

Agloco Viewbar Member Distribution / Payout / Payment (Oct Update II)

13th October 2007

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First – for those of you who have given some thoughtful ideas, questions and opinions on our posts during the last two weeks – thank you.

At this point, we would like to give some feedback on some of the ideas and thoughts given.

Is the payment plan posted last month a permanent plan? No – as noted in a comment we made this is a plan we wanted to implement now to show Members that even though AGLOCO is currently losing money the hours they are putting in now would be compensated. Our website states that we will make no distributions until profitable. We could have considered a plan that the June, July, and August hours would be paid zero since no profits were forthcoming. We felt that would be an unfair plan to those Members who were supporting AGLOCO in its startup period. That is the purpose of this initial plan.

Can the payments be sped up? Of course they could – although the idea we were considering was making additional ‘bonus’ payments to the early hours (June, July, August, etc 2007 hours) when and if additional funds became available.

Should AGLOCO borrow money to pay Members? We believe this would be a critical error for AGLOCO. Giving out money that it was not earning was the downfall of AllAdvantage and we believe that spending only what AGLOCO makes is the best course for long term stability.

Why have tradable hours? A number of Members have asked about doing this and we looked into it. It seemed like a possible good solution for those Members who had joined now, but were not wanting to wait for AGLOCO to mature to reap some benefits. Getting ownership to Members will be a costly process which would done on a country by country basis. We had hoped to be over 10,000,000 AGLOCO Members at this point to help spread those costs. At a bit over one million Members, AGLOCO is not yet big enough to justify the costs (instead of Member distributions we would have lawyers’ bills.)

By having hours that have a potential residual income stream plus potential quarterly or annual bonus distributions coming in, we felt that these hours would have tradable value today which Members wanting to sell could realize. In this way Members wanting cash now could get it and Members wanting more of AGLOCO’s future could also get it. That is how the tradability of hours relates to the bonus payments and residual payments in this initial distribution plan.

Tradable hours versus ownership? It is not possible to have the AGLOCO hours (or accounts) tradable/salable and still have the potential plan for those hours being used directly in AGLOCO future ownership system (creates a potential securities law conflict). That is why we have asked for feedback on this issue as there have so many requests to make hours tradable. If hours did become salable now and we ended up not using hours in the future for ownership, we would need to develop a new method of giving the ownership of AGLOCO to Members as the Management Company is fully committed that AGLOCO Members get the economic benefits of AGLOCO (and the Management Company gets their 10%). We believe it is this division of economics that is the core of why AGLOCO is a good long term company for Members. – All of this does not mean that in a year or so that we could not use all of the hours to distribute ownership, it just severs any connection at this time. Where did the \$100,000 go in June, July and August? During those June, July and August AGLOCO’s biggest monthly costs were \$15,000 to \$20,000 in monthly server, bandwidth etc. costs – \$15,000 to \$25,000 a month for the tech team in Shanghai – and \$2,000 a month for the Member Service team in the Philippines (Plus about \$1,000 a month in other costs.) One million Members? Yes AGLOCO has over one million verified Members – with over 350,000 downloads and with over 250,000 Viewbars having been used more than the five hours credit limit Do Members have to buy things for AGLOCO to succeed? In every economic system trade must occur or it will fail. AGLOCO is no exception. Companies will not want to partner with (or advertise with) AGLOCO if it is not profitable for them. So they will measure the results of their partnering/advertising with AGLOCO and if it is not profitable they will stop. This is one of the great things about Google, Yahoo, Ask etc. Ads on their systems work. People click on some of the ads and then some of them go on to buy. This will also be true for AGLOCO. While no individual Member need be a specific buyer, as a group the AGLOCO Membership needs to be worth advertising to in order for AGLOCO to succeed. Website? We know it needs work and we know it can take only minutes. Our chief problem here is that in June we used our website editing server to help stabilize the website and we have not had time to install a new editing server. This means all edits must be done by the tech team in Shanghai and we have not wanted to break them from the more revenue generating tasks mainly integrating Ask.com. A project which is still occupying them full time. We hope to rectify this soon. Beta Viewbar? The Viewbar we are all using is an early version. We are using the beta term to signify that we have a great deal of work left to do on the Viewbar before we feel it is of production quality. It will probably be in beta for another 12 to 18 months at least. Essentially, all of AGLOCO is in Beta right now as we all learn the realities of what can be done and how to do it. 17 ad networks? Prior to the first download of the Viewbar we had an agreement with a third party to supply AGLOCO from 17 ad networks. While working with the tech team to implement this system it became apparent that the third party would not be able to deliver on their promise. We then came up with two networks to use and an ad server system that did not have targeting ability in order to launch the Viewbar. The Ask.com deal is a significant step forward on that front. Ads for the Viewbars in India? While Ask.com covers searching in India, we have had trouble interesting an ad network for Viewbar ads for our Indian

Members. A few weeks ago Tyroo and AGLOCO were unable to reach an agreement to supply ads in India. (While we are committed to working on a Win98 Viewbar, having a local Indian ad network would help move it up on the priority list for the tech team. If any Indian Member has good connections at an Indian ad network we could use a good introduction there. Use email partners@agloco.com to help make contact.) Tech questions that go unanswered? Members sometimes post technical questions. Unless this is a widespread problem we usually do not respond to these in the blog. They are best sent to Member services at help@agloco.com. Most often we can not 'fix' an individual Member's tech problem because unless it effects many Members and unless there are a couple of good data points to find out the source of the problem, it is currently too expensive for AGLOCO to try to have a tech person work on a single problem at this point. Some other tech problems which do effect multiple Members are on the correction list; like the ads in the Viewbar not rotating for all users, which is a combination browser and ad server problem. We worked hard to fix this at the server lever and did fix some of the problem (this is a third-party ad server - not ours) Since we knew we would be changing ad servers within a couple of months we decided to focus resources on the Ask.com needs instead of working more on an 'old'/existing ad server - which we do not even own. What can you do to help? While we do not have any results from Ask.com yet, we are hopeful that revenue from Ask will put AGLOCO on a stable footing, allowing both distributions and service expansion. We believe that AGLOCO's active Membership is one of AGLOCO's biggest strengths. At this point, we hope to start to take real advantage of this strength with some of the revenue from the Ask.com deal. If you are interested in getting more involved and helping to build the company we would like to know. (There were some comments in the blog about setting up a forum and having moderators for example). We are sure some AGLOCO Members could make contributions to the Viewbar, the website, revenue improvements and other operations. Use the partners@agloco.com address if you are interested. Please indicate any area of interest and any expertise you have - like software engineer. People making nonsense comments on this blog? By most standards AGLOCO has a very open blog comment policy. When we see spam comments, repetitive comments, rude comments as well as spotting comments with offensive language, we try to delete them. We probably leave too many comments on the blog, but we have felt that even though some of the negative statements are untrue or gross exaggerations - sometimes some of the positive ones are as well. For the most part we see comments as people's opinions and we try not to edit them. Downloading the Viewbar - We have commented in the past that we were having trouble with Tucows working, We have added the ability to download at CNET's Download.com Here is a link to that. <http://www.download.com/Viewbar/3000-2381-10753362.html?part=dl-Viewbar& subj=uo&tag=button> This will be changed on the website when we get to all those projects. Thanks for all of your efforts for AGLOCO. The AGLOCO Development Team