AXEL™

MARKETING DECK

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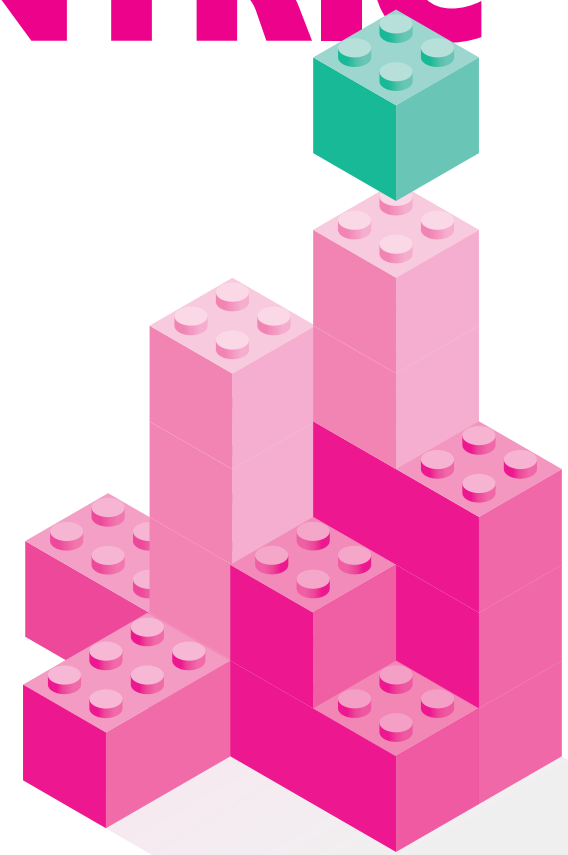
AXEL IS BUILDING A CREATOR-CENTRIC FUTURE

Third-party platforms today own the digital content landscape. Content creators themselves have lost control over their content – and earn a tiny fraction of what they should.

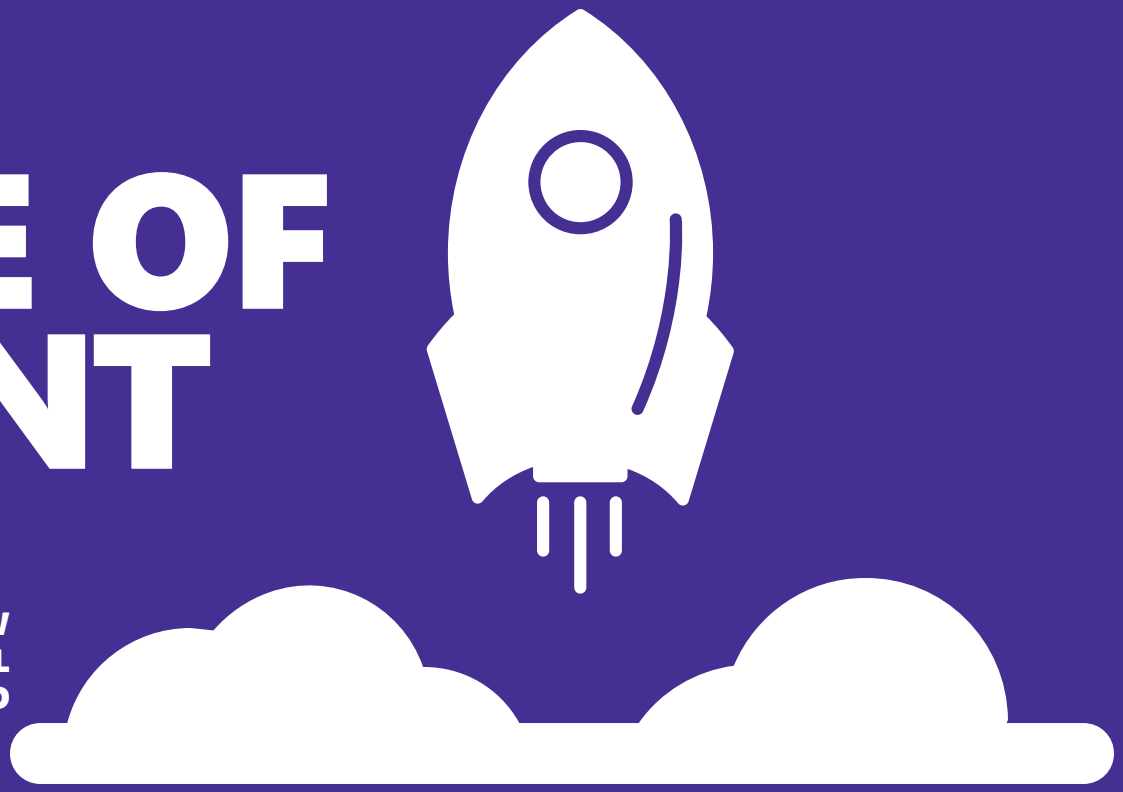
So why do they keep using these “middleman” sites? Because the platforms simplify the selling process. Because they provide creators with an easily-accessible audience to buy their work. And because there aren’t any real alternatives.

The digital content market is huge and getting bigger with strong year-on-year growth. But platforms are limited in their scope and demand control of content, while keeping barriers to entry high.

AXEL is building a creator-centric future that upends the current paradigm in digital content. We’re doing it with the AXEL Marketplace and AXEL Pay.



THE FUTURE OF CONTENT



THE DIGITAL CONTENT MARKET IS NOW WORTH $500 BILLION. ADD IN DIGITAL SERVICES FROM THE PEER-TO-PEER AND SHARING ECONOMIES AND THE MARKET POTENTIAL FOR AXEL HITS $1 TRILLION.

Our Marketplace and app will provide an intuitive solution that meets the demand of that growing digital content market. It will make selling content easier, faster, and far cheaper – while still delivering a hungry audience eager to buy it.

The digital ecosystem is still in its infancy.

Platforms are fragmented with their own rules, restrictions, and payment methods. Third-party distributors and content producers are stuck in an unsustainable paradigm that favors the wrong side. And billions of people are locked out of the digital economy due to incredible barriers to entry.

The AXEL Marketplace will provide a single, unified, creator-centric content destination – with unprecedented ease of access.

The dynamic nature of our technology would allow us to offer a dominant solution in a wide range of industries and one of our key advantages is the AXEL Blockchain.

A NETWORK LIKE NO OTHER

A one-of-a-kind technology, our custom-built AXEL Blockchain enhances the Marketplace's unprecedented speed of transaction, low percentage costs, and decentralized operation.

Uniquely suited towards the challenges of the modern digital economy, the AXEL Blockchain provides an edge in the war against entrenched industry goliaths. Backed by our world-class team, it is in-development[1] and is already the subject of two U.S. patent applications.[2]

It includes the following advantages:

IT'S FAST. REALLY FAST.

Typical networks require each transaction to be authenticated against the entire blockchain. The AXEL Blockchain will instead randomly select a small subset of non-participating user nodes to authenticate transactions quickly, without any loss of accuracy. That means selling on AXEL will be fully scalable and many times faster than most other networks.

VERIFICATION + PRIVACY

A unique dual-chain approach provides verification without the usual loss of transaction privacy. A private chain will ensure all involved parties have the details of their transactions available to them - and ONLY them. Meanwhile, the public chain will guarantee transaction integrity while keeping only the broadest information available to non-involved parties.

REMOVABLE FOOTPRINTS

The AXEL network utilizes a digital "vault" to safeguard a user's identity. The user identity block created on the private chain supports a self-sovereign control mechanism that ensures it can be separated from the AXEL Blockchain and even deleted in its entirety. Anybody buying and selling on the network will have complete control of their transaction data. For sellers, that means they're working on a platform that supports regulatory compliance like GDPR.

AUTHENTIC TOKENS

To ensure the authenticity and value of the token, the AXEL Blockchain uses A.I. security monitoring and a non-intrusive immutable token identification system to prevent risk and ensure token integrity. That means the prevention of duplication, fraud and the protection against double spending. Sellers can be confident that the tokens they acquire are legitimate and will function as intended in the ecosystem.

1. As detailed in the AXEL White Paper, the AXEL Token will initially launch as an ERC-20 Token, not on the proprietary AXEL Blockchain.
2. Copies of our blockchain patent filings are available upon request subject to AXEL's disclosure terms.

TECHNOLOGY FOR THE FUTURE

The AXEL Blockchain will support an incredible ecosystem of transactional decentralized applications (Dapps) providing developers a platform on which to build. AXEL Pay and the AXEL Marketplace are only the first to utilize this network.

Dapps developed for the AXEL Blockchain will be able to take full advantage of its unique transactional technology, lightning-fast architecture, and built-in dual-chain privacy functionality.

A NEW GENERATION OF CONTENT APPLICATIONS

Content creators will be able to utilize AXEL technology to build the perfect apps for their precise needs. They'll be able to customize their content distribution, build in digital content protections, and integrate sophisticated live streaming technology. And there's far more possible. Their Dapps, their way – without third parties.

SECURE IN A SHIFTING PRIVACY LANDSCAPE

AXEL is purpose-built for user privacy. Security and user-identity protections go far beyond existing data standards and provide a compliant framework for long-term Dapp development, reducing barriers caused by data regulations such as GDPR while supporting a robust business environment.

MORE THAN JUST CONTENT

By ensuring the access and flow of information, while maintaining individual privacy, AXEL technology has use across multiple industries. The dual-chain component will be a highly valued private chain protocol for Dapps to support the InfoSec industries like healthcare, law, and government services.

BREAKING OPEN THE MARKET

We plan to initially hyper-focus our efforts on select content niches that are desperate for viable alternatives. This will allow us to solidify our market positioning and establish the critical mass necessary for exponential growth.

In particular, photographers selling stock imagery and videos face outrageous fees of 50-90% per sale. Musicians must deal with the growing trend of streaming, which threatens their livelihoods with minuscule royalties, along with 30% download fees from platforms like iTunes.

We will provide an alternative that enables them to sell their content more easily while keeping 95% of their sales.

Once we've established a firm presence in year one and refined our technology, we'll be pushing into other formats and markets.

GROW BIG OR GO HOME

Our goal: to create the new generation of digital entrepreneurs. In two years we aim to have millions of active buyers and sellers on our platform making tens of millions of transactions, forming a vibrant ecosystem of digital content. We know we can get there – and we've proven it.

A TRACK RECORD OF RAPID RESULTS

AXEL has already achieved 7-figure growth in less than a year – purely based on our file management and sharing app. We've achieved 31,250% growth in 12 months, going from 8,000 users to over 2,500,000.

With the addition of monetization and a focus on digital content, combined with a range of new growth strategies, we're expecting at least 2,000% growth over the next 24 months.

Our daily active users have hit new milestones of over 20k active and on current trends of growth in increased usage, we expect to hit 100k in 12 months and 400k in 24 months.

We're not starting from nothing - our existing user base will form the foundation of our Marketplace ecosystem.

HOW WE'LL UPROOT ENTRENCHED INDUSTRY PLAYERS

Acquiring those initial high-quality sellers by poaching them from competitors is crucial to our long term plan. The more sellers on the Marketplace, the easier it will be to convince other sellers to join. It will mean more content, more buyers attracted to that content, and more press. And it's additive.

At a certain point of market penetration this "snowball" effect will allow us to onboard both sellers and buyers at an exponential rate.

To hit that critical mass as quickly as possible, we will:

TARGET HUNGRY SELLERS IN NICHES MOST NEEDING DISRUPTION
A typical photographer selling his work on Shutterstock makes about 10% of earnings per sale. 90% is taken by Shutterstock. These creators are desperate for a feasible alternative that lets them actually earn a living from their work. AXEL is that alternative. We'll reach out to these high-value sellers through direct outreach, paid advertising, and PR.

GIVE AN IRRESISTIBLE OFFER TO EXISTING SELLERS:
1) Make far more money from your content than you're making today.
2) Have complete control and flexibility over pricing and HOW you sell.
3) Do it more easily than you ever thought possible - at no risk to you.

OFFER POWERFUL PROMOTIONAL INCENTIVES TO SELL:
We plan to heavily market promotional rewards to new sellers for joining AXEL, the scale of which will depend on the number of buyers they'll bring with them. This, combined with our built offerings, will especially help in getting those first few thousand content creators onto the Marketplace.

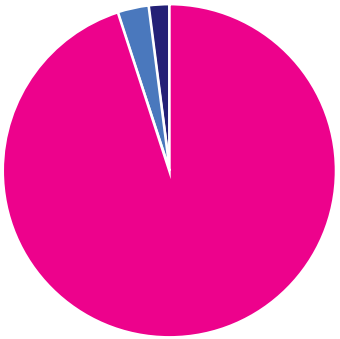
LAUNCH ATTRACTIVE SELLER-TO-SELLER REFERRAL PROGRAMS:
Sellers in specific niches are often connected to their local community of sellers. We plan to take advantage of this by ensuring the Marketplace delivers tremendous benefits to sellers, which will incentivize referrals. Further, we plan on building a gamified referral program that will deliver benefits to both referrer and those that are referred.

PROVIDE A UNIQUE OFFERING THAT'S IMPOSSIBLE TO REPLICATE
Our model is to provide 95% of every sale to the content creator, while making the process exceptionally easy to perform. No startup fees, no tracking, and every sale controlled by the seller. This model simply can't be copied without our unique patented technology and the near non-existent overhead enabled by a fully peer-to-peer decentralized network.

A PLATFORM THAT PUTS CREATORS FIRST

AXEL

SALE PRICE: CREATOR DECIDES



95% CREATORS KEEP

3% PROCESSING FEE

2% AXEL'S CUT

per sale

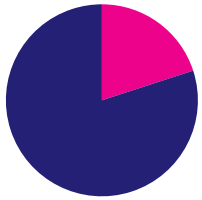
VS

SHUTTERSTOCK

WORTH $1.78+ BILLION

SALE PRICE: THEY DECIDE

80% THEIR CUT



20% CREATORS KEEP

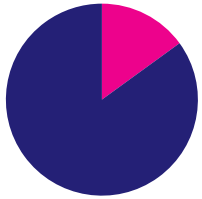
per sale

GETTY IMAGES

WORTH $3.30+ BILLION

SALE PRICE: THEY DECIDE

85% THEIR CUT



15% CREATORS KEEP

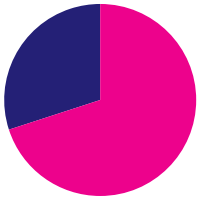
per sale

ITUNES

WORTH $60+ BILLION

SALE PRICE: THEY DECIDE

30% THEIR CUT



70% CREATORS KEEP

per sale + monthly distributer charge

*This comparison is based on planned AXEL Marketplace pricing with PayPal. Numbers are approximated for simplicity.

A DYNAMIC APPROACH TO MARKETPLACE GROWTH

SELLER MARKETING

INFLUENTIAL SELLERS WILL BRING THEIR OWN AUDIENCES

ORGANIC GROWTH

WE'RE BUILDING OUR MARKETPLACE PRODUCT TO APPEAR IN POPULAR SEARCH THROUGH PROLIFIC CONTENT

HOW WE'LL ACQUIRE SELLERS

ACTIVE OUTREACH

We'll approach high-level creators selling on competing platforms directly with promotions and offers.

PUBLICITY & ORGANIC ACQUISITION

We'll be content evangelists on the idea of a creator-first digital future on all channels, including PR. This will attract like-minded sellers.

PAID ACQUISITION

We'll aggressively target new sellers looking to make money from their content with paid advertisements, videos, and articles.

REFERRALS

Sellers will love our platform. The more they love it, the more they'll invite others to take part. We'll have strong incentives for doing so.

HOW WE'LL ACQUIRE BUYERS

ATTRACTION

Influential sellers will bring their own audiences, who will then buy other products in the Marketplace.

ORGANIC ACQUISITION

Our data scientists will ensure content sold on the Marketplace will appear on search results on Google, Bing, and more.

PAID ACQUISITION

We'll advertise popular products on the Marketplace through paid advertisements, videos, and articles.

PUBLICITY & MARKET HYPE

We'll push the idea of a decentralized Marketplace that supports creators on social media and PR channels.

REFERRALS

We'll develop strong incentives for buyers to refer friends and family to the Marketplace. Our AXEL users will also be onboarded into the Marketplace.

WHY **SELLERS** WILL LOVE THE MARKETPLACE

- Easiest way to sell content and create a digital storefront out there.
- Free to set up and start selling.
- The cheapest way to perform digital transactions & build a business no matter the niche.
- Gives access to a broad audience of buyers without outrageous payments (50-90%) to a middleman – sellers keep the overwhelming majority of every sale.
- Complete control over what they sell, how they present it, and how they price it.

WHY **BUYERS** WILL LOVE THE MARKETPLACE

- Non-existent barriers to entry means more sellers, which means more unique content.
- Content from every country on Earth without any barriers or restrictions.
- Cheaper prices because of almost non-existent intermediary fees.

HOW WE'LL MAKE MONEY

HERE'S OUR BASIC PRELIMINARY PRICING STRUCTURE.

3% TOTAL PROCESSING FEE:
3% processing fee

5% TOTAL MARKETPLACE FEE:
3% processing fee + 2% platform fee

14% TOTAL PREMIUM MARKETPLACE FEE:
3% processing fee + 2% platform fee + 9% premium listing fee

The cost of any transaction performed with AXEL will be 3%. By adding our own technology we expect to bring this down to 1%.

We plan to solidify our reputation as the most creator-friendly digital marketplace in existence by a very wide margin. Therefore, we will allow entry-level users selling on the marketplace to keep the vast majority of their profits. This will give us a powerful message and unique positioning.

Instead, we will offer a premium membership tier that will grant large advantages in the Marketplace. Premium listings, for instance, will be valued more highly by our search algorithms.

Moreover, premium content will be curated, and sellers on our premium tier might also receive a more advanced analytics package, priority support, and an enhanced level of IP protection, in addition to other benefits. We're aiming for 15% of all sellers to become premium sellers.

There will be other monetization opportunities, including introducing paid advertising for prime positions in search results. We could also have a 3% add-on fee to provide access to DRM-enabled apps such as eBook readers, video streaming apps, music players, and more.

We plan to compete on scale. As a marketplace facilitating peer-to-peer transactions, our model has low costs and is infinitely scalable. Our platform has the potential to eliminate any issues with currency exchange and restrictive regulations. By expanding quickly to every corner of the globe, we have the ability to attract more sellers to the AXEL Marketplace than any other platform.

AXEL is not only looking to be a leader in the blockchain space, we're looking to be a leader in digital content. Our platform is ripe to make a mark – with blockchain it has the potential to dominate.

REVENUE POTENTIAL

PREMIUM SELLER REVENUE (11% FEE*)

$1,361,250,000

Projected Digital Content Market		$1,100,000,000,000
Estimated Addressable Market	75%	$825,000,000,000
Our Market Share	10%	$82,500,000,000
Premium Seller Transactions	15%	$12,375,000,000

*Premium seller revenue based on platform fee + premium listing fee.

These numbers are based on planned pricing structures and may not be final. The projections and pro forma budgets contained herein represent best estimates based on assumptions considered reasonable under the circumstances. No representations or warranties, expressed or implied, are made that actual results will conform to such projections. This document is provided subject to errors, omissions, and changes in the information and is subject to modification or withdrawal.

STANDING OUT

We're building AXEL to be a leader in the content and blockchain space.

When the cloud industry said you could either have it easy or stay in control, we gave users a no-compromise alternative. We delivered the convenience to access files anywhere, anytime, without the loss of data ownership.

There is a better way to do paid content – one without tradeoffs. We're the ones to build it. The unique combination of our patented technology and record of entrepreneurial success will fuel the development of a game-changing blockchain experience for the people today deprived of choice.

AXEL stands out by:

- Developing and enhancing IP and sharing protections to retain content value for creators.
- Making user privacy a fundamental part of the experience. A user focused platform that protects content, identity, and payment information.
- Simplicity of use. From installation to a global market in a few clicks. We are creating the easiest platform for digital asset commerce.
- Utilizing traditional payment methods in addition to blockchain, increasing user adoption. We're thinking beyond crypto enthusiasts.
- Having big goals. We want to build the largest content marketplace in the world.
- Creating a system that will scale technologically, economically, and with exponential user growth. AXEL is a platform for the future and is built for the long-term.
- Standing behind creators. AXEL strikes the perfect balance between being a platform that is fair to content creators and users, while also being a sustainable business.
- Creating technology with distinction. With multiple patents awarded and more pending[1], we've created something unique with real purpose and value.

1. AXEL's technology is covered by 6 U.S. patents, granted since May 2015, and 11 other pending patent applications in the U.S., Europe, and China. The patents issued to date include U.S. Patent No. 9,027,050, U.S. Patent No. 9,363,563, U.S. Patent No. 9,419,965, U.S. Patent No. 9,565,184, U.S. Patent No. 9,723,090, and U.S. Patent No. 9,792,452. Published patent applications include U.S. Patent Publication Nos. 2014/0195976, 2014/0165176, 2015/0237400, 2017/0359353, 2016/0248936 and 2017/0235490, WIPO International Publication No. 2014/089353, European Patent Publication Nos. 2 802 118 and 2 996 026, Chinese Patent Publication Nos. 104903900 and 105426115.

THE IMPACT OF DECENTRALIZATION

Our AXEL Pay technology, initially conceived using PayPal, will become more appealing with the introduction of blockchain technology. The AXEL Blockchain will allow us to collapse transaction fees, shrink platform costs, and give sellers full control over their digital content. Selling files with AXEL will be significantly easier and cheaper than any other method ever created.

WE'RE MINTING TOKENS FOR THE FUTURE

With 50 billion Tokens minted, we're building a platform that has sustainable velocity and circulating supply for the long-term. It's an ecosystem that people will continue to use as it's developed with greater IP protections, a suite of applications adding new layers of monetization, and enhanced search abilities.

Distributing a small allocation of Tokens to AXEL users and incentivizing sellers will provide immediate activity in the market, setting the ground for rapid growth. Building a community of buyers and sellers starts immediately with the launch of the AXEL Token on AXEL.

AXEL IS BUILDING THE FUTURE OF DIGITAL CONTENT

We believe the future of the digital economy will be creator-first and peer-to-peer. The AXEL Marketplace and AXEL Pay are uniquely positioned to benefit and enable that vision. Our work in the next few years will form the basis of what could become the largest unified digital marketplace the world has ever seen.

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