Jax.Network

Bitcoin 2.0: A fully decentralized energy-standard monetary system

jax.network
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JAX

JAX is a combination of
Henry Ford's
"Energy Currency" and
John Nash's "Ideal Money"

New York

First to Last—the T

XXXI No. 27,412

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New York Tribune Inc.)

SUNDAY, DECEMBER

e Artist
Women
Attacked

n of John R.
ur Identified
e Line-Up by
rl and Matron

rbed, Flatly
He's Guilty

Ford Would Replace Gold With
Energy Currency and Stop Wars

**Declares if Government Will Give Him Muscle Shoals
Plant He Can Demonstrate Success of Plan to Sub-
stitute Natural Wealth as Basis of World's Money**

FLORENCE, Ala., Dec. 3.—Henry
Ford and Thomas A. Edison arrived
here to-day to inspect the Muscle
Shoals nitrate plant, which the Detroit
automobile manufacturer proposes to
take over from the government, and
almost immediately Mr. Ford declared
the purpose of his vast new project.
It is not to make money, or, primarily,
to stimulate the

bankers who to-day control the bulk of
the world's gold supply. No matter to
what country they as individuals claim
allegiance, they all play the same game
to keep the gold they have in their own
hands and to get just as much more as
possible.
"With the international bankers the
fostering, starting and fighting of a
war is nothing more nor less than creat-
ing an active market for money—a
business transaction. If the different

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$350,516,52

State Called
To Make U

Introduction

- Jax.Network is a layer-1 Proof-of-Work blockchain that is **merge-mined with Bitcoin.**

- We have created the infrastructure for **a fully decentralized energy standard monetary system.**

- This is possible through our JAX coin, which is the world's first decentralized, scalable and **mineable** stablecoin, under-written by **energy**.

- Because of JAX coin's clear advantages compared to other stablecoins, it has the potential to dominate the massive stablecoin market. **Think of it as the 'USDT' killer**.

Problem

Cryptocurrencies have not gone mainstream as a payment method due to a number of reasons:

- Truly decentralized cryptocurrencies lack scalability. E.g. Bitcoin & Ethereum.

- Most cryptocurrencies are too volatile to use for transactions.

- Existing stablecoins are either incredibly centralized (USDT , USDC) or have devastating flaws that present a high risk or limitation (DAI , TerraUSD).

- Lack of transparency and reliability: People need to be able to reliably send, receive and transact with this currency at as close to 100% of the time as possible.

Solution

For a cryptocurrency to go fully mainstream as a payment method it must be:

Scalable to accommodate mass adoption and keep costs and transaction times low.

Decentralized to avoid vulnerabilities that plague centralized channels. E.g. hacking, government intervention, manipulation by central authority.

Stable in value, so that users are more comfortable transacting with it.

Transparent and reliable so users are able to confidently trust and use the currency at scale.

JAX

How is Jax.Network the solution?

- The Jax.Network blockchain is merge-mined with the Bitcoin blockchain and therefore boasts the **same level of decentralization and security as Bitcoin.**

- Our JAX coins exist on the shard chains of our network (Proof of Work sharding) and therefore can scale to a **virtually unlimited number of transactions**, keeping gas fees and wait times low.

- JAX coins are rewarded on our network in proportion to a miner's hashrate, resulting in coins that have very similar production cost, resulting in **stable value.**

- The production of JAX coins are done in a decentralized fashion (mining) and therefore is completely **transparent** for anyone to check or audit it by checking the blockchain.

JAX

How does the Jax.Network blockchain work?

There are 2 coins on the Jax.Network blockchain:

JAXNET coins (JXN) - Are the utility/asset coins that are mined on the beacon chain of the Jax.Network blockchain, which have a fixed reward per block. JAXNET coins are used to pay for gas fees on the network and incentivizes miners to protect the beacon chain. JAXNET coins reflect the entire value of the network and should increase in value as the network is adopted.

JAX coins (JAX) - Are the stablecoins that are mined on the scalable shard chains of the Jax.Network blockchain. The shard chains have a Universal Reward Function that rewards miners in proportion to their hashrate. Therefore, JAX coins are decentralized, scalable, mineable and stable in value, pegged to the energy costs associated with printing them, rather than centralized reserves of collateral.

How does the Jax.Network blockchain work?

When miners merge-mine Jax.Network with Bitcoin, they do not lose any hashrate or incur additional costs AND continue to receive their Bitcoin. This greatly increases miner's revenues.

Miners can then choose 1 of 2 variants:

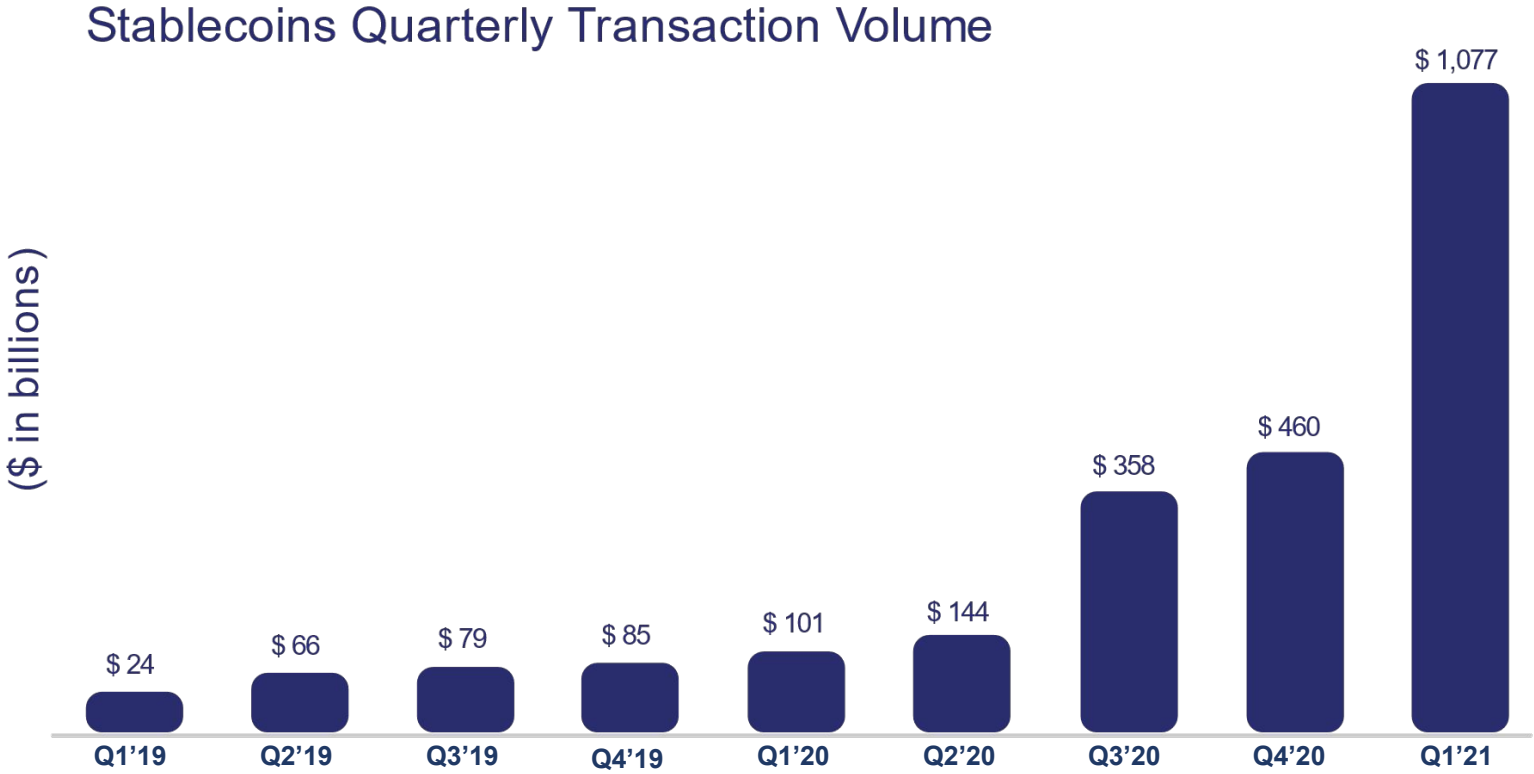| JAXNET coin and Bitcoin coinbase reward | OR | Burn their JAXNET and Bitcoin coinbase reward to produce JAX coins, rewarded in proportion to the hashrate that miner spent (e.g. 100 units of hash rate = 100 JAX coins) |

This burning mechanism ensures there is an opportunity cost to producing JAX coins which puts a cap on inflation and ensures they are only produced when there is real demand for them, resulting in more stable value.
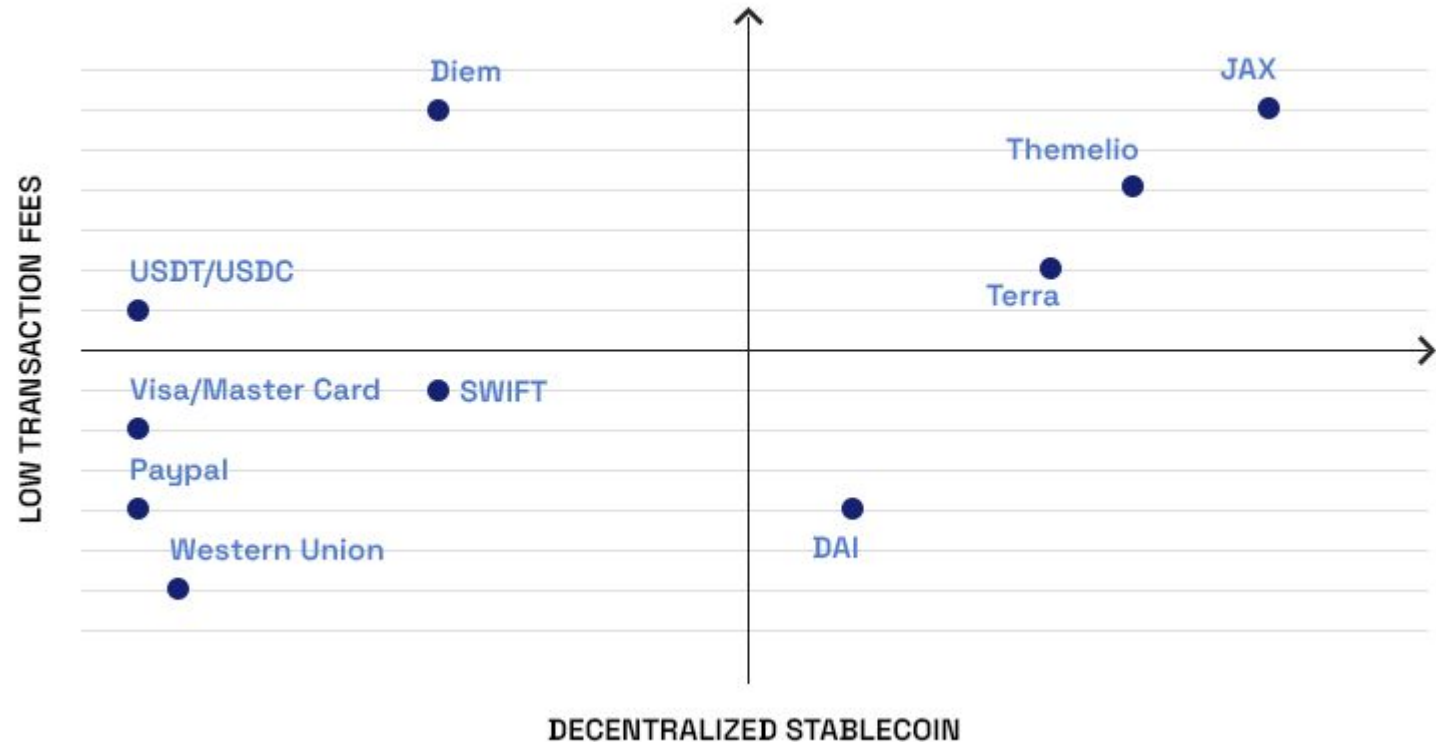
Market Opportunity

Our target market is the stablecoin market, which currently have quarterly volumes in the **trillions of dollars** and is continuing to grow.

Stablecoins Quarterly Transaction Volume

($ in billions)

Quarter	Value
Q1'19	$ 24
Q2'19	$ 66
Q3'19	$ 79
Q4'19	$ 85
Q1'20	$ 101
Q2'20	$ 144
Q3'20	$ 358
Q4'20	$ 460
Q1'21	$ 1,077

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Competition

We believe that our low transaction fees coupled with the level of decentralization will allow us to be the leader in the stablecoins and payments market.

LOW TRANSACTION FEES

DECENTRALIZED STABLECOIN

Diem

JAX

Themelio

USDT/USDC

Terra

Visa/Master Card ● SWIFT

Paypal

Western Union

DAI

Competing Monetary systems

Project	JAX.Network	Maker DAO	Kinesis.Money	USDT / BUSD / USDC	Terra (LUNA)
Monetary Standard	Energy	Digital Gold	Gold	FIAT	Algorithmic
Promotes Innovation	✓	✗	✗	✗	✗
Decentralized	✓	✓	✗	✗	✗
Easily Auditable	✓	✓	✓	✗	✗
Money Debt	✗	✗	✗	✓	partial
Risks	regulatory risk	smart contract, collateral, loss of productivity, stagnation of the economy	stagnation of the economy	inflation	collateral, loss of productivity, stagnation of the economy

Existing Competition

Parameter	JAX coins	BTC	ETH	USDT	DAI	Kinesis.Money
Scalable	✓	✗	✗	on some blockchains (Tron, Algorand)	✓	✗
Stable	"stable cost"	✗	✗	✗	✓	✓
Decentralized	✓	✓	✓	✓	✗	✗
Low fees	✓	for large transactions	yes if net is not overloaded	✓	yes if net is not overloaded	✓
Backed by	Energy	Timing	Timing	US Dollars	Digital Gold (BTC, ETH)	Gold
Risks	need for an initial user base	price is rather volatile	price is rather volatile	centralized risks to collateral	collateral, oracle and smart contract risks	stagnation of productivity

Upcoming Competition

Coin	JAX coin	Melmint	Element Zero	Resserve	Ampleforth	Empty set dollar	ZigZag	Diem	Terra coin
Network	Jax.Network	Themelio	Ethereum	Ethereum	Ethereum	Ethereum	EOS	Facebook	Cosmos
Token type	Native coin	Native coin	ERC-20	ERC-20	ERC-20	ERC-20	Smart contract	Native coin	Smart contract
Value stabilized through	Mining costs	Mining costs	US Consumer price index	Collateralized	US consumer price index	Coupon mechanics	Collateralized	Collateralized	Mining rewards
Exchange rate	Floating	Floating	Fixed	Pegged to USD	Partly floating	Pegged to USDC	Pegged to USD	Pegged to USD	Multi-fiat peg
Decentralized*	Yes	Yes	No	No	No	No	No	No	No
Scalable	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes
Maintain purchasing power	Partially	Partially	Yes	No	Partially	No	No	No	No
Money supply	Partly elastic	Elastic	Algorithmic	Elastic	Elastic	Elastic	Elastic	Centralized	Elastic
Transaction fees**	Paid by the receiver, based on market conditions	Paid by sender	Paid by sender	Paid by sender	Paid by sender	Paid by sender	Paid by sender	Unknown	Paid by sender within a 0.1 to 1% interval

* We assume that if the system uses an oracle, then the network is not fully decentralized.

** The problem with the sender deciding the level of fees is that it introduces a free rider problem, as senders are incentivize to lower the fees as much as possible. This is in total contradiction in what is observed in regular payment systems by network economics.

How we will create demand for our coins

We will create organic demand for both JAX and JAXNET coins through our Jax.Money platform, a dApp that facilitates an energy-reserves-backed monetary system.

JAXMoney

- Jax.Money is a platform in which users can swap energy backed JAX coins for Localized Stablecoins (LSC) e.g. J-Dollar, J-Rupee etc.

- We assert that LSCs are initially easier for people to comprehend and accept because for most people, the US dollar (or other local fiat currencies) = stable value, meaning there is more demand via every day transactions

- As a bonus, ecosystem participants will all receive a yield from Jax.Money - encouraging people to buy and stake JAX and JXN coins.

- Yield on Jax.Money is paid out in JXN coins and therefore the increase of adoption of this platform will result in JXN coins increasing in value.

JAX

Traction

Partners and backers

whatsminer

LIGHT SPEED

mbl

Distributed Lab

oggin

AMLBot

UTOPIAN CAPITAL

Yugen Partners

distributed ledger

Audited By

infySEC
Demystifying Innovations

CERTIK

Fund-raising stats

- $1.5 million raised since June 2021

- $2 million of seed money spent since 2018

- Public Sale launched on Uniswap and PancakeSwap

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Core Team

Vinod Manoharan
Founder

Tech entrepreneur, since 2013 and the founder of several licensed gaming companies in India with $10M+ yearly revenues. In 2018, Mr. Manoharan moved to Ukraine and founded JAX.Network to solve the infamous Blockchain Scalability Trilemma.

Iurii Shyshatskyi
Chief Scientist

Award-winning mathematician with experience in global R&D at Samsung. Received Master's degree in Mathematics, attended Northwestern University in Evanston, Illinois. Iurii is a major contributor to the Jax.Network architecture and documentation.

Taras Emelyanenko
Chief Technology Officer

Blockchain expert with a Masters degree in AI and over 15 years of experience in software development. Previously worked at Bitcoinstore, Loyyal, IOHK (Cardano). Contributed to Localbitcoin, Blockcain.info, Bitcoin.com (mining pool and wallet) projects.

Lucas Leger
Chief Economist

A PhD candidate at Le CNAM-PARIS in cryptoeconomics, Lucas worked on applying microeconomic analysis to blockchain-based networks as well as on research projects with prestigious financial institutions.

Strategic Advisors

DR. W. SCOTT STORNETTA

Advisor

Dr. Stornetta is considered by many to be the co-inventor of the blockchain. His pioneering series of papers helped lay the foundation for Bitcoin and other digital currencies.

DR. ABDELHAKIM SENHAJI HAFID

Advisor

Dr. Hafid is a Full Professor at the University of Montreal and the founding director of Network Research Lab and Montreal Blockchain Lab. Dr. Hafid has lent his support in developing the Jax.Network protocol, and given it his seal of approval.

BIJAN ALIZADEH FARD

Advisor

Bijan Alizadeh Fard is the COO of Phoenix Tech and General Partner at Phoenix VC. He is an experienced business leader in the Middle East and is closely associated with Bitmain's distribution in the region. He will actively be helping Jax.Network in all matters related to crypto mining.

TONY G ANTANAS GUOGA

Advisor

Tony G is a well-known investor, businessman, and former Member of the European Parliament. His diverse accomplishments include being named as one of the most influential Europeans in 2016 by Politico Magazine's.

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Jax.Network roadmap

Q3 2021

- Token Sale
- Launch of MainNet

Q4 2021

- Listing on Tier-2 Exchanges
- Launch of Jax.Money

Q4 2021

- Launch of Mining Pool and Exchange Hub
- Begin R&D on Layer-2 DAO consensus mechanisms

Q1 2022

- Stablecoin market-making
- Begin R&D on Layer-2 instant-finality payment protocol

Q1 2022

- Launch of liquidity (JAX) and collateral (JXN) staking services

Q3 2022

- Issuance of ecosystem development grants

Q3 2022

- Launch of Layer-2 Decentralized Payment Protocol
- Release of Layer-2 DAO templates

Q2 2022

- Release of Decentralized Money API + Developer SDK
- Listing on Tier-1 Exchanges

Q2 2022

- Layer-2 smart contract support

Q1 2022

- Milestone: 10,000 JAX Monthly Active Users

Tokenomics

A total of 36 million JXN coins have been pre-mined in the genesis block. This amount will be diluted 100% (up to 40 million to be issued) in the next 5 years. After which, the issuance of JXN coins will drop to 1 million per year in perpetuity.

Categories	# of JXN coins	% of JXN coins
Team	3,402,000	9.45%
Advisors	350,000	0.97%
Private pre-sale	868,484	2.41%
Strategic Investors	2,000,000	5.56%
OpEx wallet	13,000,000	36.11%
Liquidity Pool	2,000,000	5.56%
Ecosystem growth	8,749,645	24.30%
Pre-seed & seed Investors	5,629,870	15.64%
Total	36,000,000	100%

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Governance

The protocol along with the assets of the DAO are governed by miners, burners of JAX on shard 1, and JXN Investors into the D.A.O, in a completely decentralized fashion.

The precise governance policies and structures will be released when our Zug, Switzerland entity is ready.

JAX

Investment Opportunity

Your opportunity...

✔ We are offering investors a 30-50% discount in locked JAXNET tokens when they invest in our project.

✔ We argue that JAXNET coins will appreciate in value as the network is adopted. It is used for gas fees, cross-shard transactions and as an incentive for miners to defend beacon chain.

✔ The lock-in period of coins bought in this scheme is 15 months to 24 months from the date of signing.

Your value proposition

✔ Jax.Network offers the first decentralized, scalable and mineable stablecoin.

✔ Value of the JAX stablecoin is backed by energy.

✔ Stability achieved by a Universal Reward Function (JAX issuance = Energy consumed).

✔ When adoption is achieved, you stand to receive an exponential ROI.

Contact us to become an investor.

If you are interested in investing in the Jax.Network project, please contact us to discuss your investment.

JAX Network

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