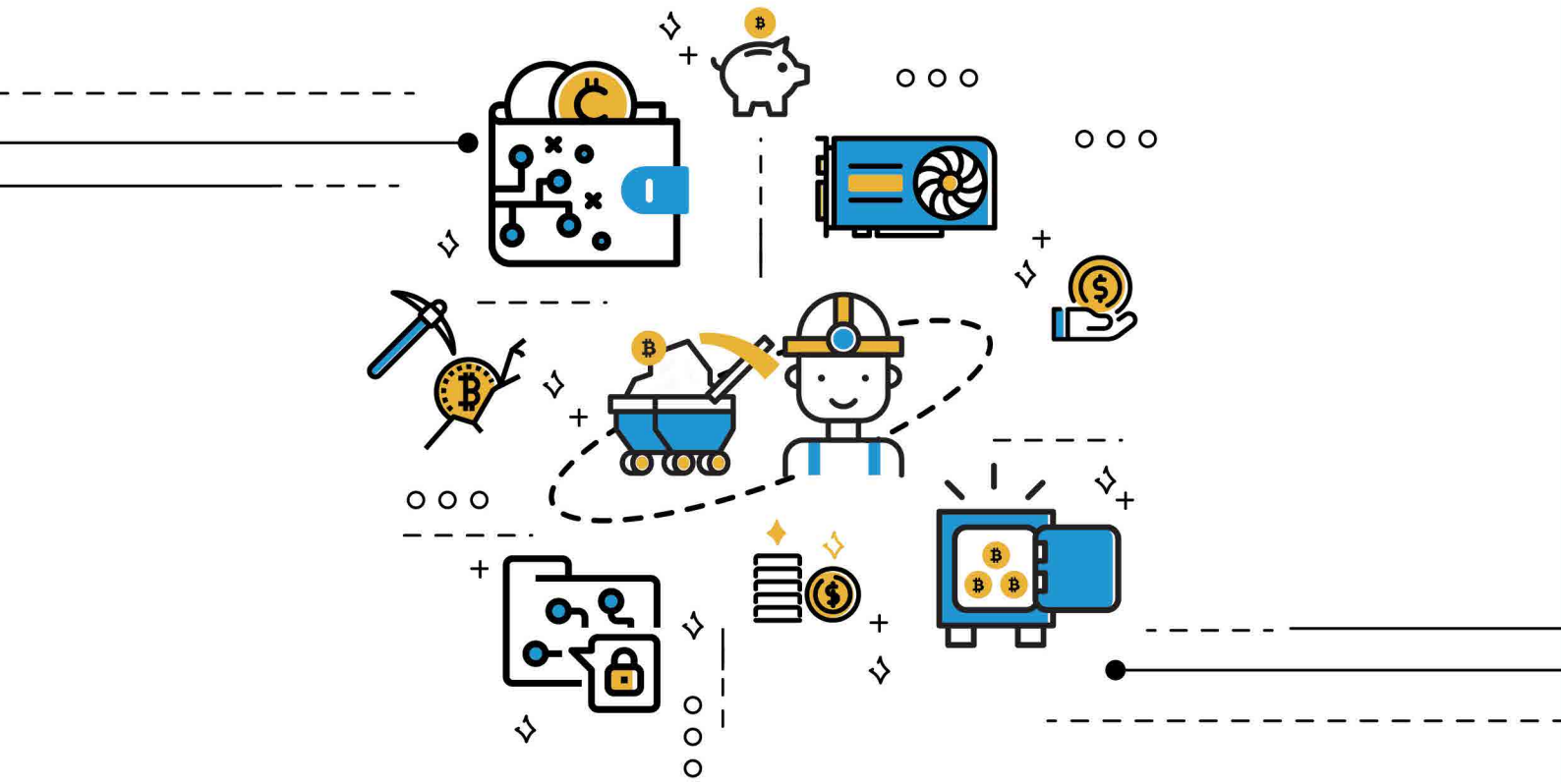
Honest Paper

Honest Token for Next-Gen Mining White Paper



HONEST MINING

Important Notice

Please read this section very carefully. If you are in doubt as to any action you should take, please consult with your legal, financial, tax or other suitable professional advisers.

This document is a technical whitepaper setting out the current and future development of the HONEST MINING platform and the HONEST TOKEN (HNST). This whitepaper is for information purposes only and is not a statement of future intent.

This whitepaper makes no warranties or representations as to the successful development or implementation of the technology or the accuracy, completeness or suitability of the information set out in this whitepaper. All warranties implied by law or otherwise is hereby disclaimed.

No person is entitled to rely on the contents of this whitepaper and all liabilities for any loss, damage of whatsoever kind which may arise from any person acting on any information and opinion contained in this whitepaper or any information which is made available in connection with any further enquiries relating to this whitepaper is hereby disclaimed. There is no obligation to amend, modify or update this whitepaper or to notify any person if any matter stated in this whitepaper changes or subsequently becomes inaccurate.

The HNST tokens will give token holders access rights to use the HONEST MINING platform, and can only be used to pay for HONEST MINING platform fees. HNST tokens will not have any other rights or functions attached to it (such as, any ownership or voting interest in HONEST MINING) and is not (nor is it intended to be) a medium of exchange accepted by the public, or a section of the public, as payment for goods or services or for the discharge of a debt.

The HONEST MINING platform and HNST tokens are not and are not intended to represent or constitute any security, collective investment scheme (or units therein), business trust (or units therein), commodity, derivatives contract or spot foreign exchange contract in any jurisdiction and in any manner. This whitepaper is not intended and does not constitute a prospectus, profile statement or offering document, and is not an offer to sell, nor the solicitation of an offer to buy an investment, a security, collective investment scheme (or units therein), business trust (or units therein), commodity, derivatives contract or spot foreign exchange contract.

Contents

Version History

Revision #	Date of Change	Revision Summary
1.0	October 9, 2018	Version 1.0 published
1.0.1	October 10, 2018	- Clarify bonus amount for Pre-ITS - Typos and design fix
1.0.2	October 16, 2018	Update investor profile
1.0.3	October 22, 2018	- Update investor profile - Design fix
1.0.4	December 12, 2018	- Update important notice & risk

Executive Summary

The world associates blockchain technology and cryptocurrencies with decentralization. Cryptocurrencies are decentralized because the technology on which it is based—the blockchain—is powered by blockchain validators which validate transactions on the distributed ledgers around the world and keep it secure. Over the years, these blockchain validators have come to be known as "blockchain miners" and "crypto miners".

While it is true that miners are making the blockchain network decentralized, there are still big barriers to entry that prevents everyone from joining: limited knowledge, limited technical skills, limited financial resources, and limited infrastructure.

All these limitations create opacity in mining. A technology that should be transparent is used by a few parties with the necessary resources to either maximize profit by monopolizing the market or to create a scam business using the hard-to-understand "crypto mining" buzzword.

We are HONEST MINING - a company with a simple mission: building trustworthy and easy crypto mining that is accessible to everyone. HONEST MINING will achieve this by looking at both the short- and long-term impact of mining.

Soon after the HONEST TOKEN is distributed, we will be launching the next generation HONEST MINING platform for cloud mining Proof-of-Stake-based cryptocurrency (PoS). The platform is a highly automated and secured staking pool with very low minimum commitment. Miners can get their rewards based on the masternode reward distribution without losing any of their collateral. HONEST TOKEN (HNST) will be used for the platform economics.

While we are making sure that the platform is stable, HONEST MINING will seek to grow the mining community even further with Project ALEXANDRIA - a mining knowledge bank powered by the community. As a long-term project, HONEST MINING understands that this is not a simple mission. There are hundreds of active blockchain projects, each utilizing its own unique approach; that being said, we are confident that our current proposal is a step closer to reaching our goal.

BUSINESS BRIEF

Cryptocurrency Mining Industry

Back in 2008, the Bitcoin whitepaper [1] was published. Bitcoin promises mankind a future where everyone can rely upon a trust-worthy system based on the blockchain. Months later, the Bitcoin network went live and the world learned about its ingenuity. Innovations then sprouted, and now there are hundreds of crypto coins as well as tokens inspired by Bitcoin that are built for different purposes.

All these coins are based upon blockchain technology with 'their own unique flavors'. Transaction Validation is fundamental to any blockchain technology. On a trust-less blockchain, validators are essential, thus they mostly get rewarded with the internal currency. The world calls these people "miners", and the industry is called "cryptocurrency mining".

According to a research published by Coherent Market Insight [2], the cryptocurrency mining industry is still at a very young stage, valued at only US$ 650 million in 2016; however, it is expected to grow 63 folds and reach at least US $38.38 billion by 2025. This is on point with the growth of the market capitalization of cryptocurrencies, which has been experiencing a 50x growth, from US$ 7 Billion in January 2016 to US$ 350 Billion in May 2018. The main contributing factors are the increasing public awareness of cryptocurrency and the increasing adoption of cryptocurrency.

Figure 1 - Cryptocurrency Market Capitalization Growth 2016-2018 (CoinMarketCap.com)

In the cryptocurrency world, Bitcoin is likely the most well-known and holds the biggest market capitalization. The arrival of Ethereum, arguably opened the door to an infinite number of blockchain applications, causing Bitcoin market dominance to drop over the year. While competition at first seemed like bad news for Bitcoin, the growth of total `market capitalization made this concern less relevant. Non-Bitcoin cryptocurrencies are referred to as altcoin (alternate-coin).

---

1. *"Bitcoin: A Peer-to-Peer Electronic Cash System - Bitcoin.org." https://bitcoin.org/bitcoin.pdf*
2. *"Cryptocurrency Mining Market, by Mining Enterprises, Revenue ...." 12 Dec. 2017, https://www.coherentmarketinsights.com/market-insight/cryptocurrency-mining-market-1099 .*
3. *"Global Charts | CoinMarketCap." https://coinmarketcap.com/charts/.*

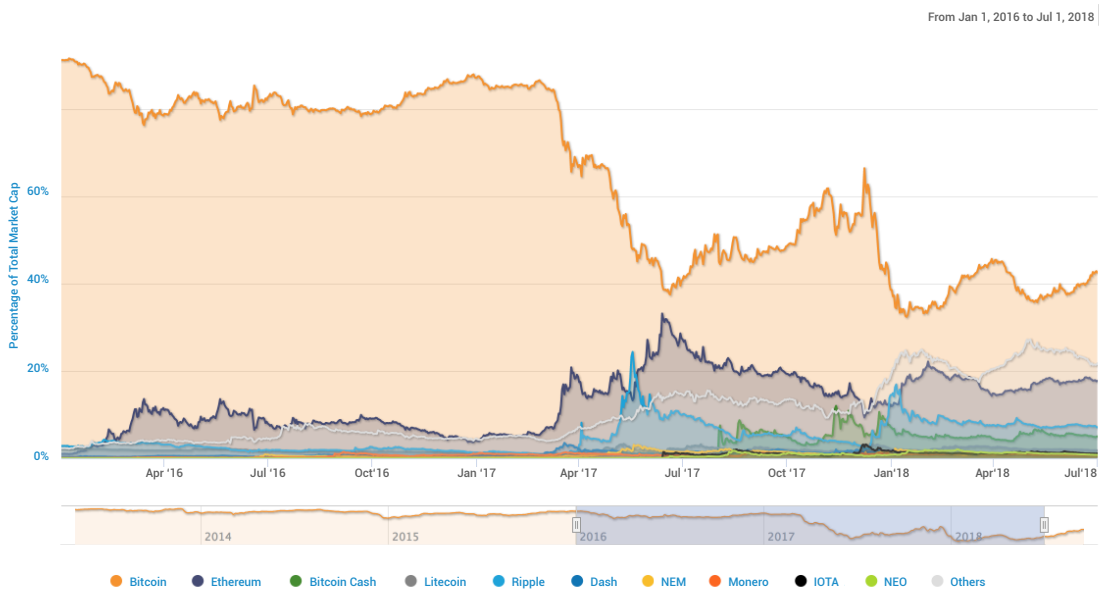


Figure 2 - Bitcoin dominance shrink over the year (CoinMarketCap.com)

Blockchain technology is still relatively young and is continuing to evolve. As part of the fundamental blockchain technology, the mining activities were subject to numerous changes over the years. When Bitcoin was first launched, mining using CPU Processors or GPU/VGA Cards was still possible. Later, the development of specific mining-hardware for Bitcoin with the use of technology such as Field-Programmable Gate Array (FPGA) or Application Specific Integrated Circuits (ASICs), made CPU & GPU Btcoin mining obsolete. In 2018, one can only viably mine Bitcoin using ASICs.

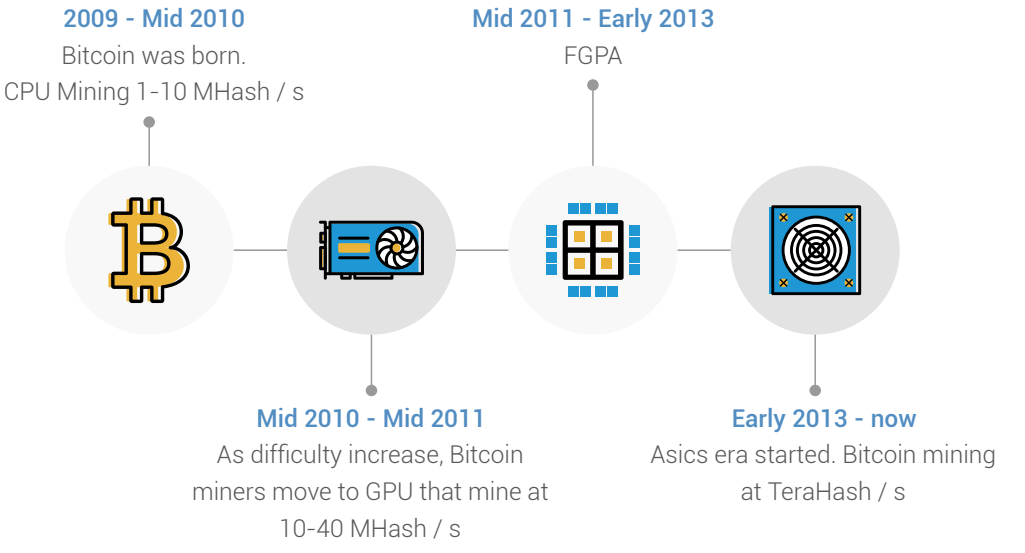


Figure 3 - History of Bitcoin mining hardwares

The Ethereum platform was released in 2015, which gives it the benefit of learning from the Bitcoin experience. Instead of SHA-256, Ethereum utilized a new consensus algorithm named Ethash with an Anti-ASICs feature. It is this feature that ensures mining is still reachable for people with common hardware such as GPU/VGA cards.

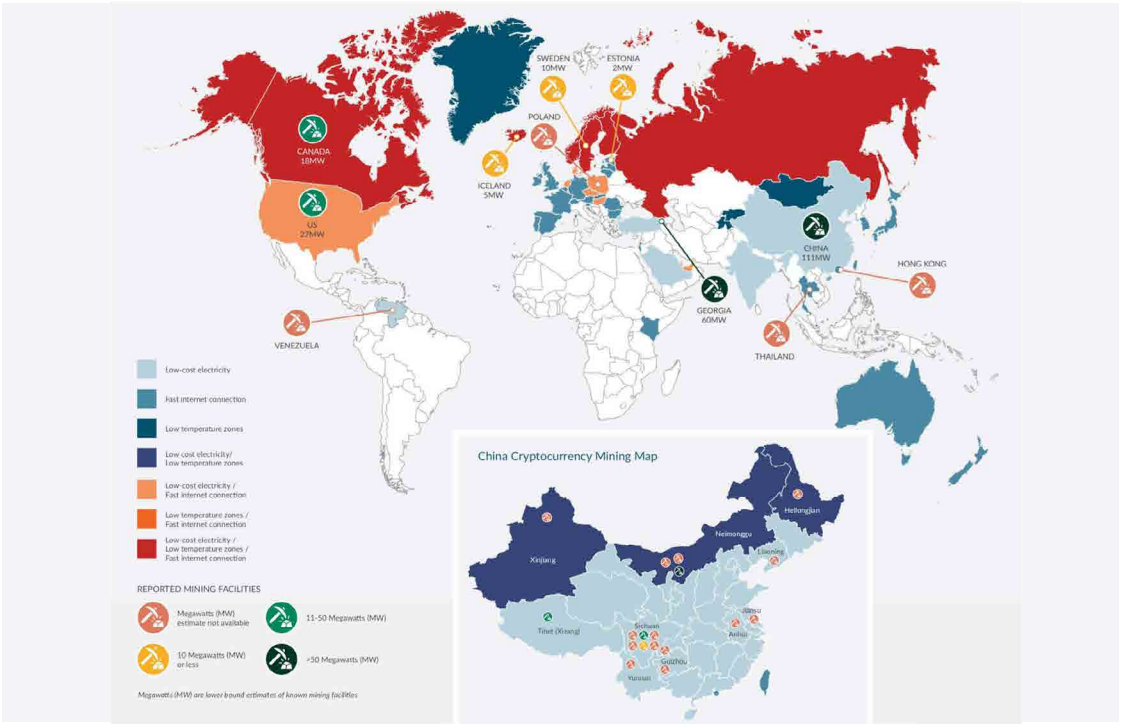
Despite these efforts, the ability to mine viably is still only accessible to people who hold the newer GPU/VGA cards with greater hashing power. Thus, a new alternative was proposed - Proof of Work (PoW) can be replaced with Proof of Stake (PoS) to achieve network consensus required for validation.

Comparison between Proof of Work (PoW) and Proof of Stake (PoS)

Proof of Work

In 2009, the Bitcoin network went online. With that, Bitcoin became the first PoW (Proof of Work) cryptocurrency on the Nakamoto Consensus. PoW requires each validator to perform some work that validates trustworthiness. This work consists in solving complex cryptographic problems using their own computational resources and those who find the solution can confirm the transactions and write the block onto the chain. Miners are competing with each other to create the next block of transactions on the blockchain. In turn, the winning miner receives cryptocurrency coins as a reward for the amount of time and energy spent for generating the solution.

This reward system incentivizes miners to generate the right solution and ensures that the network remains secure while newly minted cryptocurrency is added to the overall circulating supply of coins on the network. In the event that a fugitive party wants to attack the network, they have to take control of more than 50% of the network's mining hashrate or computing power.



Mining Economics

In order to mine on a PoW network, miners will need to acquire capable hardware & infrastructure. They also need to run the latest software version in order to support the network.

As the network grows, difficulty grows along with it and the number of coins rewarded is reduced to curb supply. With decreasing supply, the cryptocurrency itself will worth more due to increasing demand.

Market Capitalization

In the second quarter (Q2) of 2018, most mineable cryptocurrencies are still running under PoW. The undisputed leaders, Bitcoin & Ethereum are still 100% PoW. In 2017, the two coins collectively make up between 60% to 70% of all cryptocurrencies' market capitalization.

Drawbacks

PoW is energy-hungry by design, with cost, maintenance, and efficiency being the major drawbacks. Another problem is due to the fact that increasingly, highly specialized hardware required to viably mine PoW cryptocurrencies lead to centralization. With the advent of ASICs, it becomes apparent that only those with tremendous capital can take part in this mining industry. Despite this, in Q2 of 2018, the top cryptocurrencies are still leaning heavily on PoW. For example, Bitcoin is using PoW algorithm SHA256, Ethereum is using Ethash, and Litecoin is using Scrypt.

Proof of Stake

On Proof of Stake, a validator may validate block transactions if they hold a stake on the blockchain network. PoS decentralizes the consensus power by ensuring rewards are distributed based on the number of coins staked by the miner.

As such, the selection is strongly influenced by those that have the most coins – the more stake they have in the network, the more they have to lose in the event of a mishap. The other determining factor is the length of time for which the coins have been owned, as it indicates whether the coins are in a long-term position – which is considered a more trustworthy position in comparison to coins that have been acquired recently.

In other words, those who own more coins and have been holding the coins longer are deemed to be more trustworthy and are considered less likely to attack the network.

Mining Economics

As PoS miners need to stake their cryptocurrency in order to mine, they need to believe in the cryptocurrency itself in order to get the reward. Similar to PoW, the miner needs to understand how to run and configure the latest version of the relevant software in order to support the network.

Market Capitalization

PoS is still in its infancy. Amongst the PoS cryptocurrencies, DASH is leading based on market capitalization. As of Q2 of 2018, PoS cryptocurrencies constitute less than 5% of the total market capitalization. This will surely change as Ethereum is finalizing its plan to launch CASPER, enabling Ethereum to be a PoS-based cryptocurrency. When this happens, the market capitalization of PoS coins should increase dramatically and more coins should be following Ethereum and making the jump towards PoS.

Drawbacks

Although PoS has many advantages over PoW, the “nothing at stake” condition allows miners to vote on multiple chains. This is especially dangerous during chain-split/fork condition.

Blockchain Mining Industry Players

	Proof of Work (PoW)	Proof of Stake (PoS)
Blockchain Core Team	Each blockchain has its own core team. Depending on the size of the project, a core team can be well-structured, but there are many cases whereby the team is formed ad hoc with only a small number of individuals involved. This is true for both PoW and PoS.	
Chipmakers	As PoW needs great hashing power, chipmakers are joining the arms race of making the fastest and most efficient hardware in the market. NVIDIA and AMD are the leading players for GPU/VGA while Bitmain and Bitfury are leading the way on ASICs mining hardware production.	PoS does not rely on hashing power, therefore, specialized high-end hardware is no longer needed. What is needed for PoS to work are secure servers with sufficient processing power, memory, bandwidth, and a stable and fast internet connection to run the Masternode reliably.
Mining Pool	Antpool holds the biggest Bitcoin mining pool (17%), while Suprnova is the leading mining pool for altcoins.	Commonly referred to as "Shared Masternodes" by the community, they are done manually by a trusted member of the community who runs the masternode for the group.
Cloud Mining Company	Genesis Mining, NiceHash	There is not yet a global player company that provides "Shared Masternodes" at the level of PoW cloud-mining.

As the market moves toward PoS, there is no market leader for either PoS Mining Pool (commonly referred as "Shared Masternode" by the community) and Cloud Mining platform.

Problem Statement

While it is true that miners are making the blockchain network decentralized, there are still big barriers to entry that prevents everyone from joining: limited knowledge, limited technical skills, limited financial resources, and limited infrastructure being the main reasons. As of July 2018, there are more than 360 blockchains running various masternodes with different variation of staking and rewarding rules.

Masternodes typically have the following characteristics

1. Collateral

A fixed number of coins that need to be staked. The number is usually set to a reasonably high value to limit the number of masternodes on the network.

2. Maturity Time

The time needed from when the masternode is setup to the time when the masternode is eligible to validate transactions on the network and received rewards.

3. Queue

The position of the masternodes on the rewarding mechanism. Upon receiving the reward, the masternode goes to the end of the line and wait until it's eligible for the next reward.

4. Rewards

The "mining" reward is given only to eligible participating nodes.
Only mature masternodes that has reached its turn in the queue can receive the reward.
To run a masternode, users need not only own enough coins to cover the collateral, but also require intermediate to expert understanding of blockchain, computer & network security to run & configure the wallet.

Knowledge

Each blockchain project has its own way of sharing information. It usually starts with a Github repository and a Slack / Discord group as the official community. Once the project is set, the community starts to discuss it at various forum such as BitcoinTalk and Reddit. Gitter and Telegram are also becoming popular as the community grows. A more matured project will have an official website to keep the most recent information.

While these movements in the community are useful for the purpose of the project, they are unpredictable, and they vary in accordance to how good the Dev and Marketing Team manage their communication with the world.

Technical Skill

In general, these are the technicalities that a user will need to figure out:

- Run and configure a wallet that holds the collateral for a reasonably long time.
- Run and configure a masternode on a secure Internet-connected computer that runs 24/7 with a static Internet Protocol (IP) address.
- Sanitize both the wallet and the masternode computer environment.

Financial

Running a masternode requires significant collateral. Based on the data from July 1st 2018, a Dash masternode requires 1,000 DASH to be staked as collateral - which translates to approximately $250,000 based on the value then.

Coin - Ticker Symbol	Coin Price	Market Cap	# Required for Collateral	Masternode Worth
Dash DASH	$ 251.71	$ 2,055,696,978	1,000	$ 251,710
PIVX PIVX	$ 2.18	$ 123,660,020	10,000	$ 21,837
SysCoin SYS	$ 0.19	$ 102,923,892	100,000	$ 19,196
ZCoin XZC	$ 17.17	$ 87,538,485	1,000	$ 17,178
SmartCash SMART	$ 0.08	$ 86,780,318	10,000	$ 824

Infrastructure

Running a blockchain validator node requires the machine to run 24/7 like a server. There is a reason why people run servers on a data center - it is because they need stable electricity, stable networks, and clean-secured areas.

Running a masternode from a laptop/desktop machine from one's own house is not technically feasible for most people. Most masternode-enthusiasts run masternodes on a Virtual Private Server (VPS) because it provides cheap static IP addresses. A professional would run masternodes on a world-class data center provider such as Amazon AWS, Microsoft Azure, or Google Cloud Platform that guarantees not only static IP addresses but also high availability and enterprise-level SLA. That is important because down time reduces masternode's eligibility to the rewards.

Scalability

A more serious user who would like to run or be part of multiple masternodes will face the scalability challenge. Managing one wallet is very different from managing multiple wallets, each with its own development schedule and technical approach. Keeping the wallet version updated is very important because if there is a major blockchain protocol upgrade, a masternode that still runs on the old version will be left behind and will not receive the reward.

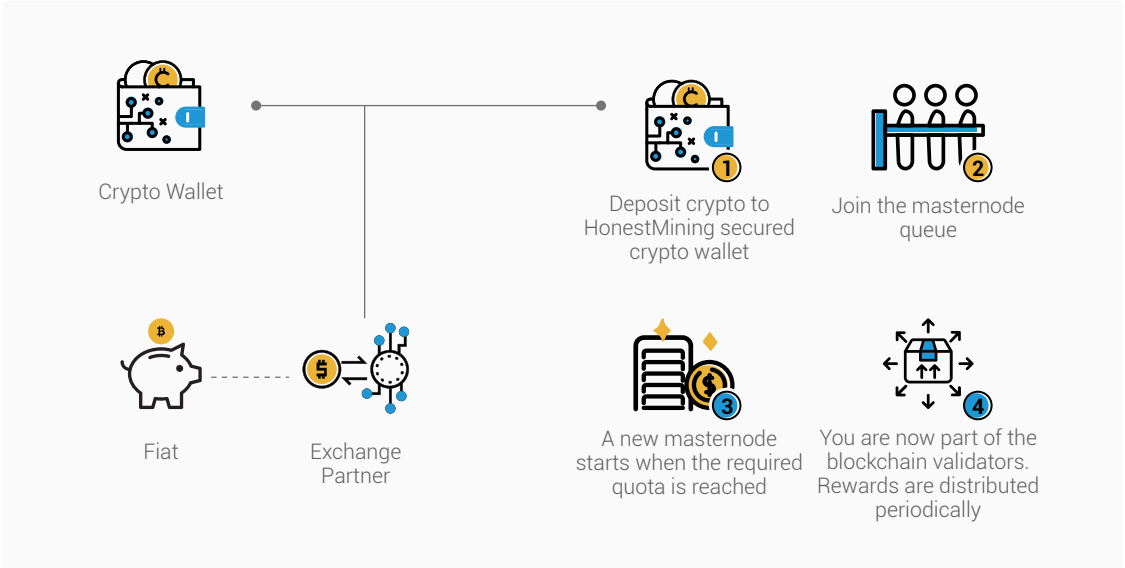
Honest Mining Platform

Objectives

HONEST MINING's objective is to create an online platform to make it easy for anyone to join a masternode and address the problems set out in the problem statement above.

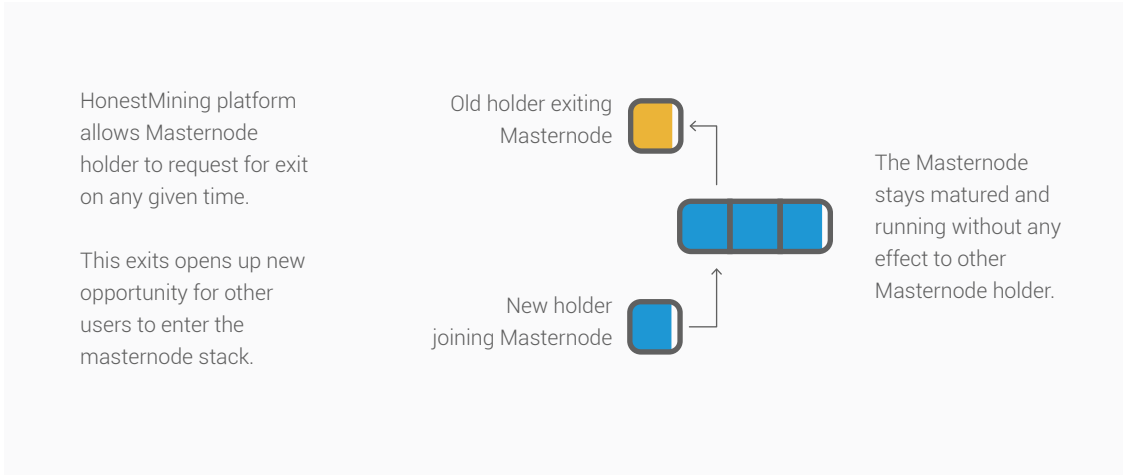
Features of Honest Mining Platform

1. Ease of joining masternode



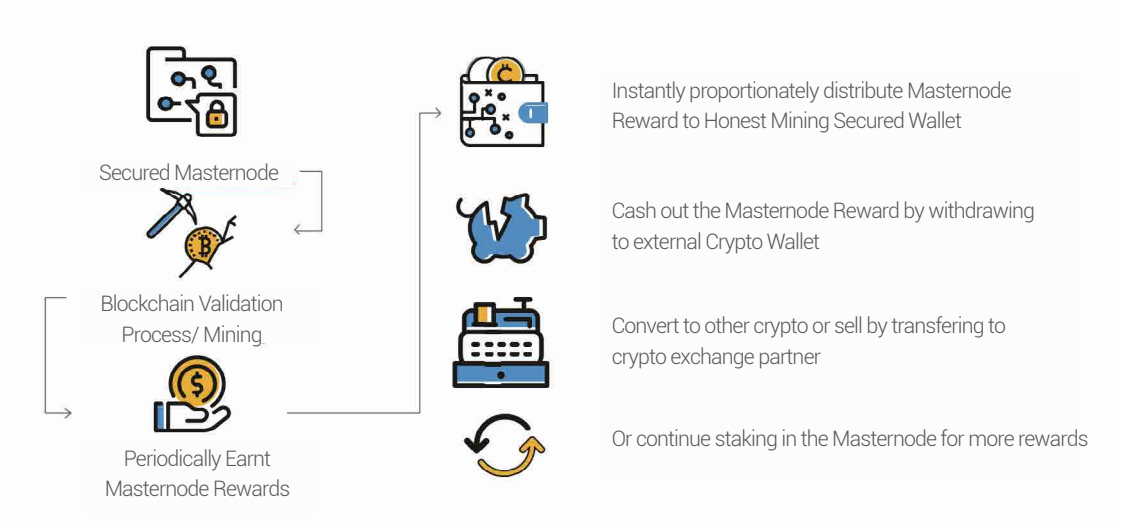
All a user needs to know is how to transfer coins of their desired cryptocurrency to HONEST MINING's designated secure wallet, and HONEST MINING will on the user's behalf stake these coins on the cryptocurrency's network.

2. Instant Masternode



All masternodes have a maturity time - a waiting time from when the masternode is generated to the time they start generating rewards. Instant Masternode, on the other hand, is an innovation by HONEST MINING that lets you start earning immediately. It eliminates the need of waiting for the masternode to be filled and properly set prior to reward-earning.

3. Quick and Transparent Reward Mechanism



Rewards are distributed proactively as soon as the masternodes receive rewards. Our user can choose whether to withdraw the coins, or continue to stake the coins automatically.

Supported Coins

HONEST MINING will support the following coins on day one:

Dash (DASH) ZCoin(XZC) SmartCash (SMART)

More coins will be added over time based on the market demand, strong team credibility, mature blockchain technology and user base. For smaller-cap coins, HONEST MINING will do community voting to determine the public interest.

HONEST MINING aims to add ETH to the platform as soon as Ethereum Casper is ready & open for PoS.

Device Coverage

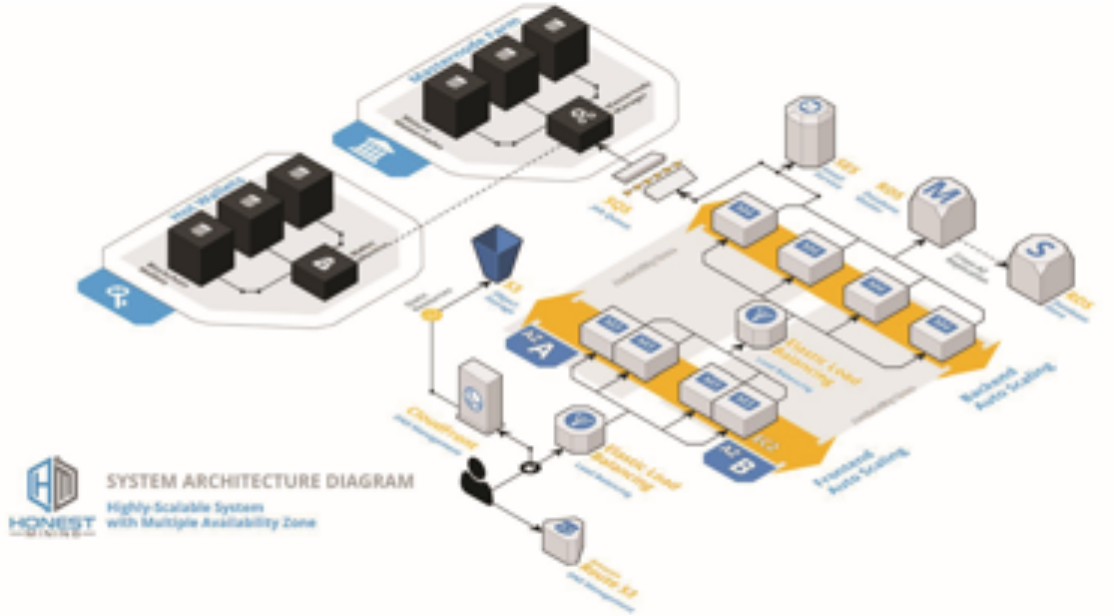
HONEST MINING is going to be mainly an optimized web platform that's reachable from web browser on mobile devices (phone/tablet), or desktop/laptop devices. REST API will be available for sophisticated miners. Android & iOS Client are going to be developed when the platform matures and requires such needs.

Globalization

HONEST MINING is going to be mainly an optimized web platform that's reachable from web browser on mobile devices (phone/tablet), or desktop/laptop devices. REST API will be available for sophisticated miners. Android & iOS Client are going to be developed when the platform matures and requires such needs.

System Architecture

HONEST MINING is designed to be highly scalable from day one. HONEST MINING will be able to provide top quality services by utilizing world-class cloud computing services in Amazon Web Services



System Architecture Diagram - Highly Scalable System with Multiple Availability Zone

Architecture-wise, the system will be load-balanced and decentralized on multiple nodes and regions. The Load-Balancer will minimize unscheduled downtime, e.g. machine failure, network issues, or even data-center failure.

Security is of the utmost importance; in order to minimize attack surface, only our load balancer (HTTPS port) will be exposed to the internet. Multiple security layers will be implemented to minimize security risks. Securities best practices and standards (e.g. OWASP) will be followed to avoid vulnerabilities. Periodic security audit will be conducted. Security Group will be configured in a way that only whitelisted services may run & communicate with each other internally.

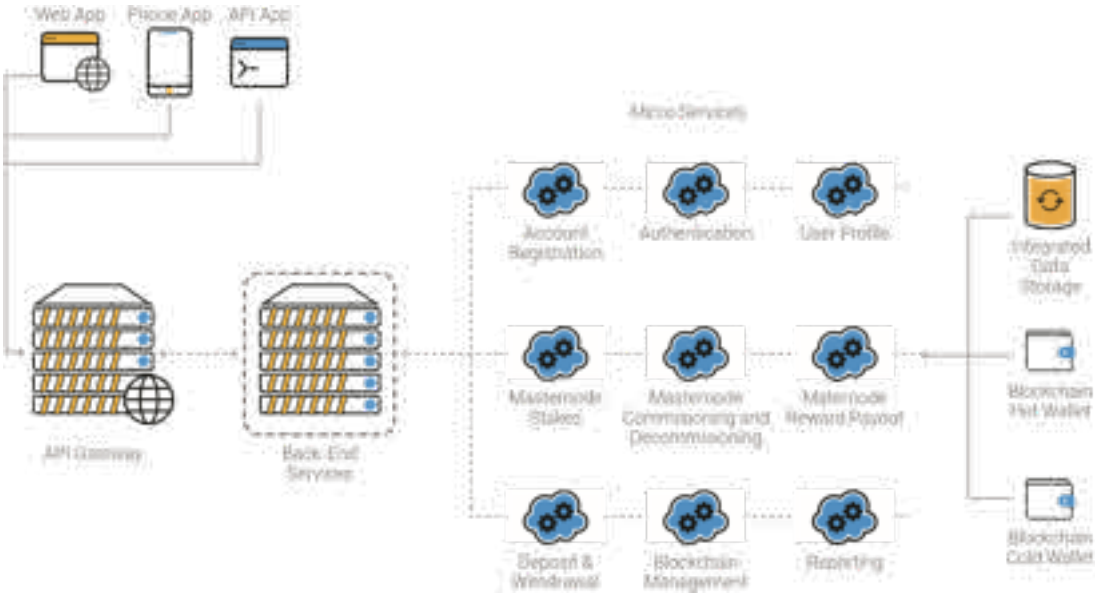
Offline wallet (cold-wallet) storage will be diligently utilized as an important security measure. Important and sensitive information will be AES-256 encrypted and put on a separate firewalled network. Paper and digital backups with redundancy will be distributed geographically in safe locations around the world.

Most frontend and backend services will be running on their own, using asynchronous messaging for inter-service communication. This approach allows each service to run independently and efficiently. As the system grows, services and machine automation are crucial to speed up processes and features.

Different coins run on different blockchain software. While they are functionally similar, they may have different requirements and treatments. In order to run, a masternode requires a fixed amount of coins to be reserved - a collateral. Different coins require different amounts of collateral. Whenever the collateral amount is reached, the backend system will start the automated masternode building process and activate the masternode immediately.

Application Architecture

HONEST MINING platform is built using modern microservice architecture. It enables continuous delivery and deployment of large complex application while also improving faulty isolation. This approach allows each team to be loosely-coupled and focuses on improving its own parts without worrying that the change may break the others.



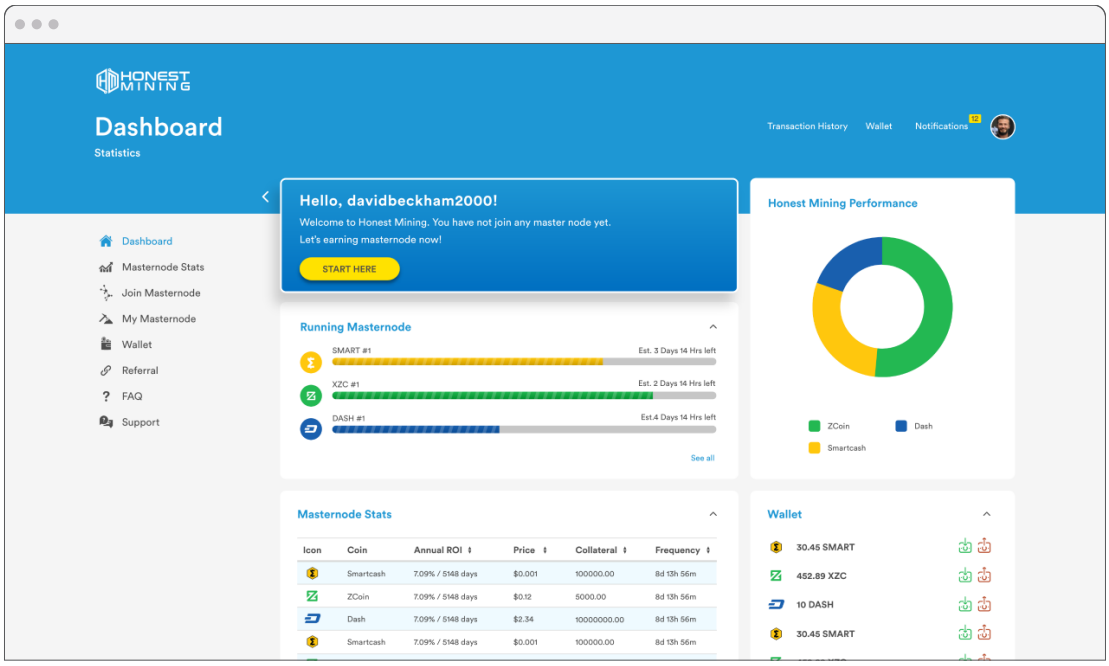
Application Architecture Diagram - Loosely Coupled

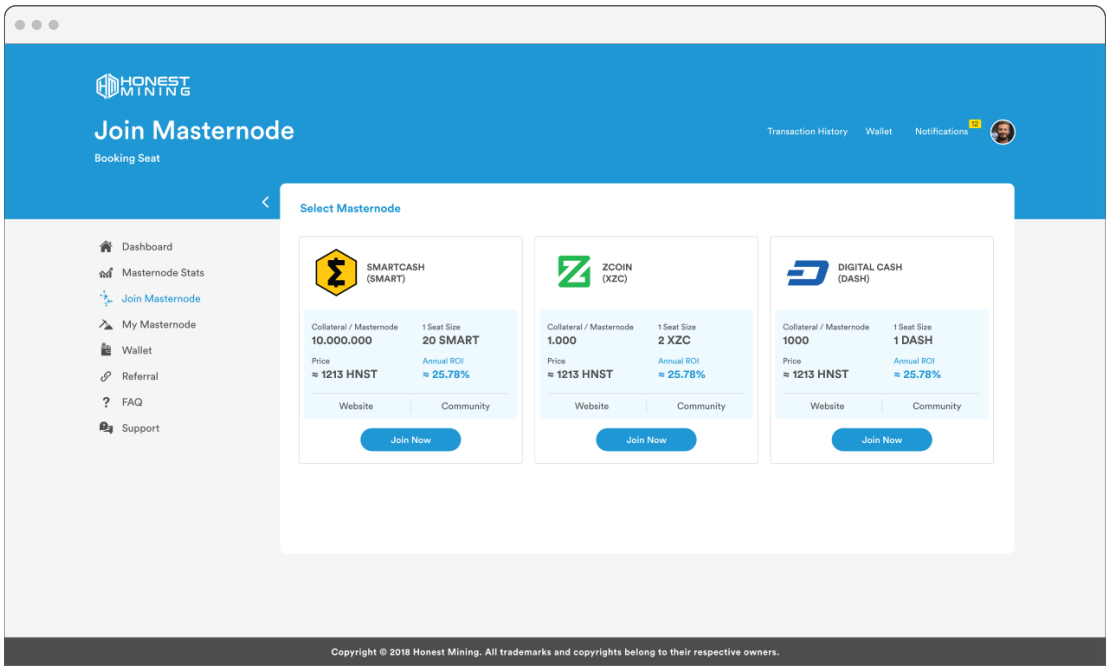
The microservice approach allows the platform to perform horizontal-scaling. This is beneficial due to the fact that during peak-time, the system can automatically scale up by adding more servers into the load balancer. The other alternative is vertical scaling, which is less cost-efficient and scalability-wise is limited by the specification limit.

The API Gateway that joins all the backend services serves as an interface for both official means (web-apps & mobile apps) and unofficial means (API-app). This allows future partnership and growth through integration with third-party platforms, e.g. cryptocurrency exchanges.

UI Preview Alpha

HONEST MINING is consistently developing and most of the key functionalities have already been developed. The following section shows the UI preview of what users will see when the platform is launched to the public.


HONEST MINING
Dashboard
Statistics
Transaction History
Wallet
Notifications
Hello, davidbeckham2000!
Welcome to Honest Mining. You have not join any master node yet.
Let's earning masternode now!
START HERE
Honest Mining Performance
ZCoin
Dash
Smartcash
Dashboard
Masternode Stats
Join Masternode
My Masternode
Wallet
Referral
FAQ
Support
Running Masternode
SMART #1
Est. 3 Days 14 Hrs left
XZC #1
Est. 2 Days 14 Hrs left
DASH #1
Est.4 Days 14 Hrs left
See all
Masternode Stats
Icon
Coin
Annual ROI
Price
Collateral
Frequency
Smartcash
7.09% / 5148 days
$0.001
100000.00
8d 13h 56m
ZCoin
7.09% / 5148 days
$0.12
5000.00
8d 13h 56m
Dash
7.09% / 5148 days
$2.34
10000000.00
8d 13h 56m
Smartcash
7.09% / 5148 days
$0.001
100000.00
8d 13h 56m
Wallet
30.45 SMART
452.89 XZC
10 DASH
30.45 SMART


HONEST MINING
Join Masternode
Booking Seat
Transaction History
Wallet
Notifications
Select Masternode
SMARTCASH (SMART)
ZCOIN (XZC)
DIGITAL CASH (DASH)
Collateral / Masternode
1 Seat Size
10.000.000
20 SMART
1.000
2 XZC
1000
1 DASH
Price
≈ 1213 HNST
Annual ROI
≈ 25.78%
Website
Community
Join Now
Dashboard
Masternode Stats
Join Masternode
My Masternode
Wallet
Referral
FAQ
Support
Copyright © 2018 Honest Mining. All trademarks and copyrights belong to their respective owners.

Revenue Model

HONEST MINING revenue includes but is not limited to:

Fees Structure	Description
Masternode Maintenance Fee	We will charge a maintenance fee in the form of very low fixed cost as a pre-agreed percentage of each reward distribution
INSTANT Masternode Starting Fee	We will not charge users for exiting from a masternode.
Masternode Exit Fee	As a premium service, we will charge users who request instant exit.
Masternode INSTANT Exit Fee	We may list interesting new coins. There may be fees associated with those listings.
Listing Fee	We may list interesting new coins. There may be fees associated with those listings.
Withdrawal Fee	We may apply a fee to cover blockchain withdrawal operations.
B2B & Partnership Fee	We may have corporate clients who need additional services relating to crypto-mining.

Beyond the Platform

HONEST MINING platform is just the beginning. To make our vision a reality, we have to strive forward to be truly decentralized.

Alexandria Project

Alexandria focuses on compiling all the information that is related to cryptocurrency mining on an easy-to-use and open-to-all platform. This includes reporting & monitoring tools that can make miners' lives easier.

Babylon Project

To put simply, Babylon is a fully decentralized wallet built for miners. Babylon will start as a Mobile Wallet with rich features for miners such as HD wallet, dynamic transfer fee, and address management. Future development of Delegated PoS coins will allow Babylon users to perform delegated staking.

HNST - Honest Token

HONEST TOKEN (HNST) is the utility token that powers the HONEST MINING platform, the next generation cloud mining platform for POS-based cryptocurrencies.

Users of the HONEST MINING platform will be able to pay for their use of the HONEST MINING platform using either HNST TOKENS or the staking rewards received. The HNST tokens will give token holders access rights to use the HONEST MINING platform, and can only be used to pay for HONEST MINING platform fees.

HNST TOKENS will not have any other rights or functions attached to it (such as, any ownership or voting interest in HONEST MINING) and is not (nor is it intended to be) a medium of exchange accepted by the public, or a section of the public, as payment for goods or services or for the discharge of a debt.

Technology

HNST TOKENS will leverage the Ethereum blockchain - the leading industry standard for smart contract- based tokens. HNST will be generated using ERC-20, ensuring that HNST TOKENS will be able to utilize the existing infrastructure: Ethereum Virtual Machine (EVM). EVM allows honest and auditable token issuance, ensuring that all HNST holders know the end-to-end token supply, distribution, and transactions.

Value

HNST can be used for all the fees on our platform which includes but are not limited to:


Masternode Maintainance Fee


Instant Masternode Fee


Token Listing Fee


Any Other Fee

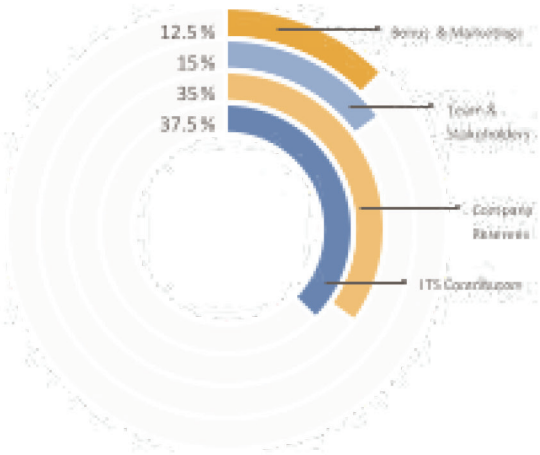
HNST is the preferred payment method since it will always provide discounts.

	Year 1	Year 2	Year 3	After Year 3
HNST Discount	40%	20%	10%	5%

Allocation

Only 400 million HNST TOKEN will ever be generated, with half of the tokens to be allocated to ITS contributors. The other half ensure the continuity of the platform.

Unsold, unused bonuses, and unused marketing tokens will be allocated for company reserves



		HNST Allocation	Sub Total
ITS Contributors	Private & Pre-ITS Contributors ITS Contributors	80,000,000 70,000,000	150,000,000
ITS Bonus & Marketing	Bonus, Affiliation Rewards, Community, Bounties, Airdrops	50,000,000	50,000,000
Company Reserves	Used for platform marketing, platform partnerships, liquidity management and platform reserve.	140,000,000	140,000,000
Team & Stakeholders	Tokens for teams and long term stake-holders, which use 4 year vesting schedule.	60,000,000	60,000,000
		Total Tokens	400,000,000

** only disclosed to suitable & interested party*

Team & Stakeholders Vesting Schedule				
	Post 1 year	Post 2 year	Post 3 year	Post 4 year
Vesting Amount	30%	30%	20%	20%

Special Incentives

Apart from bonuses for private and pre-ITS contributors, there are several incentive programs that we have prepared.

	Private Sales	Pre-ITS	ITS
Timeline Target	October 2018	Q4 2018	
Bonus	undisclosed*	15% (25% with TEN)	No bonus (10% with TEN)
Distribution	Scheduled vesting with monthly distribution	In maximum 20 business day after ITS formally concludes.	
Cap	80,000,000 HNST		70,000,000 HNST
Minimum Purchase	100 ETH	2 ETH	No Minimum
Cryptocurrency	ETH, BTC, TEN	ETH, BTC, TEN**	ETH, BTC, TEN**
Affiliate Bonus	-	5%	5%

** only disclosed to suitable & interested party*

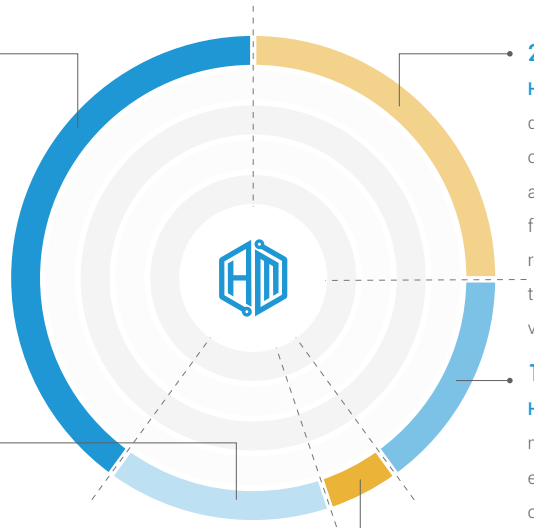
*** extra 10% bonus for payment using TEN (limited cap)*

DETAILS	PRIVATE	PRE-ITS	ITS
Special Lifetime "Founding Members" Status After the full platform launch, this will guarantee early access to new features and other special perks that only "Founding Members" can get.	✓	✓	✓
Early Release Access Be our early user: reserve your username & be the first to use our **Alpha Beta** instant masternodes	Alpha	Beta	✗
Focus Group Special focus group for our elite users.	✓	✗	✗

Top 20 Contributors will receive special personalized gift-boxes from the team as a sign of appreciation.

Raised Funds Usage

We are raising funds to speed up the development of HONEST MINING Platform. Just like every other business, future development and business growth direction may change the budget plan. This budgeting plan will be implemented after the token sales have been completed and shall be a starting point for the company. Raised funds will be used for the following budget plan in the 1st quarter:



40%
Create various Instant Masternodes so that our future clients will be able to join Masternode from day one

25%
HONEST MINING product development cost which cover not only the alpha & beta releases, but also final deployment and all the future feature upgrades. Hiring & retaining world-class blockchain team that agrees to our values are very important.

15%
HONEST MINING branding and marketing efforts. This includes educating the market about the role of mining on the blockchain network, co-promoting legitimate blockchain projects and other advertising activities that will help **HONEST MINING** platform grows.

15%
Kept in **HONEST MINING** reserve for handling unforeseen circumstances that might arise when the company scale

5%
HONEST MINING business & legal

THE COMPANY

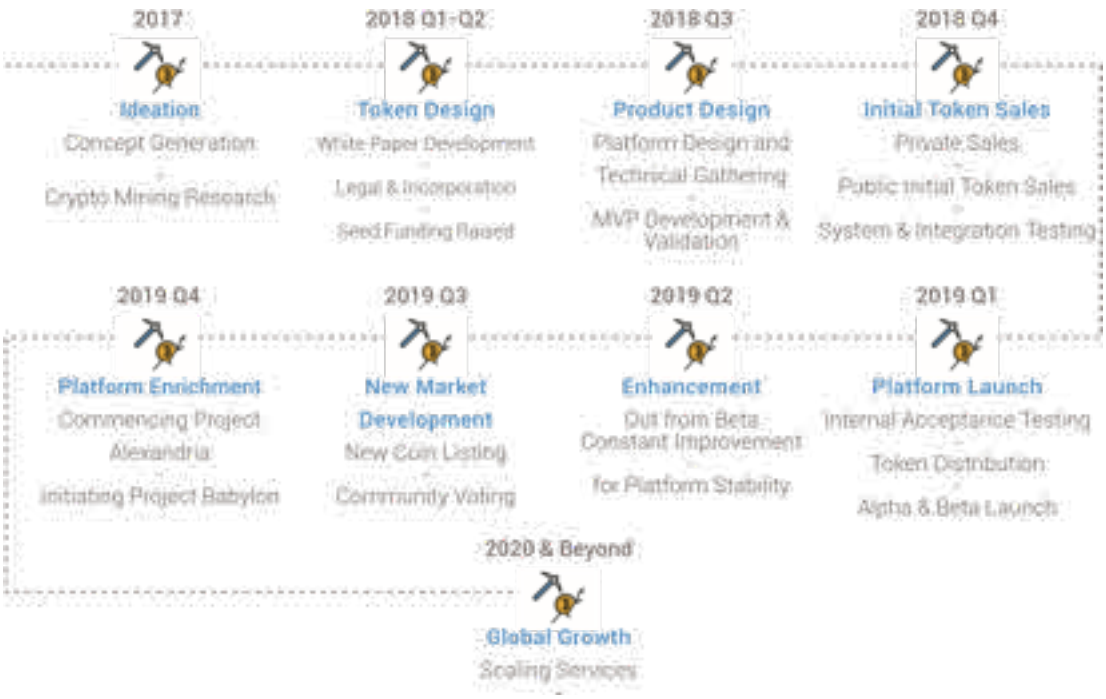
Honest

hon•est ('änəst/) adjective morally correct or virtuous.
"I did the only right and honest thing" synonyms : upright, honorable, moral, ethical, principled, righteous, right-minded, respectable; antonyms : unscrupulous, dishonest

Enforcing morality is not easy. We believe that honesty is gained through transparency. The blockchain is transparent, thus we will try to provide the public with a clear view of what is happening through announcements and reports. External parties will be welcomed to audit the masternode operation themselves since the information will be available for the public.

We also focus on security, we will ensure the protection of information that may jeopardize the safety of our user and platform.

Project Roadmap



Team Leadership

Lawrence Samantha
CEO & Co-Founder

Mr. Lawrence is an engineer at heart who loves technology & venture building. Prior to HONEST MINING, he has been crypto mining since 2011. He also formally advises different Blockchain projects: Tokenomy, Vexanium, and Play Game.

Lawrence's expertise in computer science has led him to work on multiple companies such as Nationwide Financial (210 billion managed asset) and Bittorrent, Inc (decentralized peer-to-peer network, later acquired by TRON).

Lawrence also co-founded and invested in startups such as

- eEvent - online ticketing system
- guestHub - loyalty analytics platform
- Loket.com - event management platform
- Member.ID - loyalty consulting & technology firm
- Indosystem - software firm
- BitHarga - crypto price monitoring Telegram bot

Lawrence graduated from The Ohio State University and holds a Computer Science & Engineering degree. He has over 12 years of professional software development experience, as well as holding executives & board member on several companies.

linkedin.com/in/lawrencesamantha

Edy Senjaya
CTO & Co-Founder

Mr. Edy is an accomplished full stack software engineer and solution architect. Prior to HONEST MINING, he has been running an ASICS & GPU mining farm while actively trading cryptocurrency. Edy has experience with ERP, cloud computing, and high availability system, which are immensely useful for architecting the platform.

Edy graduated from Universitas Bina Nusantara with a Computer Science degree. He has over 16 years of experience in providing solutions for businesses and corporations from around the world.

linkedin.com/in/edysenjaya

Dionisius Evan Alam

Head of Product & Partnership

Mr. Dion is a serial entrepreneur and tech enthusiast. Prior to HONEST MINING, he has been investing in ICO and evangelizing cryptocurrency world to people around him.

Dion graduated from The Ohio State University and holds a double degree in Actuarial Science & Economics. He has multifaceted experiences working on multinational finance companies, co-founded several creative agencies, and advised different digital product startups on the region since 2012.

Dion is also involved in building a co-operative economy in the region by building the first Coop Digital. He believes cryptocurrency and microfinancing will solve global poverty.

linkedin.com/in/dionisius-evan-alam

Seed Investor

Edy Sulistyo
CEO of LOKÉT
(Go-Jek Group)

Mr Sulistyo, the current CEO of LOKET, is a serial tech entrepreneur who has founded and exited several startups such as LOKÉT (acquired by GO-JEK, 2017), eEvent (acquired by EnvisionPoint, 2013), OW.com (acquired by Telepathy, 2009), and Kamus.net (acquired by Stand4, 2008). He is currently heading the entertainment verticals within GO-JEK group and is an advisor for several prominent ICOs in the region.

Edy is an aviation geek and a loyalty expert. He has a top-tier status in many major frequent flyer programs (GA, AA, UA, etc) and hotel loyalty programs (SPG, Hilton, Hyatt, Marriott, etc). Collectively, in the past 5+ years, he has redeemed more than 7 million miles for premium airline cabin and luxury hotels.

In the past, he founded and architected a number of companies and web products, including Katolik.com, FilesUpload, DNOrganizer, iConvert, Parking-Hub, CircleMail, and OpenStub.

linkedin.com/in/edysulistyo

Oscar Darmawan
CEO of Indodax &
CMO of Tokenomy

Oscar Darmawan is the CEO of INDODAX & CMO of TOKENOMY. He co-founded INDODAX in 2013, the biggest bitcoin and blockchain startup in South East Asia, which facilitates cryptocurrency trading for more than 1 million registered users. Later, in 2017, he successfully launched TOKENOMY through 25 million USD ITS round.

In the past 4 years, Oscar has been focusing on building the block-chain ecosystem in the region. He is a founding member, former Chairman and current Head of Exchange at Indonesian Blockchain Association.

linkedin.com/in/oscardarmawan

William Sutanto
CTO of Indodax &
Tokenomy

William Sutanto is the CTO of INDODAX & TOKENOMY. Along with Oscar Darmawan, he co-founded INDODAX (2013) and TOKENOMY (2017). He is a professional engineer who is responsible for all of the technology behind INDODAX & TOKENOMY.

William has a strong Internet Technology and Project Development background due to his 10+ years experience working in the field.

linkedin.com/in/williamsutanto

Advisor

Vidy Onadi
Head of Business Development
EMURGO INDONESIA

Mr. Vidy is the Head of Business Development at EMURGO. He carries a mission to power the financial stack for the developing world through Cardano's decentralized blockchain system.

Apart from being a blockchain enthusiast, he is also recognized as a self-driven professional with more than 15 years of diversified experience in ERP systems (SAP & Microsoft Dynamics), corporate finance & investments, and digital businesses.

https://www.linkedin.com/in/vidy-onadi-03aa8919

Jeth Soetoyo
CEO of Pintu

Mr. Soetoyo is the CEO of Pintu, a cryptocurrency exchange and brokerage service. Prior to that, he worked at ConsenSys, a Brooklyn-based Blockchain venture lab and solutions company. He led product on a cross-chain atomic swap solution called Liquality, which allowed participants to trustfully swap digital assets without intermediation.

Mr. Soetoyo also conducted a research along with the MIT Digital Currency Initiative on crypto assets valuations. Previously, he pursued a career at Roland Berger Strategy Consultants and also spent time at Valar, a company that's focusing itself on energy.

linkedin.com/in/jeth-soetoyo

Grady Laksmono
Co-Founder of Moka

Mr. Grady is an accomplished software engineer and venture builder. He founded Moka in 2014, a mobile point of sale system that allows anyone to accept many kinds of payments. Prior to Moka, he worked at multiple corporations in Silicon Valley: Yahoo!, Zynga, OpenX, Albumatic (now Chain.com - a company owned by Lightyear/Stellar).

During his spare time, Grady contributes code to Bitcoin Core and py-evm, an Ethereum Virtual Machine implementation.

linkedin.com/in/glaksmono

Calvin Kizana

Co-Founder and CEO PicMix/ PlayDay.

Calvin is a serial tech entrepreneur with Forbes and Ernst and Young (EY) awards on his belt and is currently CEO and co-founder of PicMix and PlayDay, a live streaming and interactive content distribution platform for massive online community with over 35 million-users worldwide.

Calvin has been involved in multiple successful ICOs in the region. He actively involved and sit as advisor in ICO and blockchain projects across startups and corporates. He is also the co-founder and advisor in CoinDaily, a blockchain community with over 20,000+ active members.

linkedin.com/in/calvinkizana

KEY RISK

There are risks associated with the HONEST MINING platform, the HNST TOKENS and the staked or rewarded coins (such tokens and coins together, the "Tokens"). Some (but not all) of them are summarized below:

New Technology

The HONEST MINING platform and the Tokens, together with all of the features, specifications, use cases and other matters set forth in this whitepaper, are new and untested technology and may not be capable of completion, implementation or adoption according to the development roadmap laid out in this whitepaper.

While HONEST MINING will make reasonable efforts to complete the platform, there may be circumstances beyond HONEST MINING's control which could result in delays, a more limited release or in the worst case a functioning platform may not be created at all. Even if the platform is completed, implemented and adopted, it might not function as intended and any tokens associated with the platform may not have functionality that is desirable, fit for purpose or valuable.

Technology is changing rapidly and the platform and/or the Tokens associated therewith may become outdated. Although Proof-of-Stake is gaining popularity and acceptance, things may change and a new consensus mechanism may supersede Proof-of-Stake or a consensus mechanism may no longer be needed.

Protocol

The HNST TOKENS are based on the Ethereum protocol. Any malfunction, forking, breakdown or abandonment of the Ethereum protocol or network may have a material adverse effect on the HNST TOKENS or the HONEST MINING platform.

The successful operation of the HONEST MINING platform is contingent upon the successful operation of the various cryptocurrency networks of the Tokens staked or rewarded. Any malfunction, forking, breakdown or abandonment of the applicable cryptocurrency protocol or network (such as, the Proof-of-Stake protocol not working as expected) may have a material adverse effect on the HONEST MINING platform and may result in the loss of the Tokens staked or rewarded.

Mining Attacks

Decentralised cryptographic networks are at risk of mining attacks, such as "51% attacks", double spending attacks, selfish mining behaviour, race condition attacks and other attempts by miners or other participants in the network to manipulate or game the protocol or network.

Any successful attack presents a risk to the expected proper operation, execution and sequencing of token transactions and contract computations of the Tokens and the HONEST MINING platform.

In the event of such malicious actions, a loss of the Tokens is possible.

Software Bugs

The source code currently (or expected to be) in use for inter alia the Ethereum and the Tokens' network and protocol, as well as the HONEST MINING platform, is wholly or partly based on open source code.

Such open source code may be at greater risk of exploit by bad actors examining and seeking to find exploits within that code. Such open source code may also be updated from time to time, which may result in new and unexpected exploits.

A third party or member of HONEST MINING's team may also intentionally or unintentionally introduce weaknesses into the code base or core infrastructure of the HONEST MINING platform, which could negatively affect the HONEST MINING platform and the Tokens (including, but not limited to, the use thereof) or result in the loss of the Tokens or the loss of the ability to access or control the Tokens.

In the event of such a software bug or weakness, there may be no remedy and users of the HONEST MINING platform as well as the holders of the HNST TOKENS are not guaranteed any remedy, refund or compensation.

Theft, Misuse or Loss of Private Keys

HNST TOKENS acquired may be held in digital wallets or vaults, which requires a private key (or a combination of private keys) to access and use. Accordingly, loss of the requisite private key(s) associated with such digital wallets or vaults storing such tokens will result in the loss of such tokens, access to token balance and/or any initial balances in blockchains created by third parties. If the private keys are stolen, misused or lost, the wallets or vaults associated therewith, and any tokens stored therein, may be lost.

Any third party that gains access to such private key(s) (including by gaining access to login credentials of a third party hosted wallet or vault service) may be able to misappropriate the tokens stored therein or transfer the tokens stored therein to themselves or to another person. The tokens may not be recoverable and HONEST MINING will not be responsible for any such losses.
There are also risks of malware attacks, denial of service attacks, spoofing attacks and other exploits being used against legitimate users of blockchain software and cryptographic tokens.

The Tokens may be subject to expropriation and/or theft. Hackers or other bad actors may attempt to interfere with the HONEST MINING platform or the Tokens in a variety of ways (including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing).

Such attacks or exploits may result in private keys being stolen or the loss of the Tokens.

Decentralization

Although HONEST MINING aims to be decentralized, there are parts of the HONEST MINING platform that are yet to be decentralized or which are inherently unable to be decentralized. For example, HONEST MINING's wallet system is centralized due to the nature of how masternodes work.

Although the team is committed to follow industry best practices, such as the OWASP Application Security Verification Standard (ASVS) and CCSC (CryptoCurrencySecurity Standard) , security breaches are prevalent and we cannot guarantee that we will not be the subject of any attack or security breach. Security breaches can and will happen due to both external and internal factors.


HONEST
MINING