

PRIV Protocol

Own Your Data. Everywhere.

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Abstract

PRIV Protocol is a privacy-first data ownership platform that enables users to monetize their behavioral data across desktop, mobile, and active contributions while maintaining full control over what they share. Unlike existing solutions that focus solely on passive data collection, PRIV creates a comprehensive data economy with four distinct earning mechanisms: passive browsing (desktop and mobile), active data contributions (photos, videos, voice), AI training task completion, and staking for quality assurance.

The protocol operates on Base (Ethereum L2), providing low-cost transactions while maintaining security guarantees. PRIV token serves as the medium of exchange for the data marketplace, payment for AI labeling services, and governance participation—creating sustained utility-driven demand.

\$240

Avg data value/user/year

Up to 15%

Staking APY

50%

Fees burned

2-day

Governance timelock

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1. Introduction: The Problem

1.1 The Hidden Economy of Personal Data

Every year, the average internet user generates approximately **\$240 worth of behavioral data**. This data flows through an opaque network of 4,000+ data brokers who collect, aggregate, and sell user information without consent or compensation. The global data brokerage market exceeds \$300 billion annually, yet users receive nothing.

1.2 The Mobile Data Gap

While browser extensions like Brave have attempted to address this problem on desktop, they capture only 30% of internet traffic. Over **70% of digital activity now occurs on mobile devices**. Mobile data capture represents the largest untapped growth opportunity in the data ownership space — and the primary expansion that presale funding will accelerate.

1.3 The AI Training Data Opportunity

The AI training data market is projected to grow from \$2.33 billion (2024) to **\$12.75 billion by 2033**—a 40.5% CAGR. Companies like Scale AI (\$13.8B valuation) have built billion-dollar businesses on human-labeled data. Yet the laborers who create this value receive minimal compensation through intermediaries.

1.4 Previous Attempts and Their Limitations

Project	Approach	Limitation
Brave/BAT	Desktop ads	Only 8–16% of users earn; \$31–47/year max

Ocean Protocol	Data marketplace	No consumer data supply
Swash	Browser extension	No mobile; low payouts

2. The PRIV Solution

2.1 Core Innovation: Multi-Modal Data Ownership

PRIV Protocol creates the first comprehensive data ownership platform spanning:

1. **Passive Desktop Data** — Browser extension tracks browsing with consent
2. **Passive Mobile Data** — VPN app captures mobile browsing and app usage
3. **Active Contributions** — Users upload photos, videos, voice recordings
4. **Active Labeling** — Users complete AI training tasks for direct rewards

2.2 Value Proposition by Stakeholder

For Consumers:

- See exactly who tracks you and what data they collect
- Control granular consent per data type and buyer
- Earn from passive activity AND active contributions
- One wallet, one dashboard, multiple income streams

For AI Companies:

- Access consented, high-quality training data

- Decentralized labeling workforce with quality guarantees
- GDPR/CCPA compliant by design
- Lower costs than traditional providers (50–70% reduction)

For Enterprises:

- Real behavioral insights without regulatory risk
- First-party consented data (no broker liability)
- Web3-native user behavior analytics

3. Four Ways to Earn

3.1 Method 1: Passive Browsing (Desktop + Mobile)

Platform	How It Works	Annual Potential
Desktop Extension	Tracks browsing with consent	\$10–40/year
Mobile VPN App	Captures mobile activity	\$10–40/year
Total Passive		\$20–80/year

3.2 Method 2: Active Data Contributions

Data Type	Per-Unit Value	Annual Potential
Photos	\$0.01–0.50/image	\$20–100
Video clips	\$0.10–2.00/minute	\$20–80

Voice recordings	\$0.05–0.50/minute	\$10–20
Total Contributions		\$50–200/year

Higher rewards for unique, high-quality data. Premium multipliers for specialized datasets (medical, automotive, rare languages).

3.3 Method 3: AI Labeling Tasks

Task Type	Per-Task Reward	Hourly Rate
Image classification	\$0.01–0.05	\$3–8/hr
Object bounding boxes	\$0.02–0.10	\$5–12/hr
Audio transcription	\$0.02–0.08/min	\$6–15/hr
RLHF ranking	\$0.05–0.15	\$8–20/hr

Total Labeling Potential: \$200–2,000/year (effort-dependent)

3.4 Method 4: Staking & Governance

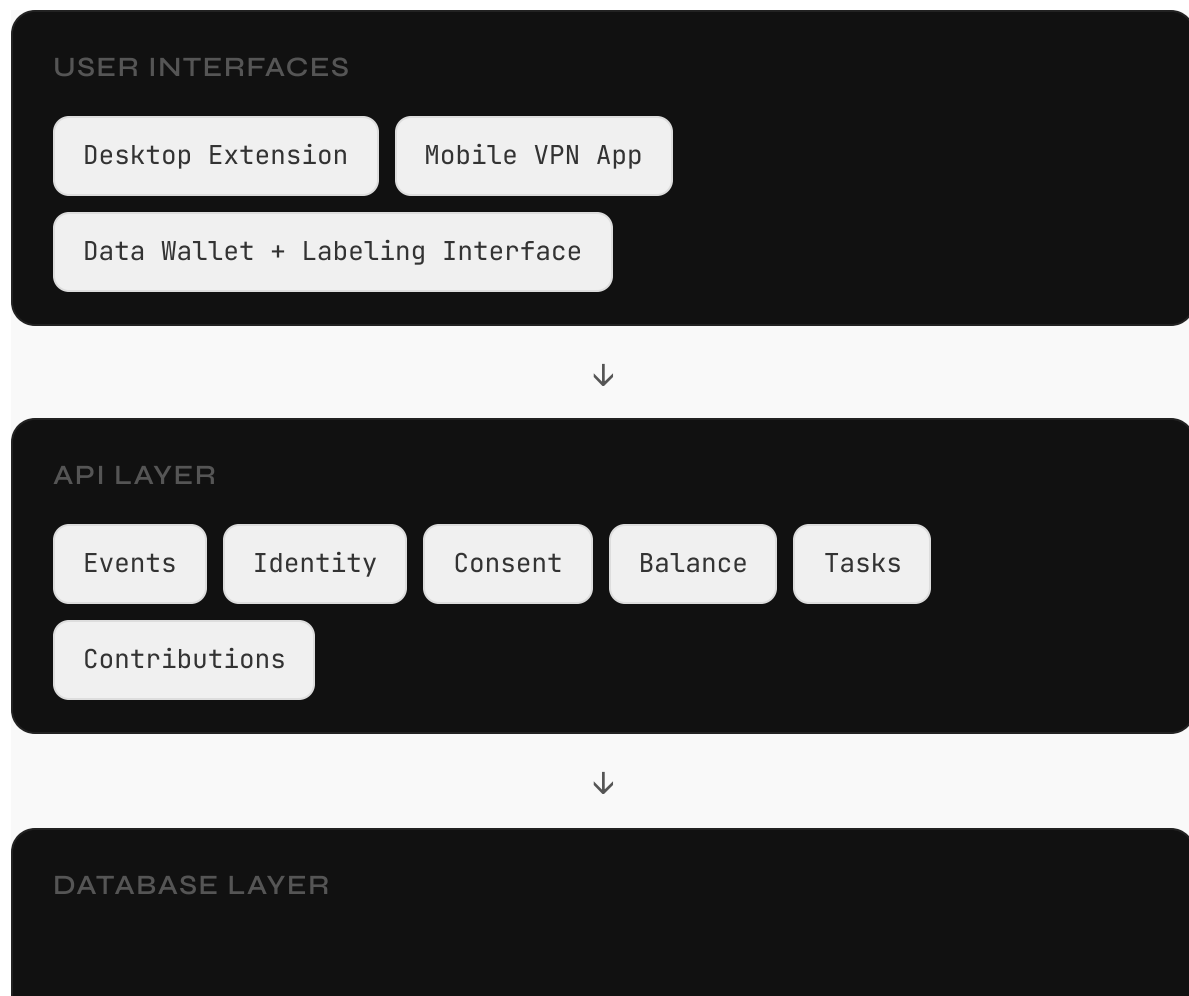
Parameter	Value
Minimum Stake	1 PRIV
Lock Duration	7 days (default)
APY Range	Up to 15% (quarterly burndown)
Rewards Source	50% of protocol fees

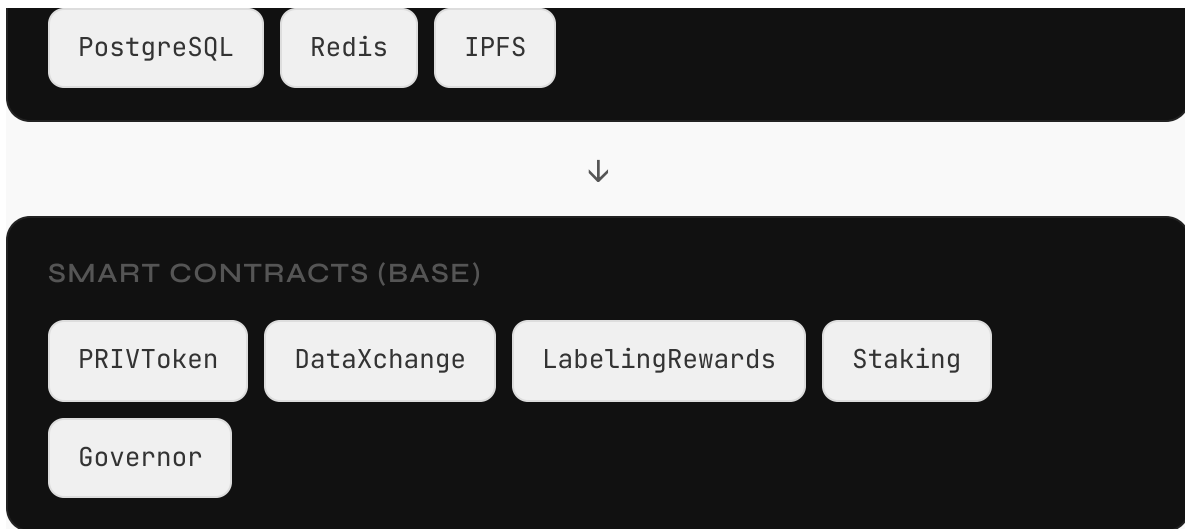
Staking Benefits

- Earn passive yield from protocol activity
- Vote on governance proposals (via ERC20Votes)
- Participate in data quality validation
- Higher reputation unlocks premium labeling tasks

4. Technical Architecture

4.1 System Overview





4.2 Smart Contracts

Contract	Purpose	Security Features
PRIVToken.sol	ERC-20 + Votes + Permit + Burnable	OpenZeppelin v5, Ownable2Step
PRIVStaking.sol	Staking with rewards distribution	Reentrancy guard, first depositor protection
DataXchange.sol	Data marketplace with escrow	Time-locked price updates (1hr), pausable
LabelingRewards.sol	Task completion + quality consensus	Stake freeze on slash, 24hr dispute period
FeeManager.sol	Protocol fee distribution	50/50 burn/stake split, access controlled
PRIVGovernor.sol	DAO governance	2-day timelock, 4% quorum

All contracts use OpenZeppelin v5 security standards with reentrancy protection, access controls, and pausability.

Smart contracts submitted for third-party audit — report expected prior to TGE.

4.3 Privacy Architecture

- **On-Device Processing:** Sensitive analysis performed locally
- **Encryption:** AES-256 at rest, user holds keys
- **Anonymization:** IP hashing, PII never on-chain

5. Token Economics

5.1 Token Overview

Parameter	Value
Name	PRIV Protocol
Symbol	PRIV
Network	Base (Ethereum L2)
Initial Supply	100,000,000 (100M)
Maximum Supply	1,000,000,000 (1B)
Standard	ERC20 + Votes + Permit + Burnable
Deflationary	Yes (50% of protocol fees burned)

At presale starting price of \$0.02, fully diluted valuation = **\$20,000,000**.

5.2 Token Allocation

Category	Amount	%	TGE	Cliff	Vesting
Founder	30M	30%	10% (3M)	6 mo	24-month linear
Presale	15M	15%	20% (3M)	None	6-month linear vesting (80%)
Ecosystem Rewards	25M	25%	0%	None	Minted as protocol grows
Treasury	13M	13%	50% (6.5M)	None	DAO-controlled
Liquidity	10M	10%	100%	None	DEX/CEX deployment

TGE Circulating Supply: ~22,700,000 PRIV (22.7%)

Note: Maximum supply of 1B allows for future ecosystem reward minting. All future minting requires DAO governance approval.

5.3 Token Utility

1. **DataXchange Purchases** — All data transactions require PRIV
2. **Labeling Task Funding** — Enterprises pay in PRIV
3. **Premium Access** — Stake PRIV for enhanced features
4. **Fee Payment** — Protocol fees paid in PRIV
5. **Governance** — Vote on protocol parameters via ERC20Votes

5.4 Fee Distribution

Marketplace	Protocol Fee	Seller Receives
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DataXchange (behavioral)	3%	97%
Ad Network	3%	97%
Data Wallet (media)	3%	97%

Deflationary Mechanics

Allocation	Percentage	Purpose
Burned	50%	Permanent supply reduction
Staking Rewards	50%	Distributed to PRIV stakers

This creates sustainable yield for stakers while making PRIV deflationary over time.

Staking yield derives exclusively from real B2B protocol fees — not inflationary token emissions.

5.5 Founder Allocation Justification

The 30% founder allocation with **10% TGE unlock** reflects:

- 1. Complete Protocol Development:** Solo founder built 12+ smart contracts, full-stack web application, Chrome extension, mobile app, and published SDKs over 18+ months
- 2. No External Funding:** Development funded entirely without VC investment or salary
- 3. Industry Standard:** Comparable to Uniswap (21.5%), Compound (26%), Aave (30%), The Graph (23%)

4. **On-Chain Vesting:** 90% of founder tokens locked in transparent, immutable vesting contracts
5. **Aligned Incentives:** 6-month cliff + 30-month linear vesting ensures long-term commitment while enabling founder to sustain operations

The 10% TGE (30M tokens) enables the founder to fund initial team hiring and operations without relying on external investors.

6. Data Marketplace

6.1 Data Categories

Category	Typical Buyers
Behavioral Analytics	Ad networks, publishers
Web3 Activity	Protocols, exchanges
Shopping Intent	E-commerce, brands
AI Training Sets	AI companies

7. AI Labeling Marketplace

7.1 Vision: Decentralized Scale AI

- **50-70% cost reduction** vs. traditional providers
- **Global workforce** with 24/7 availability
- **Quality guarantees** via staking and consensus

7.2 Quality Assurance System

1. **Gold Standards:** 5–10% of tasks are test questions
2. **Consensus:** 3–5 labelers must agree (80%+ threshold)
3. **Staking:** Poor quality results in stake slashing

7.3 Reputation System

Level	Requirements	Benefits
Novice	Complete onboarding	Basic tasks
Apprentice	100+ tasks, 90%+ accuracy	10% bonus
Expert	500+ tasks, 95%+ accuracy	20% bonus
Master	2000+ tasks, 98%+ accuracy	30% bonus + task creation

8. Privacy & Compliance

8.1 Regulatory Framework

- **GDPR** (European Union)
- **CCPA/CPRA** (California)
- **MiCA** (EU crypto regulation)

8.2 Data Protection Principles

- Explicit consent for all data collection
- Separate consent for each data type

- Right to access, rectify, erase, and port data
- Anonymization by default

8.3 Token Classification

PRIV is designed as a **utility token**:

- Functional from day one
- Not marketed as investment
- Decentralized governance
- No profit-sharing

9. Roadmap

Live at Launch

Every product below ships on day one of presale:

- PRIV token deployed on Base (ERC-20 + Votes + Permit + Burnable)
- Browser extension for desktop data capture
- 20 audited smart contracts (Token, Staking, DataXchange, Governor, FeeManager, BountyEscrow, and more)
- DataXchange data marketplace with escrow
- AI labeling marketplace with reputation and consensus
- B2B Compliance SDK
- Referral and community growth mechanics

Phase 1: Live at Launch – Q1 2026

- PRIV token launch on Base
- Browser extension for desktop data capture
- Core smart contracts deployed (20 contracts, 992 tests)
- DataXchange data marketplace with escrow
- AI labeling marketplace with reputation system
- Referral and community growth mechanics active at launch

Phase 2: Growth – Q3 2026

- First CEX listing
- Staking rewards activated
- 100K users target

Phase 3: Mobile – Q4 2026

- Mobile VPN app for iOS and Android
- Mobile browsing and app usage data capture

Phase 4: Decentralization – 2027

- Full DAO governance transition
- Tier 1 CEX listings
- Reputation system scale

10. Governance

10.1 Progressive Decentralization

1. **Phase 1:** Core team maintains upgrade authority
2. **Phase 2:** Community proposals + voting enabled
3. **Phase 3:** Full decentralization, team becomes one voice

10.2 Governance Parameters

Parameter	Value
Proposal Threshold	100,000 PRIV
Quorum	4% of total supply
Voting Delay	1 day
Voting Period	7 days
Timelock Delay	2 days

All governance changes must pass through the timelock, ensuring transparency and allowing users to exit if they disagree with approved proposals.

Conclusion

PRIV Protocol addresses the fundamental failures of previous data ownership attempts:

1. **Multi-platform:** Desktop + Mobile captures all traffic
2. **Multi-modal:** Passive + Active + Labeling
3. **Sustainable tokenomics:** B2B demand + staking + burns
4. **Quality guarantees:** Reputation + consensus + staking

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