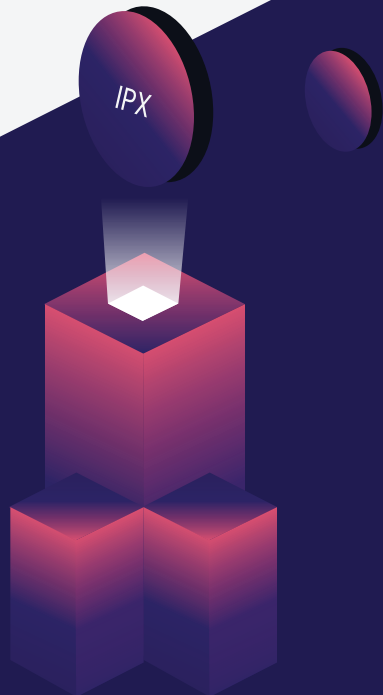


# Patent Bounties.

Crowds of researchers submit “prior art” to a public list to collect rewards in Ether, Bitcoin, and IPX tokens. Complete tasks to earn cryptocurrency!

**What is Prior Art?** Prior art includes US and international patents, journal articles, whitepapers, brochures, diagrams, and other documents that show an invention is already known to the public and therefore is not novel. Prior art can be used as evidence to deny a pending application. Prior art can also be used to invalidate a granted patent in a proceeding known as an Inter Partes Review.

**How does Prior Art affect the markets?** IPX is the only exchange where researchers are incentivized to upload “prior art” and other information that may impact the price of contracts in a futures market.



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## Alpha.

Our private Alpha launches Summer 2018 with a batch of curated futures markets. We are seeking traders, researchers, companies, and IP owners who want to radically change intellectual property by participating in our early release. Send an email to [alpha@patent.pm](mailto:alpha@patent.pm) for more information.

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# Patent Futures Exchange

Powered by **Ethereum**

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## Exchange.

IPX is a digital asset exchange offering peer-to-peer trading in patent futures and other intellectual property contracts. Our public markets can be used by companies to hedge against litigation risk, insurance underwriters to earn profit, and traders to speculate on technology markets. Fees for all contracts traded on the exchange are paid in IPX tokens, an ERC20 token on the Ethereum blockchain. IPX uses the blockchain to provide nearly-instantaneous settlement of peer-to-peer securities contracts. We believe the efficiency gained from automatic securities settlement will dramatically increase the number of intellectual property transactions worldwide by making these interests transferable online.

## Patent Futures.

In a patent futures market, traders buy and sell the legal outcomes "Valid" and "Invalid." At the contract expiration date, shares of the winning outcome are worth \$1 of Bitcoin, Ethereum, USD, depending on the market. The initial futures markets include a collection of low-quality "troll" patents which are being asserted against companies. Futures markets create an incentive for the public to participate in patent invalidation and provide a new way for innovative companies to defend against patent trolls.

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## IP Contracts.

IPX will support other intellectual property contracts, including patent and copyright royalties contracts where traders buy and sell tokens that entitle the holder to a share of the royalties generated from IP. We curate a list of vetted assets with current royalty income on the exchange. All payments are distributed to token holders in cryptocurrency or USD, and the payment history is publicly available and immutable on the Ethereum blockchain. These instruments allow IP owners to securitize an asset and raise money without banks or VCs by selling IP-specific tokens on a public exchange.

## Decentralized Exchange.

IPX exchange uses a continuous double auction where buyers and sellers post to an order book at a given strike price. IPX currently uses an "off-chain" order book for price negotiation, and "on-chain" transaction settlement. The order book acts as a matchmaker for buyers and sellers to a transaction; once parties match, the peer-to-peer transfer of assets is facilitated using the blockchain. Thus, IPX never needs to take custody of the digital assets and traders are always in possession of their property.

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## How to Participate

- ▶ **Traders**  
speculate on technology markets
- ▶ **Engineers & Scientists**  
submit prior art and collect bounties
- ▶ **Technology Companies**  
hedge against patent uncertainty
- ▶ **Banks & Insurance Underwriters**  
post bounties and take positions
- ▶ **Law Firms**  
post bounties and file IPRs
- ▶ **Investors**  
participate in IPX token presale

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