

MINER'S MANIFESTO



A. Things to Consider Before Purchasing a New Miner

Profitability

1. In many cases, it is more profitable in the short-term to buy cryptocurrencies directly from a friend or an exchange than trying to mine them, due to the prohibitive cost of hardware.

2. If you decide to mine Bitcoin consistently, purchase new mining equipment every other generation, due to the fact that only the first few hundred in a wave might make a profit. Figure a maximum of six months life span before your equipment is obsolete. All of your expected income should be calculated in six months. After that, it will be worthless as difficulty pushes it to the bottom. Half of all rewards will come from the first month of mining.

3. Carefully monitor the expected difficulty rate projections. Make careful calculations based on the realistic expectation date you will receive the hardware. Ask yourself what position your order is in in the release wave. If you aren't at the beginning of the new wave of miners then orders that arrive before yours will reduce your profitability and increase the difficulty.

4. If the difficulty rises, the price of the cryptocurrency drops, or your mining rewards drop, you may lose money when all expenses are taken into account, especially when electricity costs are factored in.

5. Pre-build everything else in your miner. Have it 100% ready to go before the mining hardware arrives. You don't want any surprises, nor do you want to troubleshoot multiple problems simultaneously. Once it does arrive, know that uptime is everything. Do not let it sit for a minute without running full steam. You will never get that minute back.

6. When joining a mining pool, you may want to

consider using a decentralized pool to help prevent one mining pool from having a majority of the transaction processing power, known as a 51% attack.

Choosing a Hardware Miner Manufacturer

7. Do not deal with unknown brand new companies with just a website offering photo-shopped pictures and a lot of promises. But even if a hardware mining company has been reliable in the past, there is no guarantee they will be reliable in the future. Read bitcointalk and other forum threads for any product and company before making any serious decisions. Always spend some extra time reading the Terms and Conditions.

8. A lot of companies scam customers and just want to hoard your money or outright steal it from you. Recently there have even been court cases and filings against some Bitcoin mining companies due to unfair return policies or selling used products. Even the companies that have delivered product in the past have made mistakes with newer product by shipping miners in a way that damages the hardware in transit or by not adding enough thermal paste to draw heat away from the ASIC chip.

9. Often, ASIC manufacturers fail to deliver their products in decent packaging. This results in many shipments being damaged. Recently some companies have been shipping products that require more testing, rebuilding, and returning for replacement. This increases cost and reduces mining time. Be prepared to rebuild and test your miner.

10. Also try to reach the company offering the product by phone. Check for Service desk structure. Make sure they respond in a timely manner via email and phone. Search forums to see the history of a mining company's customer service.

11. Make sure your purchase is refundable. To ensure

refunds are granted in a timely manner, purchase your miner through Amazon and not directly through the hardware mining manufacturers.

12. Don't expect refunds from PayPal when pre-ordering a miner. Even though their own policy states delivery of any product within 60 days, mining hardware development often takes longer than 60 days for new mining technology to be released.

13. Look for a reputable escrow service to use with your mining hardware purchase.

14. Don't pay by crypto until the address and company is connected to Coinbase or any other similar service. Crypto payments are irreversible and cannot be charged back.

15. Avoid bank wire transfers. Bank wire transfers are irreversible if the vendor has since moved funds into another account. There are no protections or insurance for wire transfers.

Scan the following QR code for a rated list of Mining companies.



This QR code links to <https://bitcointalk.org/index.php?topic=456691>

B. What Customers Expect from Mining Companies

1. A customer should be able to get refunds in the currency they used to pay for a product. The period to complete the refund, if it is requested by the customer, should be strictly noted in the contract or in the terms and conditions, and needs to be balanced with the local consumer protection laws and agreements.

2. A customer should be told if their mining equipment has been used by the company to mine or test the product. Total number of minutes should be documented or measured on a required odometer that is included with each board or mining unit.

3. Manufacturers must guarantee that they have never used customers' equipment to mine for profits. All equipment testing should be conducted on Bitcoin's TestNet with the results made available for customers to verify.

4. Testing should be performed with fake block templates at least (ideally larger) 1 MB in total size, with generation transactions 100 kB in size, to ensure everything is capable of scaling as Bitcoin grows.

5. Mining equipment must be individually identified by batch or unit numbers. Many manufacturers are now bulk ordering sample chips during tape out to be included in production units. These chips have a high risk of poor quality and defects. Reporting which batch the chips are from means the customer can make an informed choice as to whether they are getting chips

that are high-risk, or have been optimized and are truly production-ready.

6. Ship only complete systems, with no last minute surprises. If any additional equipment is necessary, it must be disclosed along with the product specifications.

7. All mining products should be individually packaged and shipped. Large mining machines with big heat sinks should not be sent in the mail already built. This poses a high risk for the customer and a lot of people have received damaged goods. Test the products, clean them, package everything individually, then ship without being damaged in transit.

8. Consider making the pre-order payment deposit maximum 20% from the final price of the miner hardware.

9. Pre-ordering can only commence when the manufacturer can commit to detailed technical specifications of the equipment. These should include hashing rate, power consumption (on the stated hashing rate), dimension and weight, shipment packaging design, rackmount specifications (if any), price, etc. Any changes to the specifications must allow customers to cancel and obtain full refunds on their orders.

10. Mining companies must conduct independent audits, both financial and operational, to prove that they are not mining with customers' equipment.

11. Documentation and prototypes should be provided to developers of popular mining software, such as BFGMiner, preferably in advance so that the software is ready-to-go when customers receive their units. When possible, engineers should be available to clarify documentation questions. Ideally, this should begin before interfaces are finalized so unexpected shortcomings can be addressed.

12. Mining companies should be active in the mining community in a visible way. They should be present on forums where their equipment is being discussed.

13. Mining companies should not switch their returns or shipping policies on products that have already been paid for.

This manifesto was written by Nathias Von Helling, Stan Stavrev, Luke Dashjr, Andrzej Lipski, Gadi Glikberg, Sebuh Honarchian, Mark Fulton, Shao Pin Hoo, Andrew Wagner, and Austin Hill for their contributions towards this document which was written as a group in a Google document over the course of 2-3 weeks.



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