



INFORMATION TRUST EXCHANGE GOVERNING ASSOCIATION

MEMBER SERVICES AGREEMENT

Ver. 1.0 / Oct. 30, 2016

1.0 PREAMBLE

Definitions:

A "person" or "member" means an individual, a corporation, a limited-liability company, joint venture, estate, trust or unincorporated organization or any government, or any agency or political subdivision therefore. A "member" encompasses such member's affiliates and its and their controlling persons, directors, officers, employees, agents and advisors.

Parties:

This Agreement is by and between the Information Trust Exchange Governing Association (hereinafter, "ITEGA"), a California not-for-profit, public-benefit corporation, and the Member (hereinafter, "Member") whose name is given below and at Appendix A.

Member: _____

Whereas, ITEGA and the Member wish to:

- 1.1 Establish rules for the competitive exchange of both content and users' identity information.
- 1.2 Establish conditions for a trustworthy, transparent digital information marketplace governed by a non-governmental, public-benefit entity.
- 1.3 Agree upon technical architecture, certain business rules, protocols and interfaces, a Member Identification (MemberID) for the management of user identity, privacy and information commerce on the Internet
- 1.4 Describe key roles of the ITEGA.
- 1.5 Establish classes of ITEGA membership
- 1.6 Define the right and responsibilities for each Member class
- 1.7 Bind ITEGA and the Member to this Agreement

In order to facilitate one or more of the following:

- 1.8 Trustworthy transfer of user and transactional data across the public TCP/IP network (Internet) among and between (a) diverse point-of-service (POS) devices, such as laptops, smartphones and tablets and (b) ITEGA Members, including content providers (CP) and end-user service providers (USP).
- 1.9 A set of transparent, shared rules and technology for sharing the handling of user identity, privacy and value exchange, whether payment for content or rewards for viewing commercial messages.
- 1.10 Defining governance structure, including membership rights and responsibilities
- 1.11 Collaboration around research and testing of key technologies
- 1.12 Establishment of privacy, trust and identity standards
- 1.13 Enforce rules regarding the sharing of user data and content and the licensing of their use
- 1.14 Facilitate Internet-wide subscriptions and usage or viewing payments
- 1.15 Broaden “deep web” access
- 1.16 Enable consumer choice for commerce and privacy
- 1.17 A network-wide content subscription

2.0 CONSTITUENT GOALS

The ITEGA and the Member agree on the desirability of the following:

- 2.1 The public interest is best served by establishing a structure for trusted, accountable facilitation of Internet identity and privacy which is transparent and open, but not ultimately controlled by nations, states or private-stakeholder interests.
- 2.2 All constituencies with the ITEGA membership and operating environment should be free to maintain relationships and operate existing or future services independent or in competition with ITEGA-sanctioned services.
- 2.3 In order to collect and manage Personal Identifying Information about a public user, the Member must take on the role and responsibility of an Identity Service Provider (IdSP).
- 2.4 An advertiser should be able to precisely reach relevant consumers with a personal message, and should be able to reward the user service provider – and even the user directly – for the privilege of delivering the message – without being able to target a specific, known individual.
- 2.5 A consumer user might want to manage and control elements of their personal identity, and have one account, one ID and one bill with which to use content or access services from multiple, otherwise independent sources.
- 2.6 A content provider should be able to establish and vary pricing for discrete information objects in real time based on the user’s identity, relationships and use.
- 2.7 A service provider should be able to make money by purchasing content at lower wholesale prices and reselling it at higher retailer prices to its users, managing the spread as a business exercise.

3.0 MEMBER DESIGNATIONS

- 3.1 Notwithstanding the use of the term “Member” in this Agreement, and pursuant to Article XIII of the Bylaws of ITEGA as of the date of this Agreement, the term “Member” is not intended to imply, nor does it confer any rights or refer to “Member” as defined in the California Nonprofit Corporation Law (“CNPBCL”) unless or until Article XIII is

amended to define “Member” under CNPBCL.

- 3.2 Whether under current or future language in Article XIII, a person or entity shall not be designated or referred to as a “member” until their status has been affirmed by a vote of the Board of Directors following an application process which may be established by the Board and upon payment of such dues, interchange fees, other fees, charges or other member assessments, contributions and/or fees (collectively and hereinafter, “Fees”) as the Board may require.
- 3.3 There shall also be such additional classes of members, with such designations, characteristics, qualifications, rights and limitations, as the Board of Directors may from time to time, by resolution, determine.
- 3.4 ITEGA and the Member hereby agree upon the following designations of ITEGA non-statutory membership.
 - 3.4.1. **FOUNDING MEMBERS** – Entities or individuals who provide or have provided grants, loans or other forms of significant in-kind support to ITEGA recognized by representation on the ITEGA Board of Directors during 2017.
 - 3.4.2. **PUBLISHING MEMBERS (PubMbr)** -- Content originators, publishers or rights owners whose interests or business consists in substantial part of the creation or offering of original works of journalism or news; trade news; medical, science or technology information; books, arts, literature, music or entertainment; all in whatever form; and who exchange digital content among and between Members; and who endeavor to pay “Fees” at any time by the IETGA Board of Directors; such Fees being sufficient predominantly to support the services of ITEGA after revenue from ServiceMbrs and IdSPs, plus reserves for research, development and contingencies.
 - 3.4.3. **IDENTITY SERVICE PROVIDER MEMBERS (IdSP)** – Entities which maintain account relationships with public users, assisting them with management of their User Data – its storage, use and sharing, and whose public users are technically capable of and permitted to participate in an Internet-enabled, shared-user network or networks sanctioned by the ITEGA. An IdSP endeavors to pay Fees set from time to time or at any time by the IETGA Board of Directors; such Fees being sufficient only to support the services of ITEGA after revenue from ServiceMbrs and PubMbrs -- plus reserves for research, development and contingencies.
 - 3.4.4. **TECHNOLOGY SERVICE MEMBERS (ServiceMbr)** -- Technical and financial service providers who operate ITEGA-sanction services requiring a global exchange identification and who pay under contract certain Fees to ITEGA. Their services generally support or enable public networks and forms of participatory democracy. Examples include, but are not limited to:
 - 3.4.4.1. Profile Usage Agents
 - 3.4.4.2. Data Aggregators
 - 3.4.4.3. Demographic Aggregators
 - 3.4.4.4. Authentication and Logging Service Providers

3.4.4.5. Debit/credit Settlement Service Providers

- 3.4.5. Performing such services as: real-time authentication or authorization of users; logging or aggregation of events, resource access or views; serving advertisements, sponsored or other digital content; settlement of exchange debits and credits among and between Members; collecting, anonymizing, aggregating or sharing of user data; or other similar services.
- 3.4.6. PARTICIPATING MEMBERS – Any government, public, charitable, trade, educational or business organization which has a substantial interest or participation in the mission and affairs of the ITEGA and is not appropriately designated as one of the members noted above.
- 3.4.7. SUPPORTING MEMBERS – Any individual person not otherwise encompassed by the descriptions given above who wishes to support through financial contribution the charitable and public mission and operations of the ITEGA. It is understood and agreed that, by this Agreement, ITEGA agrees it will not now or at any time providing any rights to Supporting Members to elect directors nor any other Member rights under the California Nonprofit Corporation Law.

4.0 GLOBAL IDENTIFIER

With the execution of this Agreement the continued performance of its obligations hereunder, the Member is granted a globally unique Member Identifier (MemberID), including sub-identifiers as necessary for affiliated services under the Member's control, as scheduled in Appendix A. The MemberID shall uniquely and solely facilitate the authentication and connection to ITEGA-sanctioned services by the Member. It is agreed that the MemberID shall at all times be the property of ITEGA. Further, ITEGA may withdraw, suspend, cancel or otherwise disable it from use as permitted by the terms of this Agreement, or for other good cause and with reasonable notice. The Member hereby agrees that during a period when the MemberID has been withdrawn, suspended, canceled or disabled it shall not seek to use ITEGA-sanctioned services for any purpose. In the event of administrative, governance, ITEGA Board of Directors or court action which results in restoration of the MemberID's function, the Member hereby agrees not to seek, in any tort or other action, to recover financial or any other losses from ITEGA, including business-interruption losses incurred during the loss of MemberID function.

5.0 SERVICE ELEMENTS

The Parties agree to act in good faith to facilitate and enable Services, which may include one or more of the following elements:

- 5.1 PubMbrs and IdSPs sanction by the ITEGA receive reports of all clicks or views (that involve value exchange) for the purpose of reporting, aggregating and settling value. However, only a public user's IdSP can associate records with a unique user and only a user they have registered.

- 5.2** Every click/view among ITEGA member organizations that involves an exchange of value (a payment for an article or a reward for viewing or doing something) is automatically submitted to an authentication and logging service, which is seen by the system participants as a "central shared service" although in network practice it may be distributed and hierarchial as with the Internet Domain Name Service.
- 5.3** The logging service knows the user only by a unique alphanumeric identifier supplied by the user's "home base" at the start of that particular session. ITEGA shall maintain rules which forbid a ServiceMbr to sell or provide clickstream data to any third party without the written authorization of the IdSP of the public end-user who's records are involved. ITEGA will develop and maintain rules for such data exchanges assuring that they occur only upon whatever consent from the public end-user may be required by law, regulation or ITEGA rules. By this Agreement, the Member agrees that it shall be obligated to follow and enforce relevant ITEGA rules adopted now or in the future.
- 5.4** Privacy assurance services may from time to time or any time be specified,, created or facilitated by the ITEGA to define, manage and control the accountable use and ownership of Personal Identifying Information (PII). [The OECD Privacy Principles](#) are hereby referenced as a non-binding example. By this Agreement, the Member agrees that it shall be obligated to follow and enforce relevant ITEGA privacy rules adopted now or in the future.

6.0 General operating features

In order to avoid ambiguity about the services which ITEGA-sanctioned members are expected to provide, support or use, the following are provided as a representative, but not necessarily inclusive, list of some of the services with ITEGA expects and intends to sanction.

- 6.1.** LOGGING -- Every click or view among or between ITEGA members that involves an exchange of value (a payment for an article or a reward for viewing or doing something) is logged to an ITEGA-sanctioned authentication and logging service, which is seen by the system participants as a "central shared service" although in network practice it may be distributed and hierarchical as with DNS.
- 6.2.** PRIVACY -- The logging service knows the user only by a unique alphanumeric identifier supplied by the user's IdSP "home base" at the start of that particular session. As a matter of policy, logging services shall not sell or provide raw clickstream data to ANYONE other than in anonymized and aggregated formats, and provides it only to the user's home service provider for their purposes (and for audit purposes to the publishing content provider if requested). The identifier -- to anyone other than the home base itself -- reveals nothing more than the identity of the user's home base.
- 6.3.** CHOICE -- There may be a plurality of home-base account managers in the service (as there are thousands of home bases in Shibolet/Internet2), providing end users a high degree of choice regarding business terms, especially as to identity and privacy.
- 6.4.** SETTLEMENT -- At settlement time, the settlement service bundles all the click or event records -- sorted by IdSP home-base of the users on the one hand and by the vending PubMbr on the other hand -- and determines an aggregate debit or credit to charge the home base and an aggregated credit or debit to charge the publishers (note that a

"publisher" could be a brand which is paying for a user to view a commercial message). This all is done periodically -- daily, weekly, monthly -- probably weekly in prototype -- across the bank ACH network.

- 6.5. DATA USE – IdSP -- The IdSP home base gets these bundled log reports and is free to sort them or use them as they wish (subject to their terms of service with the end user as to usage and privacy protection or not); in some cases there may be a discrete charge or payment to the end user for a particular access; in the vast majority of cases, one supposes, the IdSP home base will use the click-stream reports for demographic, marketing and business-model analysis but the end user will merely be paying a monthly subscription for some class of service.
- 6.6. DATE USE – PubMbr -- The PubMbr (or information service provider), also gets bundled log reports of total usage so they can audit their payment or receipts, and the only sorting they are capable of doing is by the source of the end-user (i.e., their service-provider ID). Conceivably they might have methods to associate these anonymized usage reports to specific users, but the ITE will make rules governing this practice and the Member agrees to abide by such rules and sanctions sanctions.

7.0 BUSINESS ELEMENTS

The parties agree that it is their mutual intention to permit and facilitate any one or more of the following business elements among and between ITEGA members and services sanctioned by ITEGA endeavor to do so:

7.1 Revenue Streams – Consumer direct

- 7.1.1 The system endeavors to enable a plurality of subscription packages with pricing as in a free market for digital information – managed by the IdSP who holds the end-user's account, and also managed by the PubMbr who wants pricing control over their content.
- 7.1.2 At settlement time, TechMbrs operating settlement services bundle all the records of clicks, views or events -- sorted by IdSP of the users on the one hand and by the vending PubMbr on the other hand -- and determines an aggregate debit or credit to charge the home base and an aggregated credit or debit to charge the publishers (note that a "publisher" could be a brand which is paying for a user to view a commercial message). This all is done periodically -- daily, weekly, monthly -- probably weekly in prototype -- across an existing commercial transaction network such as the bank ACH network.
- 7.1.3 The IdSP gets these bundled log reports and is free to sort them or use them as they wish (subject to their terms of service with the end user, as to usage and privacy protection or not); in some cases there may be a discrete charge or payment to the end user for a particular access; the home base IdSP may use the click-stream reports for demographic, marketing and business-model analysis. The end user might be merely be paying a monthly subscription for some class of service.

- 7.1.4 The PubMbr also gets bundled log reports of total usage so they can audit their payment or receipts, and the only sorting they are capable of doing is by the source of the end-user (i.e., their IdSP's global ID). Conceivably they might have methods to associate these anonymized usage reports to specific users, but the ITE would be in the business of making business rules governing this practice and the rules would be enforceable by anything up to sanction of disabling the MemberID of an IdSP or PubMbr.
- 7.1.5 The systems endeavors to create a platform for affiliates to respond in a customized, personalized way to information requests, because it makes it possible for the user to offer their preference information when making an information request.
- 7.1.6 For PubMbrs, the system endeavors to create the possibility of subscription networks through background "microaccounting" for cross-site exchanges of value and payment.
- 7.1.7 The ITEGA-sanction infrastructure of one or more TechMbrs takes care of all the accounting needed to get the payment from the consumer to the original content owner (or the payment from the advertiser to the end-user's service provider) with all of the intermediaries along the way getting their pre-agreed-to cut.

7.2 Advertising / "advisortising"

Advertisers, their agencies and exchanges can deprecate their use of so-called "third-party cookies" and pixel matching, relying upon the ITEGA ecosystem to provide trustworthy information about the interests of cohorts of public users, reducing the need to see or process records which might tend to uniquely identify individuals or their habits or interests.

7.3 Content wholesale-retail exchange

Establish a process for wholesale and retail pricing. The content "retailer" – a public user's preferred IdSP – is responsible for billing or subscribing the public user. The IdSP is then responsible for the content usage by their subscribers from vending PubMbrs (the wholesaler). Then, they go pay the originating publisher – the content "wholesaler" – for the items you purchased -- to make up your personalized information bundles.

7.4 Privacy/demographics/identity/personalization

- 7.4.1 If a PubMbr chooses to also operate as an IdSP, then they get access to all of the activity of their OWN users across the network, giving them, in effect, "First Party" data for those people they have account relationships with.
- 7.4.2 The parties agree that ITEGA protocols and business rules may define, use/ownership/custodianship of personally-identifiable information (PII), and methods for exchanging value related to the use of PII. The Member agrees that ITEGA may establish and enforce business rules and implement protocols which define and enable the right of a public user to control the collection and use of PII about them.

- 7.4.3 The system endeavors to enable multiple ways to create personalization of content preferences and user attributes including a mixing and matching between inferred and expressed interests and preferences.
- 7.4.4 The system endeavors to enable the transfer of personalization information across multiple services as much or as little as the public end user has authorized by an affirmative “op-in” process.

7.5 Content support

- 7.5.1. Enable Internet users to access, share, sell or buy paid content from multiple sources by means of a secure account with a single ID, password, account and bill.
- 7.5.2. Create a news social network that operates through news and information content web sites at all levels from local to international.
- 7.5.3. Create a means to deliver contextually-relevant content recommendations to network members.
- 7.5.4. Provide easy, low-cost, copyright-respecting access to “Deep Web” and other content stored behind pay, registration, membership and once-proprietary barriers.
- 7.5.5. Enable the delivery of precisely-targeted advertising and other commercial content relevant to a reader’s expressly shared demographic profile, social networking connections, ad content preferences and browsing history.
- 7.5.6. Enable a system allowing site users to earn cash or rewards for engaging in a variety of potential interactions with commercial entities.
- 7.5.7. The end user becomes a subscriber to an individual exchange member’s news service and from then on the consumer can access any content in the exchange’s repository or on the servers of other exchange-member content providers.

8.0 CERTAIN MEMBERSHIP PROVISIONS

From time to time or at any time the Board of Directors may establish terms and classes of Membership in the ITEGA consistent with the California Nonprofit Public Benefit Corporation Law by amendment to Article XIII of the Bylaws, or by other lawful process. Unless or until such action, the following applies to any party designated as a “member” of the ITEGA:

- 8.1. Any individual or entity may apply to be designated a member of the Information Trust Exchange Governing Association (ITEGA) upon (a) payment of annual dues and any other Fees established by the Board of Directors and (b) approval of their membership application by the Board of Directors. Membership may be withheld or revoked by the board in its sole discretion for any lawful reason.

- 8.2. Voting Members, if and when there are any authorized by the Bylaws, shall be entitled to attend and vote at any Annual or Special meeting called either by the Board of Directors or by petition to the ITEGA secretary of at least one-third of the membership.
- 8.3. The names, membership class, nation of domicile, citizenship and mailing addresses of each and all members shall be available to all members for appropriate use in the exercise of their rights as Members. The ITE shall at least annually archive to the public the names and domicile nations of all Members and their member classes, if any, along with aggregate information about the change in size and composition of each class, if any.
- 8.4. Until Jan. 1, 2018, initiation of or changes in dues and or Fees and any changes in the privileges and benefits of membership shall be approved by a two-thirds vote of directors then voting at a duly called meeting.
- 8.5. After Dec. 31, 2017, if the ITEGA has any Voting Members, then changes in dues, Fees and any changes in the privileges and benefits of membership shall be approved by a two-thirds vote of Voting Members then voting at an annual or special meeting called with at least 90 days public notice by mail or otherwise.
- 8.6. No entity shall be admitted to or removed from any class or description of membership in the ITEGA, nor any global MemberID withdrawn, suspended, canceled or disabled other than by a two-thirds vote of the ITEGA Board of Directors voting at a duly called board meeting.

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9.0 FOUNGING MEMBERS

Persuant to this language, or language in the Bylaws, which shall supercede, the Board of Directors may designate not more than six Founding Members on or before May 1, 2017 and at the first Annual Meeting held thereafter, each of which Founding Member may nominate one candidate for election to the Board of Directors at the next Annual Meeting, to then serve until the next Annual Meeting (in 2018), when they may be reappointed by a vote of the Board of Directors, or alternately by Voting Members of the ITEGA, if there are any. The Board of Directors shall only designate Founding Members who are entities or individuals who provide or have provided substantial grants, loans or other forms of significant in-kind support to ITEGA and who have demonstrated particular financial, operational or strategic support for the ITEGA's Mission and Core Values as contained in ITEGA's Bylaws and Articles of Incorporation.

10.0 VOTING MEMBERS

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11.0 DUES

11.1 Member hereby agrees to pay Fees (as defined in Paragraph 3.2 above) as in effect and revised from time to time or at any time by the Board of Directors. Member acknowledges that the Membership Contribution Policy as of the date of this Agreement, which is subject to change from time to time by the Board of Directors, is set forth in Appendix B to this Agreement.

11.2 Such Fees are payable upon admission to membership by a Board of Directors vote and shall be considered in arrears commencing thirty (3) days after due and billed. A member who resigns or renounces membership shall not be entitled to a refund of any Fees except Fees prepaid for specific services. Membership shall be suspended or terminated, without specific action of the Board, if a member does not pay Fees when due.

11.0 TRADEMARKS USE

11.1 Member hereby grants ITEGA permission to use its name and trademarks publicly in connection with the routine business activities of the ITEGA (e.g., including the Member's name and/or logo on the ITEGA website) provided that (a) ITEGA will cease any and all such use upon the Member's written request and (b) ITEGA will obtain the Member's prior written consent prior to the use of Member's name or trademarks in any press release, broader marketing communications or use on any non-ITEGA owned website or location.

11.2 Member hereby acknowledges that ITEGA is the sole and exclusive owner of all right, title and interest in the InfoTrust.org domain registration, and any InfoTrust or ITEGA logos, branding, tags or indicia, designs and materials. ITEGA grants to the Member permission to use its name and trademarks publicly

in connection with its routine business activities involving the ITEGA or ITEGA-sanctioned services provided that (a) Member will cease any and all such use upon ITEGA's written request and (b) the Member will obtain ITEGA's prior written consent prior to use of the ITEGA name or trademarks in any press release, broader marketing communications or use on any non-Member owned website or location. Member agrees to indemnify ITEGA from and against any and claims relating to or arising from Member's misuse of such ITEGA properties.

12.0 EXCHANGE RULES

Member hereby agrees that it has been provided with a copy of current Exchange Rules of the Information Trust Exchange Governing Association and that it will abide by such rules.

13.0 OPERATING COMPANY

- 13.1 At the discretion of its board, and in order to further the development and operation of ITEGA-sanctioned services, the Information Trust Exchange Governing Association may cause to be formed, or may acquire ownership in an Operating Company ("Operating Inc.") Operating Inc. may be a regular C-corp, or Certified Benefit Corporation under Delaware or other law, with a mission similar to the Mission and Core Values of ITEGA.
- 13.2 LIMITED PROFIT -- Any goal of profit maximization shall be treated as subsidiary and subservient to the Mission and Core Values once initial principal capital necessary to build the service has been returned to any investors. Operating Inc. may achieve this, among other means, by facilitating through ownership, operation or licensing an Internet shared-user network for individual-centric demographic management and exchange of information value.
- 13.3 STOCK CLASSES -- Operating Inc., if formed or acquired, shall have only two classes of stock as follows:
- 13.3.1 VOTING -- One-hundred percent of the Class A voting stock shall at all times be held by the Information Trust Exchange Governing Association and be controlled by vote of the ITEGA's Board of Directors.
- 13.3.2 NON-VOTING -- Class B stock shall have at least all of the rights, privileges and obligations of the Class A stock, except that it shall have no voting rights for any purpose except dissolution or sale of substantially all assets, and only if such right is required by law.
- 13.4 CONTROL -- The Class A voting shares authorized or issued shall at all times exceed 34% of the total shares outstanding. The sale or dissolution of Operating Inc., or a change in its bylaws, shall by law, regulation or bylaw require a vote of two thirds of all shares required to be voted, or at least 100% of the Class A shares, whichever is greater.

- 13.5 **DIVIDENDS** -- The Board of Directors of Operating Inc. may in its discretion agree to provide preferential dividend rights to Class B shareholders, subject to approval of Class A shareholders, and likewise may provide to bond or to debtholders rights of conversion to Class B stock, so long as the total of all such rights outstanding would not cause to be exceeded, if exercised, the requirements of the paragraph above, entitled, "Class A exceeds one third."
- 13.6 **POWERS** -- Operating Inc. shall be organized with all of the customary powers of a U.S. domestic stock corporation. It will be constituted such that it can:
- 13.6.1 Sell Class B stock to one or more individuals or entities who have been appropriately advised of the special values and purpose of Operating Inc. and their non-voting status.
 - 13.6.2 Accept loans from individuals or other entities, including foundations with specific program-related requirements for investment who have been appropriately advised of the special values and purposes Operating Inc.
 - 13.6.3 Invested capital or loans will be used to fund the technical and other startup costs of the Operating Inc. services, which services shall be owned or controlled by Operating Inc., either directly or through exclusive license.

APPENDIX A

INFORMATION TRUST EXCHANGE GOVERNING ASSOCIATION

Member Data Sheet

Member Type:	
Member name:	
(Corp. name, if different):	
Designated representative:	
Title:	
Business Address Line 1:	
Business Address Line 2:	
Business Address Line 3:	
City / State / Code	
Nation	
Telephone:	
Fax:	
URL:	
MemberID Assigned:	
Date of Assignment:	
Services Covered: (use additional sheets as needed)	

APPENDIX B