the exchange of value for data. Key PREDIQT tokenomic features include:

- The proper incentives to brands, consumers, market researchers, and developers to increase the overall quality of consumer data in the network
- Centralized validation of data for all business sectors
- Stable pricing mechanisms that include network effects and staking mechanisms
- Profits generated from network will be used to manage supply of tokens
- Supply will also be managed as tokens are redeemed



Through PREDIQT's tokenomics and validation, PREDIQT tokens represent the true value consumers data. Our platform allows the token utility value to increase as the quantity and quality in our network increases. This value is jumpstarted given the immense leverage from access to 50+ million consumers. The token utility value will continue to grow as more consumers provide data to the network and more companies, using PREDIQT tokens, purchase data from the network.

7.1 The Role of PQT utility token

The PQT is the PREDIQT utility token used to compensate opted-in consumers for providing their insight information; it will be the currency used for the exchange and transaction for consumer data. Companies are required to use PQT tokens in Smart Contracts to purchase consumer data. Companies and consumers can use the QT token to purchase additional value-added services and other promotional product and service offered by PREDIQT and PREDIQT partners.

7.2 The PQT Utility Economics Model

PREDIQT's token economy is based on an open, decentralized network and is enabled through the creation and use of the utility token – the PQT. PREDIQT's token economy incentivizes participants in the network – brands, consumers, market researchers, validators, developers, etc. – to increase the overall quality of consumer data accessible through the network. This is primarily achieved through a staking mechanism. Participating consumers stake a small amount of PQT for the chance to earn a greater reward for contributing better quality data which we provide a quantitative measure for. Other participants stake a small amount as an escrow against negative behaviour as an objective to improved data quality in the token economy.

PREDIQT's token economy provides for price stability of the PQT. It considers network effects and staking mechanisms against a framework of actual industry value exchange. We apply the classic Baumol-Tobin model to assess the value, P , of our utility token over time:

$$H = \frac{M}{P} = \left(\frac{CY}{f(E)i} \right)^{\frac{1}{2}} \quad (1)$$

In the classic Baumol-Tobin model the elasticity of interest and money demand $1/f(E)$ are assumed to be $\frac{1}{2}$, where i is the expected return foregone due to holdings of money balances Mi , and M is the total money supply during the period. The value Y is the amount in USD that users plan to spend on the service each year, or the total GDP of the token economy.

The model assumes that the average money holdings equal $Y/2N$, where N is the number of transfers for the period. From this, the following equation is derived for the total cost of money management:

$$NC + \frac{Yi}{2N} \quad (2)$$

Optimizing this formula for the number of transfers N , leads to our equation (1) above. The formula allows one to calculate the velocity without direct reference to the total asset base during the period.

Velocity is commonly accepted as a good predictor of token value trend. Token economies that suffer from high velocity at scale from users' lack of holding the token will begin to decouple the token's utility value from the network value. This is problematic for non-store-of-value assets where network friction is typically low, and artificial mechanisms to increase friction have been found to be ineffective if they don't genuinely contribute towards improving governance and user experience of the token. Another problem with velocity is that it is typically calculated as part of the Equation of Exchange which requires assumptions or separately formulated estimates of the values of M , the total tokens in circulation, Q , the quantity of the digital resource/service, and P , the price of the digital resource/service in terms of tokens.

The value of the approach that was taken to arrive at equation (2) above is that PREDIQT is able to calculate velocity as a function of variables that are easier to estimate. In addition, given PREDIQT's knowledge of the elasticities in our industry, PREDIQT has been able to establish realistic estimates for these values. More specifically, PREDIQT has applied real industry statistics to calculate projected supply of the token, M , expected holding times for the token (assumed to be $Y/2N$ in the model above), the number of transactions per year, N , and the cost of transactions, C . These values are used to calculate the velocity, V , as the GDP Y of the token economy over the demand for token balances (or the average balance of the token). This is equivalent to saying that the money demanded is equal to the GDP over velocity, which implies that, given our knowledge of the token $GDP\ Y = PQ$, the final result is still conformant to the Equation of Exchange $MV = PQ$.

The resulting analysis demonstrates that as one increases the quantity of data exchanged for value in the economy and increase community use of that data, the velocity is non-increasing, and the value, P , of our utility token rises over time.

One significant factor that is not included in the model or calculation is the quality of the data being distributed in the network. PREDIQT believes that an increase in the quality of consumer data available for consumption in the network can only result in increased consumption of that data, thereby imposing an upward pressure on the value of the utility token.

7.3 The PQT Foundation and Supply Management

7.3.1 The Foundation

The PQT Foundation will be an independent, non-profit and democratic governance body for the members of the PQT ecosystem. It will focus on delivering a Transaction Service that will enable centralized digital services to utilize PQT at scale, implementation of the PQT Rewards Engine and a decentralized identity service for users of PQT.

7.3.2 QT Token Distribution

Total supply of PQT: 500,000,000,000 units

Sale to Merchants and Airdrop to consumers: (50%)

A 50 % allocation will be provided to merchants so that they can transact on the PREDIQT platform. Merchants will acquire PQTs to exchange for consumer data and other services provided by the platform

PREDIQT Operations: (25%)

A 25 % allocation of PQT will be allocated to PREDIQT founding members, operating team, advisors, partners and other participants that will make the PREDIQT ecosystem operate successfully. In exchange, for this amount, PREDIQT will provide operating resources, and technology. The PQT allocation will be distributed to PREDIQT at 12.5% per quarter, for 8 quarters.

Issuing company and IEO exercise: (25%)

A 25 % allocation (the balance of the total supply) of PQT will be placed under the governance of PREDIQT Pte Ltd, incorporated in Singapore as the PQT Foundation. The PQT Foundation will oversee the distribution of PQTs; it will be secured in a smart contract, allocated to the PQT Utility Economy and Rewards system that will introduce it into circulation as periodic rewards. It will also be deployed for the growth of the PQT ecosystem and fund the operations of the foundation, which includes:

- 50%: Marketing and user Acquisition
- 35% Operations
- 15%: Administration and Other

The supply of PQTs allocated to the PQT Utility Economy will be released over time. The long-term objective of the organizational structure is to implement the PQT Utility Economy and Rewards system as an autonomous and trustless system.

7.3.3 Token Burning

Tokens recovered from redemption or confiscated staking amounts, will be removed from circulation and returned to the foundation. The current plan is to burn these returned tokens to guard against too much inflationary pressure.

7.4 Value Drivers of the PQT Token

7.4.1 Economy for the Consumer

The PREDIQT PQT token is being developed to represent consumer data as an asset. By properly valuing the data provided by consumers. The PREDIQT token economy drives an increased willingness for consumers to want to provide that data. Our economy pays

appropriately and commensurate with quality of data and therefore pays the consumer what they deserve.

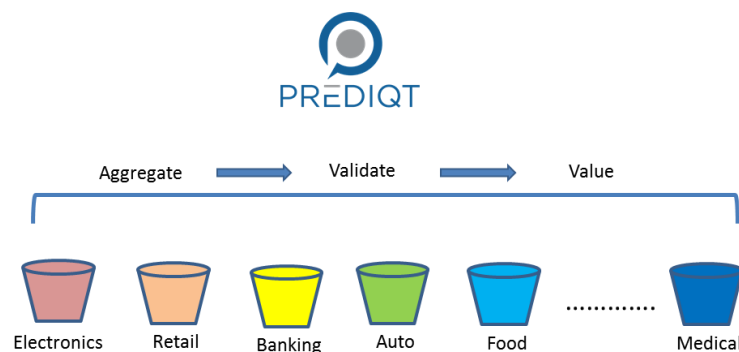
7.4.2 Economy for the Brands and Companies

The PREDIQT economy creates consumers that are more willing to firstly, participate in providing their data and secondly providing better data – because they are being properly compensated by the economy. The Brands, companies and other data purchasers therefore receive needed consumer participation - providing quality data. The more quality data, the more they are willing to pay and the better insight they derive from the data.

7.4.3 Managed Data for the Economy – Repository, Validation and Valuation

PREDIQT will manage this data economy by serving as a repository for the data. The data will be validated by PREDIQT through established methods to detect source of data, system checks for fraudulent data, and other active filtering methods using AI.

PREDIQT intends to collate this data into vertical industries and derive the appropriate value of this data. Currently, the mechanism for establishing the true value of consumer data does not exist. Because PREDIQT has access to 50+ million consumers through data exchanges, it will be able to derive proper value for all industries including the very important medical sector.



7.4.4 Value of the PREDIQT PQT – Market Size, Network Effect, and Virality

Intrinsic to PREDIQT's economy is its large market size and high scalability. As seen in the discussion below, this scalability and speed to scale (virality); together with the network effects will create an environment conducive to an increasing token value.

7.4.5 Market Size:

In 2018 ESOMAR reported that \$48 billion was spent on market research globally. We believe the value of relevant data is much higher than this as real time and in-the-moment mobile technology proliferate in developing countries like India. Using current statistics, however, we calculate a total addressable market of \$27 billion. The creation of the PREDIQT PQT token is to capture this value.

7.4.6 Distribution:

Leveraging existing Networks

PREDIQT's economy is able to leverage off existing global networks to reach consumers providing data and buyers of data through partnerships with global data exchanges. Currently PREDIQT has partnerships that allow for reach of over 50 million consumers globally. At the same time, PREDIQT has developed an App that is demonstrating virality among consumer users.

Virality

PREDIQT's 12 month pilot has demonstrated large virality including videos being made of the PREDIQT App by independent influencers in the markets that PREDIQT operates. PREDIQT accomplished 85K downloads in this period with minimal marketing expense. This virality comes with a simple explanation. PREDIQT recognized the mismatch between what has been paid for consumer data and the true value of that data. PREDIQT is paying the right value for that data. The truest metric of virality is the large number of positive reviews received by App users.

7.4.7 Network Effects

- a) Direct Network Effect: Increasing consumer participation via the PREDIQT App (already demonstrated) will lead to direct increase in value of the token economy.
- b) Indirect Network Effect: PREDIQT will provide merchant services via the PREDIQT App (Exchange PREDIQT tokens for specific merchant gift cards). These services will benefit merchants and create a demand from more merchants to be in the network.
- c) Two-Sided Network Effect: Increasing participation from consumers to provide quality data on the PREDIQT App will attract more data buyers for this data. More buyers of the data using will attract more consumers who want to provide their data for compensation and so on.

The more participation will result in more data value in the PREDIQT economy increasing the value of the PREDIQT token.

7.4.8 Product/Market Fit

Consumer insight data is poor today because consumers are not compensated properly for the value of their data. At the same time, pervasive data hacks have made it unsafe and undesirable for consumers to provide their data to traditional centralized data aggregators.

As a result, data purchasers suffer from the decline of consumers willing to provide this data; and the data that is provided is poor in quality.

PREDIQT exists to solve these industry pain points using its blockchain technology and a token economy that properly rewards consumers, securely, for quality participation.

7.4.9 Why Own the PREDIQT token

PREDIQT's PQT Token represents the true value that consumers should receive for their data. Through the PQT, users will own their data as an asset. In addition, it is anticipated that the PQT Token will increase in utility value through the factors outlined above as more users participate in the PREDIQT token economy. PREDIQT's platform, through its integrated blockchain technology and AI, will ensure increasing data quality that is securely transacted.

As the quality of the data increases, the utility of the PREDIQT PQT token will likely increase as buyers will pay more for quality and relevant data. And, as described in the previous sections, the utility economics, the foundation and the supply management of the economy will make the PQT token a valuable utility to own.

8.0 Company Structure

PREDIQT Pte, Ltd. is a Singapore registered company.

9.0 Team

Our expert team, each with over 20 years of experience in their respective fields have developed this blockchain enabled platform. Summary of the team's accomplishments:

- 25+ Years in consumer technology and software companies
- 25 years of market research technology expertise
- IP expertise – 8 patents and over 25 publications

- 20 years of software enterprise solutions including blockchain and AI
- 20 years in software and App development
- Fortune 500 clients
- Education: The Wharton School, Stanford, UC Berkley

Henry Chan – Chief Executive Officer

- 25 years of software technology and consumer investment, startups and management experience
- Entrepreneur in mobile software
- BS Engineering UPenn, MBA Wharton

Navin Williams – Chief Research Officer

- 20 years in market research, technology, media & telecom
- Senior executive at Nielsen
- Author of the definitive “Handbook of Mobile Market Research”
- B.S. Com, MBA at University of Pune

Miguel Del Rosario – Technology - Blockchain

- 25+years leading software development, product design and integration in mobile applications, eCommerce, data modeling, encryption, and blockchain.
- BS and MSCS U of SF, MSCE and Ph.D. candidate Syracuse University

Miguel Nievas – Software Engineering – Mobile Applications

- 20+ years experience building Desktop and Mobile Applications.
- More than 10 years of experience in software engineering with focus on enhanced security, reliability and scalability.
- BS Information Technology State University of New York

Earl Sacerdoti – Intellectual Property and Operations

- 40 years of experience R&D, engineering and investing experience with successful startups
- Pioneer in AI and software development
- Inventor with 8 issued and 3 pending patents
- B.A. Yale, M.S and Ph.D. Stanford

Theodore Kuh – Consumer and Retail Industry

- 30 years of experience in finance and business strategy
- Global head of Citi Consumer and Retail investment banking
- Lecturer at Haas UC Berkeley
- Startup investor and entrepreneur
- BS Haas UC Berkeley, MBA Wharton

Adrian Kok – Mobile Enterprise Systems

- 20+ years experience building mobile businesses.
- Senior product and marketing roles in mobile security, analytics and consumer apps
- Eng Monash U, M. Tech Nat U of Singapore, MBA Haas UC Berkeley

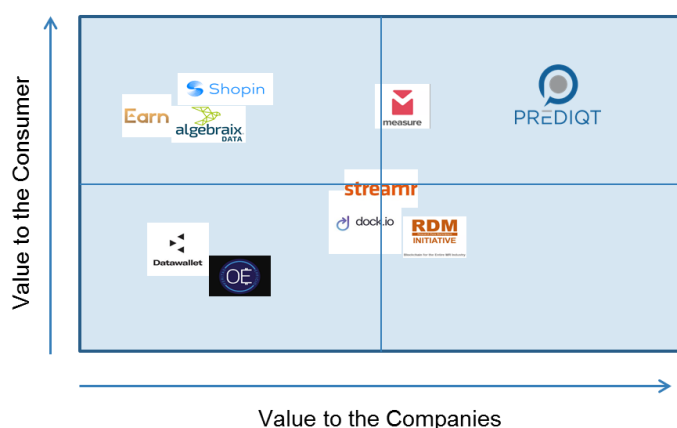
10. Competitive Analysis

Companies like Earn, Shopin and Algebraix target the benefits to consumers when applying a blockchain solution.

Some, like Streamr, dock.io and RDM try to find a middle ground.

Veriglif's concentration is to provide a solution for data buyers. Their solution is based on a universal id of consumers with attached information profile.

PREDIQT provides a win – win to both consumers and companies.



11. Token Sale

11.1 What is the purpose of the PREDIQT Token Sale?

PREDIQT is initiating a token sale for the following reasons:

- To raise funds to grow its community and the subsequent marketing and organizational expenses associated with such growth;
- To provide a Utility currency that will reflect the true value of consumer data. Consumers will be able to provide, store and use the personal data as an owned asset;

- c. To create better and more accurate data to industry buyers by using utility tokens to better incentivize consumers.

11.2 Disclaimer

This document is not a prospectus and not a solicitation for Investment. This document does not pertain in any way to an offering of securities in any jurisdiction. PQT Tokens are not an investment or security of any kind. They do not represent ownership of shares in PREDIQT nor any other entity. They have no rights whatsoever including no voting, no dividends and no claim to future profits.

Tokens will not be sold in the United States, China, Japan or any country that is listed as restricted by digital asset exchanges or any exchange providing this offering.

11.3 Initial Exchange Offering Event

The offering Terms and Conditions details are:

Total Token Supply	500,000,000,000
Minimum individual contribution	0.1 PQT
IEO Sale Token Allocation	25% of Total Token Supply
IEO Sale Token Price	1 PQT = 0.00004 USD

11.4 Phases

Public Initial Exchange Offering Sale: February 2020

The public sale will be conducted on exchanges TBD. Processes and format will follow the guidelines of the exchanges.

11.5 Distribution

The timing of token distribution will be dictated by exchange guidelines.

11.6 Token Allocations

Type	% of Tokens	Description
Tokens available for merchants and users of the PREDIQT platform	50%	Tokens for sale to merchants and airdrop and payment to consumers
Founders & Advisors, Management and Partners Allocation	25%	Tokens for the founders as an incentive to deliver the next stage of the product. There is a vesting schedule in place (see below).
Token IEO	25%	Tokens available through IEO

11.7 Community Support

Up to 5% of the tokens, from the Token Sale Costs category, may be allocated to community members who support PREDIQT before the public token sale. Tokens will also be provided to registered users who perform community tasks, e.g. Facebook likes, blog posts, twitter follows, join email lists, etc.

11.8 Founders

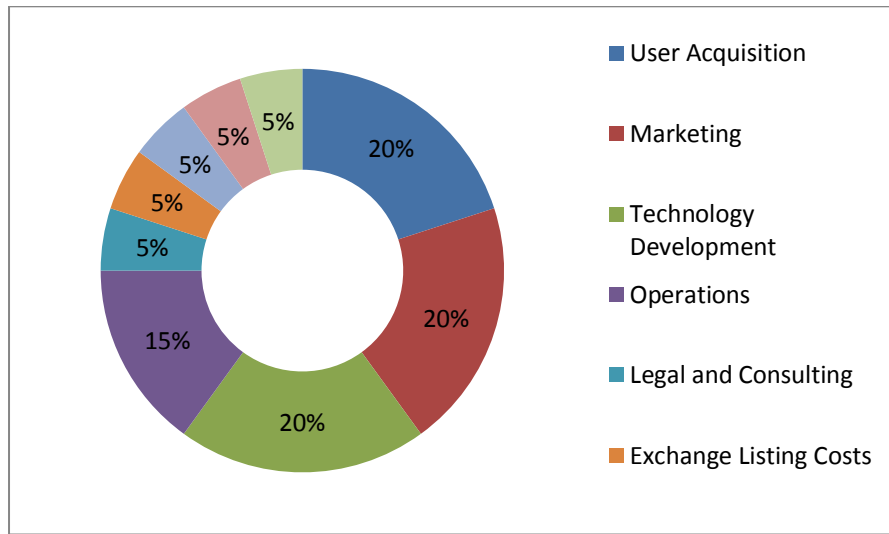
The percentage of the total token supply that represents a fair reward for the work and risk taken by the development team and advisors is __%. Those tokens will be released to the management team incrementally over time (contingent on their continued work on the project).

- At 6 months 25% of personal allocation released
- At 12 months 25% of personal allocation released
- At 18 months 25% of personal allocation released
- At 24 months 25% of personal allocation released

11.9 Use of Proceeds

Based on our roadmap, the proceeds of the token sale will be used to further develop the platform, continue to build the PREDIQT community and to operate the business. The following breakdown highlights an example of the proceeds based on business area and rough estimation on a per annum basis:

Use of Proceeds



- **User Acquisition:**
Active campaign to build consumer awareness for providing data as an asset through PREDIQT's platform.
- **Marketing:**
Marketing to brands and companies to purchase PREDIQT's validated and higher quality data.
- **Technology Development:**
Continue development of PREDIQT's platform as an exchange of data according PREDIQT's roadmap
- **Operations:**
Maintain all aspects of operations for the platform including all physical operations.
- **Legal and Consulting:**
Legal expenditures associated with business contracts and continuing compliance to global jurisdictions.
- **Infrastructure:**
Expenditures associated with systems infrastructure.
- **Business Development:**
Continuing brand building for PREDIQT.
- **Other Costs:**
Miscellaneous costs associated with running the PREDIQT platform.

11.10 KYC/AML

PREDIQT believes it is important to protect token purchasers and to ensure it is operating within a legally compliant manner.

All purchasers of the QT Token are required to go through the exchanges KYC screening processes.

PREDIQT will abide by Anti Money Laundering laws and regulations in all jurisdictions that PREDIQT operates in and/or plan to distribute tokens in.

Unfortunately, in addition to these controls, PREDIQT has to completely exclude citizens and residents of a small number of countries from participating in our token sale.

12. Risks

The following is a list of risk factors that might affect the Token Sale, PREDIQT's business, or the PREDIQT platform. The list is not exhaustive.

12.1 PREDIQT Token Offering Risks

Risk	Description	Mitigation
Macroeconomic conditions	There is a risk that any significant change in macro- economic conditions, for example a recession, could significantly dampen the appetite for token sale.	PREDIQT is planning its token sale beginning Q1 2020. Current consensus by global economists is that there is reduced risk of macro global recession. Central banks in nearly all developed countries are adopting policy to maintain growth in 2020.
Token sale market crisis	There is a risk that a major scandal, for example fraud, money laundering, cyber-attack or crypto-currency price collapse, could adversely affect appetite for token sales despite having no direct link to PREDIQT.	Although the token sale market is maturing rapidly, this risk is clearly still significant given the number of low quality and fraudulent token sales currently in circulation. PREDIQT is committed to operating to the highest levels of integrity, which should help investors differentiate between scam token sales and high-quality token sales.

Coin project crisis	There is a risk that a significant negative event for the Coin community on top of which PREDIQT will build its platform, for example a security vulnerability, or cyber-attack, could adversely affect appetite for Coin based token sales.	The Coin project on which PREDIQT will build on is a blockchain platform with one of largest market caps today. In the unlikely event that the Coin project were to collapse, PREDIQT has been designed in such a way that its project could be run on a competing platform.
Insufficient funds	There is a risk that PREDIQT may not reach the minimum viable funds through the token sale and be unable to enact its business plan.	PREDIQT will enlist experienced token sale advisory and marketing teams to ensure that the token sale is structured to have the best possible chance of success.
Competitive action	There is a risk that one or more blockchain start-ups or legacy platforms could attempt to launch a rival token sale during the token sale window. This could reduce the appetite for For the PREDIQT token sale.	The token sale market is crowded and growing quickly. PREDIQT expects some token sales with overlapping concepts and functions to come to market. However, PREDIQT remains confident that its team, use cases and technology make its token sale a unique opportunity.
Token sale regulation	There is a risk that one or more national regulators impose new regulations on the issuing of cryptographic tokens, for example taxation changes or registration requirements, which could delay or halt the token sale.	PREDIQT will be working with experienced token sale legal partners to ensure its offering is legally compliant in all jurisdictions where PREDIQT is offering the token sale. In the event that a particular jurisdiction restricts token sale purchases, such as China in September 2017, PREDIQT expects that any shortfall will be made up from contributions from other jurisdictions.
Cyber attack	There is a risk that PREDIQT will be the subject of a malicious attack by a 3 rd party before or during the token sale process. This could lead to theft of data, tokens, or other currencies from PREDIQT or from investors or wider community. Additionally,	PREDIQT is considering security from the very outset of the project. PREDIQT intends to build in a number of layers of security defence during the token sale from the basics such as vulnerability scanning and patching through to more advanced protections such as DDOS protection, network, host and log monitoring, correlation and alerting.

	the token sale could be disrupted or delayed if a 3 rd party attack requires services be taken offline impacting the ability to issue tokens within the projected time frame.	Despite all this, PREDIQT recognizes that it is possible that an attacker will succeed in breaching defences. PREDIQT will prepare for this by creating and testing an incident response plan which includes support from an accredited cyber security incident response partner.
Insider security breach	There is a risk that PREDIQT will be the subject of a malicious attack by an insider before or during the token sale process. This could lead to theft of data, tokens, or other currencies directly, investors or wider community. Additionally, the token sale could be disrupted or delayed if an insider attack requires services to be taken offline impacting the ability to issue tokens to the token sale timescales.	<p>PREDIQT is also considering insider security from the very outset of the project. PREDIQT will build in a number of layers of insider monitoring and protection during the token sale from the basics such as personnel security vetting, least rights access model and security audit logging through to more advanced protections such as automated monitoring for suspicious patterns of insider behaviour.</p> <p>Despite all this PREDIQT recognizes that it is possible that an attacker will succeed in breaching defences and as such PREDIQT will be prepared. PREDIQT will prepare for this by creating and testing an incident response plan which includes support from an accredited cyber security incident response partner.</p>
Money laundering	There is a risk that the token sale attracts interest from those with access to illicit funds.	PREDIQT will obtain sufficient information about potential investors through the token sale registration process and monitor for suspicious activities. PREDIQT will be partnering with the exchanges' AML/ KYC compliance processes to ensure these checks are undertaken rigorously.

12.2 Business Risks

Risk	Description	Mitigation
Technical Issues	The development program involves solving a number of complex technical problems. There is a risk that unforeseen technical complications add to the estimated effort, leading to a delay in the go live date and/or additional costs.	The technical team is made up of experienced technologists each with over 25 years of experience in development and development operations. The team is headed by our CTO who has worked for over 25 years in the software development industry. Although there are technical challenges to solve, PREDIQT is not creating its own blockchain protocol from scratch, nor is it building its own infrastructure. In addition, we are fully operational with version 1 of our platform.
Lack of participation	There is a risk that PREDIQT fails to attract a critical mass of companies and consumers to partake in its platform	PREDIQT has already achieved excellent traction. In addition PREDIQT will appoint a dedicated internal team to build awareness of PREDIQT in the community targeting potential companies. PREDIQT plans on running a significant targeted marketing campaign with incentives for early consumer adopters. In parallel PREDIQT is also working with a number of partners and advisors to build awareness among data buyers.
Data Privacy Legislation	PREDIQT will be required to hold personal and sensitive data belonging to consumer participants and companies. There is a risk that a deliberate or accidental breach of any jurisdictions data privacy legislation could lead to damage to PREDIQT's reputation, loss of customer and potential regulatory action.	PREDIQT will abide by the generally accepted global standards on privacy (in particular EU GDPR).

Team member retention	As a technology start-up, PREDIQT has a number of key staff that are considered critical to the ongoing success of the business. There is a risk that one or more of these staff could leave for a competitor or to start a rival project. This could lead to a delay in data going live, and/or additional costs.	PREDIQT's team members are incentivized to share in the success of the project. Despite this PREDIQT knows it will lose some team members along the way and will plan for this by creating specific succession plans for key roles.
Competitive action	There is a risk that one or more blockchain start-ups or legacy platforms could attempt to launch a rival offering leading to a loss in market share.	There are already established competitors in the data aggregation space. It is PREDIQT's assessment that none the existing platforms offer the same functionality in the consumer data space. If a new copycat platform launches to rival PREDIQT, PREDIQT will have first mover advantage.
Corporation Tax	There is a risk that any unforeseen changes in tax legislation in a jurisdiction where PREDIQT is economically active could lead to an increased effective tax rate and reduce profit after tax.	PREDIQT is a Singapore company where there is advice from very supportive legal and regulatory experts in FinTech and particularly blockchain start-ups. If there were a significant change in policy, PREDIQT will make adjustments as necessary.
Reputation	It is imperative that PREDIQT commands the trust from all members of the PREDIQT ecosystem. Any real, or perceived, misconduct or ethical failings could impact PREDIQT's ability to on board new participants in the platform.	The Founders, Advisory Board and Board of Directors will put in place an effective governance regime for the entire company, which includes a stringent code of ethics for all employees. PREDIQT is committed to upholding the highest ethical standards in all its business operations.
Exchange rate exposure	PREDIQT has exposure to a number of fiat and crypto-currencies, which could affect its underlying profitability.	PREDIQT 's utility token is used to pay for services that have market rates. There is therefore a baseline framework for the exchange rate for the utility token.