



WHITE PAPER

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Company Overview

Contents	Page.no
1 Abstract	01
2 Company Overview	
2.0 Introduction	02
2.1 Coin Specifications	03
2.2 Company Values	04
3 Infrastructure and Technical Aspects	
3.0 Proof of stake concept	05
3.1 Proof of stake	05
3.2 Coin age	07
3.3 Blocks and block creation	07
3.4 POS and DPOS Comparis	08
4 Coin Overview	
4.0 Coins and Forging	11
4.1 Wallet	12
4.2 Security	12
5 Investment Structure	
5.0 Investment Strategy	14
5.1 Investment Visual	15
5.2 Cloud mining (STAKING)	16
5.3 Cost-efficiency and Sustainability	17
5.4 Inflation and Centralization	17
6 Market Analysis	
6.0 Growth and Confusion	19
6.1 Market Analysis - Volatility and Risks	19
6.2 Enormous Costs in Conventional Trading	19
6.3 Security Concerns in the Crypto-market	20



Company Overview

Who is Interstellar Holdings Coin for: YOU!

Interstellar Holdings has specifically been created to help private investors diversify their portfolios by streamlining the process of investing in the cryptomarket.

1.0 Abstract

Interstellar Holdings is a revolutionary coin that is intended to create a simple one-step solution to investing in the cryptomarket. It will be built upon a Proof-of stake (POS) algorithm which will allow it to be resource efficient, and a reliable alternative to the common POW coin. At Interstellar Holdings we are aiming to grow as a community through smart investments and the diversification in the cryptomarket. What makes us special, is that unlike other coins, we have a structured plan to use the capital raised to create a diverse portfolio of crypto-investments that will provide a financial base to back the value of our coin. Through utilizing the amount staked from a defined finite number of initial coins, knowledgeable and experienced traders will invest throughout the highly volatile and confusing cryptocurrency market. This will make the physical act of coin trading accessible to anyone, and will undeniably grow the cryptocurrency market and Interstellar Holdings in the process. By specifically using an open and transparent system, investors will be able to see what and when Interstellar Holdings is investing at any one point in time. Providing our coins with an intrinsic value and a tangle monetary value that not many other cryptocurrencies can provide.



Company Overview

2.0 Introduction

The goal of Interstellar Holdings is to create an easy platform for investors to get into the cryptomarket without having to worry about the complicated nature of the cryptomarket or outlying large sums of money. In order to achieve this, we have selected an experienced team to structure an investment plan, that will diversify our position in the cryptomarket while creating a intrinsic monetary value to back coin. We intend to create a long investment solution that will reflect the overall value of the cryptomarket.

It is widely known that the current cryptomarket is highly volatile and it is often tough to decipher the next trends or advancements in the market. This is where Interstellar Holdings will come into play. We will make it our duty to analyze the market and areas of investment. Our portfolio will stretch across all levels of the cryptomarket, to create a diverse portfolio that will reflect the cryptomarket as a whole. Allowing our backers to easily invest in the whole cryptomarket by investing in only one place. This is exciting, because the cryptomarket is still in its infancy stages there are stellar returns waiting to be made over the next few years.



Company Overview

2.1 Coin Specifications

Coin Cap: 2 000 000 000

Premine: 2.5% (50 000 000)

Block time: 120 secs.

POW:

1 coin fair launch

2501-10000

50 coins

10001-5m

100 coins

Halving every 1m blocks

POS ROI:

Blocks 2500 – 10000: 2500%

10000 – 25000: 5000%

25000 – 80000: 750%

80000 – 130000: 1000%

130000 – 170000: 2000%

170000 – 190000: 3600%

190000 – 200000: 7200%



Company Overview

2.2 Company Values

As a company we understand the value of honesty and transparency, and view it as the fundamental basis of a successful long-term endeavour. At Interstellar Holding we will maintain transparency with our investments and holdings to ensure that trust is developed between our company and our investors. We will achieve this through constant community updates and by publishing performance reports that will allow our investors to oversee the progression of our holdings and assets.

Additionally, we want to grow as a community and put a lot of emphasis surrounding this value. We want you to have an input on what we invest in, and how we use our funds. Holders of our coin and members of our community will be given the ability to vote for the course of action that they believe is best. Growing as a community means learning as a community.



Infrastructure and Technical Aspects

3.0 Proof of stake concept

The Proof-of-stake concept first arose in 2012 through the creation of peercoin and was then later used by several other coins. The basis of this algorithm is that it will allow for a distributed consensus throughout the network, ensuring security through a significant number of nodes. This algorithm was chosen for the launching of Interstellar Holdings because it was reliable and resource efficient. The creation of coins on this system is created through the means of staking. This means that any holder of the coin that keeps their wallet and node online will automatically be able to generate new coins through the creation and signing blocks. This is important because it incentivises our investors to grow their assets while ensuring the security of the distributed consensus.

3.1 Proof of stake

In Interstellar Holdings, proof of stake is used. So the "mining" process occurs through acquiring coins and placing them into the specific wallet for your operating system (OS). Once the coins are placed inside the wallet, the wallet begins to stake using these coins. In simplest terms, your coins will "mine" more coins for you, the more coins you have, the more coins you will mine. It doesn't involve powerful CPUs.



Infrastructure and Technical Aspects

Each block (every 120 seconds), coins are selected to be the next "miner". There will be a 2 billion coin max supply, however the odds of a single wallet being selected is not related to this, it is based on the number of Interstellar coins in that wallet divided by the total amount of staking coins on that network (input of staking coins/network of staking coins).

If a node with the selected wallet is running, it will collect the transactions, make a block, and send it to the rest of the network and collect the rewards. If the computer is turned off, however, then the entire network will have to select a different Interstellar coin to make the transaction. This time, the unresponsive wallet will be ignored. The network would suffer in that the time to make a block is decreased, but the thought is that people wouldn't leave their computers off if they have a lot of coins because they're missing out on all the rewards that they could possibly collect. Interstellar Holdings will be giving out staking rewards at a specific ROI, the more coins a wallet holds; the faster the given wallet will receive a reward.

Based on the POS algorithm, an active node of the blockchain network in Interstellar Coin is randomly selected. The choice is based on their stake size. The appropriate wallet will receive a daily reward or ROI for the contribution to achieving the distributed consensus.



Infrastructure and Technical Aspects

3.2 Coin age

Coin Age in this protocol block generation is based on coin age which is a factor that increases the weight of unspent coins linearly over time; the proof that has to be provided together with a new block and has to satisfy the following condition: $\text{proofhash} < \text{coins} \cdot \text{age} \mid \{z\} \text{ coin age} \cdot \text{target}$. The proof hash corresponds to the hash of an obfuscation sum that depends on a stake modifier, the unspent output, and the current time.

Coin age adds another factor to staking, rather than using the equation of input/network, the equation input weight/network weight is used. Coin age is a beneficial factor as it allows investors with smaller holdings to increase their chances of receiving a reward block for staking as time goes by.

3.3 Blocks and block creation

Since Interstellar Holdings is based on the Proof-of-stake algorithm, the creation of blocks is facilitated through active network nodes that possesses a certain amount of coins which can participate in the generation of blocks. An active network node can be defined as a user who keeps their wallet open and possesses a certain amount of coins. Selection of the creator of the next valid block is made by using deterministic randomization formulas that take both the stake size and the hash value into account, avoiding centralization of the currency by not letting the wealthiest members of the network infinitely accumulate their capital.

Infrastructure and Technical Aspects

3.4 POS and DPOS Comparison

As mentioned above, the only thing that nodes within a POS cryptocurrency need to do is to maintain the security of the network itself. Therefore one needs to have a certain amount of coins in the wallet and keep the wallet online to be eligible to earn. This mechanism eliminates the human factor in the mining/forging process and helps to avoid spending massive amounts of electricity on creating coins. It is the backbone and the most laconic property of the Proof-of-stake algorithm.

Apart from the Proof-of-Stake, two other algorithms exist in the cryptocurrency world. The Proof-of-Work (POS) and Delegated Proof-of Stake (DPOS) algorithms, which are both meant to help blockchain reach a distributed consensus and maintain the integrity of the network.

Distributed consensus, is a term widely used in computer science and cryptocurrencies. It should be interpreted as a mutual consensus among the majority of its users, on whether the data about the transaction in the last block is valid. If this is the case, the distributed consensus is achieved, and the block will be successfully signed, ensuring proper functioning of the network.

If the data in the last block is false, then distributed consensus among active members of the network will not be reached, and therefore this block will not be signed, avoiding the possibility of



Infrastructure and Technical Aspects

various kinds of attacks that jeopardize the system integrity or allows for double spending.

In cryptocurrencies that use POW the distributed consensus in the network is reached with the help of its active members, or miners, who need to use real computing produced by hardware to hash blocks and mine coins. Though this may seem like the most robust and true-to-life method of reaching the distributed consensus, actually it leads to several serious problems:

1. It requires massive amounts of energy due to the increasing difficulty to mine coins.
2. Miners are required to purchase expensive equipment to survive in the ever-growing mining market. The hardware gets outdated fast and eventually ends up at a landfill site, harming the environment even more.
3. Such system leads to the appearance of miner monopolies that tend to negatively influence the commission fees and transaction processing times and also leaves the possibility of carrying out a 51% attack.

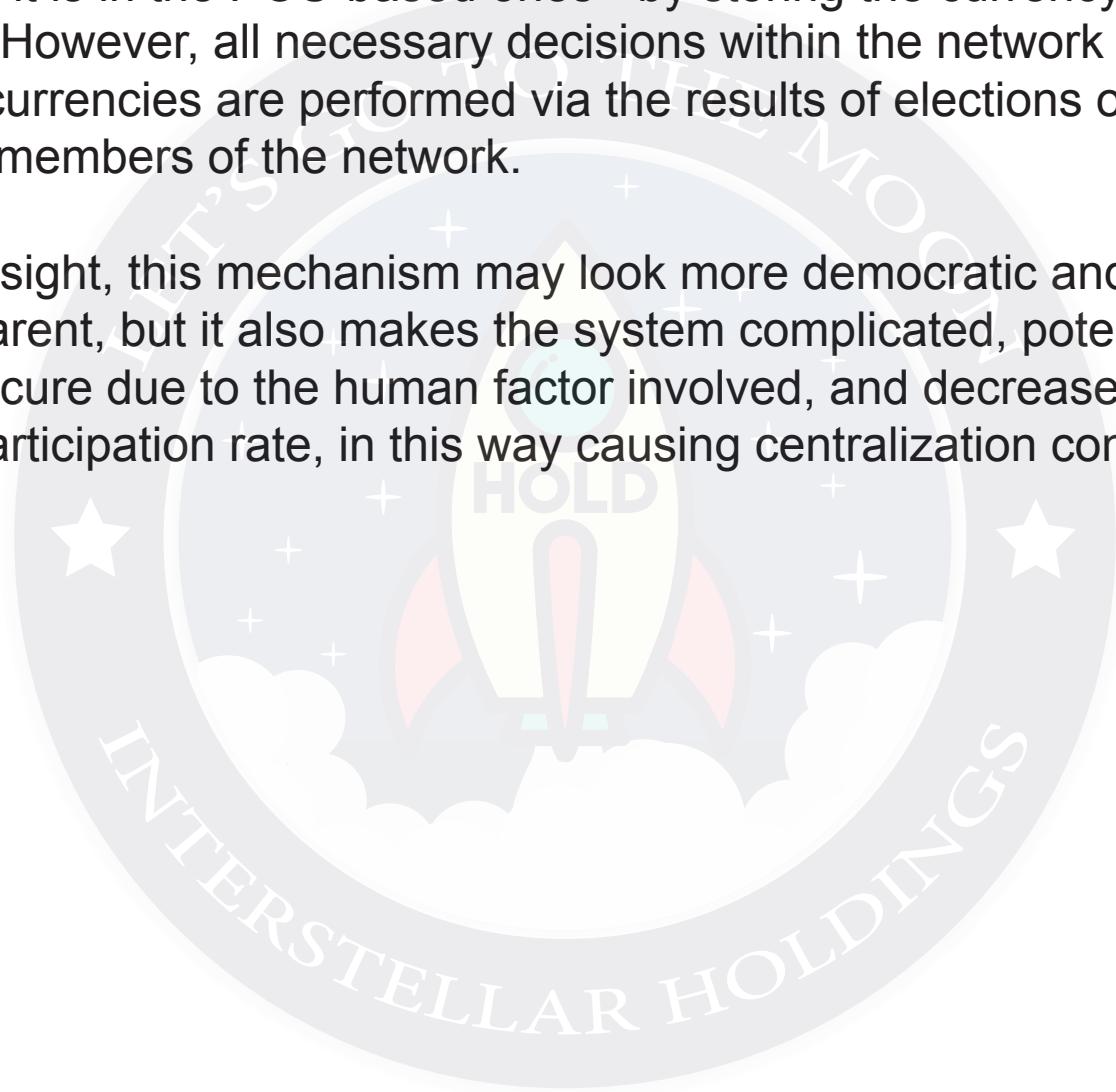
Delegated Proof-of-stake, or DPOS, is the latest blockchain algorithm which is currently used by cryptocurrencies like BitShares. In its essence, it's very similar to POS, but it still has quite a few changes that make it different from the Proof-of-stake algorithm



Infrastructure and Technical Aspects

Network nodes in DPOS cryptocurrencies create coins in the same way as it is in the POS-based ones - by storing the currency in the wallet. However, all necessary decisions within the network in DPOS cryptocurrencies are performed via the results of elections organized by the members of the network.

At first sight, this mechanism may look more democratic and transparent, but it also makes the system complicated, potentially less secure due to the human factor involved, and decreases the user participation rate, in this way causing centralization concerns.



Coin Overview

4.0 Coins and Forging

The coins and the means of their creation will be based on the POS algorithm. This will be done through a random open node being selected from the network and used to forge the new coin. This choice will be linked to the size of the stake and each appropriate wallet will receive a determined rate of return based on their contribution to this network and this process.

The coins will initially have a max cap of 2 000 000 000, but that will ultimately decreased based on Interstellar Holdings unique reinvestment plan. The rate-of-return will be pre-set for certain blocks and was structured to incentivise investment at all stages in the start-up process. Interstellar Holdings will start with an open ICO where anyone can invest any amount into.



Coin Overview

4.1 Wallet

Wallets will be created for a variety of devices ranging from iOS to Android and various web applications. Our wallets are designed to be easy to use and light on the computer, so that they do not require much space. This is another one of the pros of choosing the Proof-of-stake algorithm for our coin.

The outstanding advantage of the Interstellar Holdings Wallet is that it requires a very tiny amount of space for its installation compared to the Bitcoin Core and therefore can be used by anyone, anywhere, and anytime. Interstellar Coin is designed over a Proof-of-stake algorithm, which makes full node wallets a thing of the past. Since there's no physical mining of coins required and the distributed consensus is achieved via proof of possession of coins in one's wallet ; you are not obliged to download the full copy of the blockchain to use Interstellar Coin, resulting in less disk space usage.

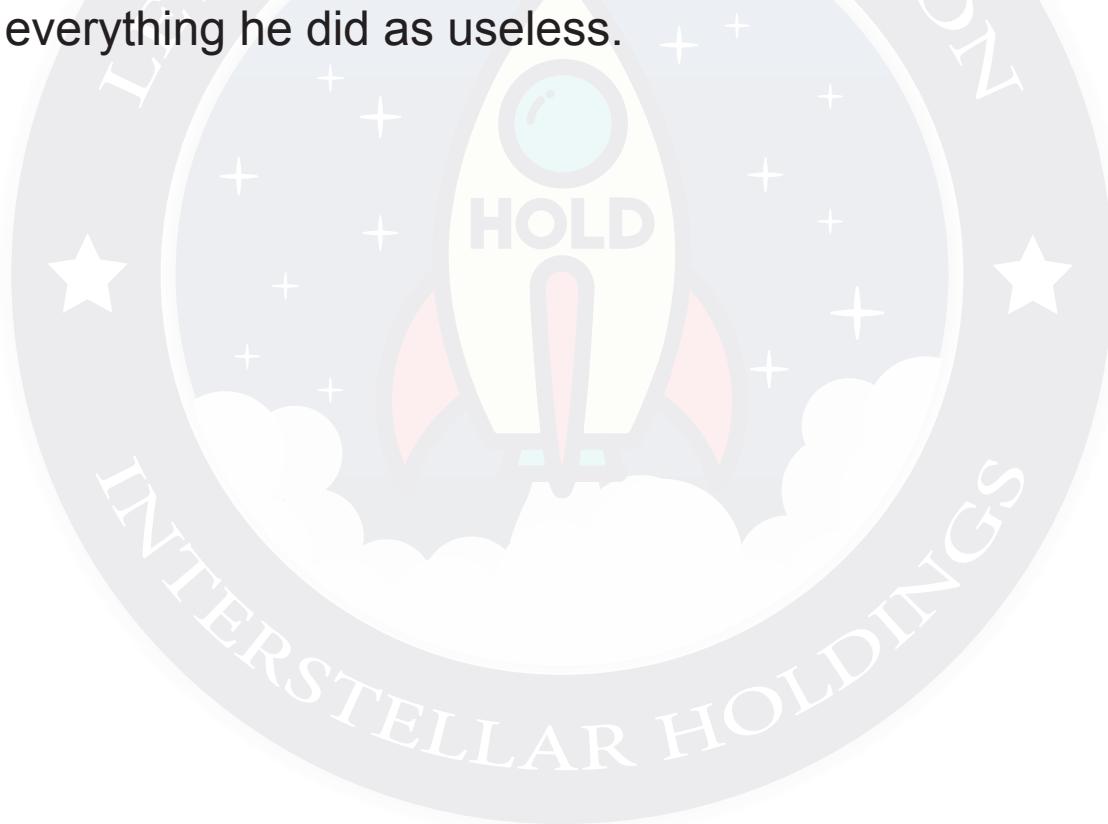
4.2 Security

There are various kinds of attacks and vulnerabilities to which a crypto currency can potentially be exposed. The most significant of these threats are a majority attack (51% attack) that has to do with monopoly problems and a double spending attack. A most devastating attack can be performed when one of the nodes of the blockchain possesses 51% or more computing power of the whole



Coin Overview

network and therefore gains complete control over it. Such attacks may theoretically take place in the POW-based cryptocurrencies only. A 51% attack is not realistic in Interstellar Coin network for the two following reasons. Because Interstellar Coin is a POS-based cryptocurrency, the attacker will have to acquire at least 51% of all network resources. Also even if hypothetically such an attack happens, it won't be beneficial for the attacker himself. This attack will affect the market rate in such a negative response that it will hinder everything he did as useless.



Investment Structure

5.0 Investment Strategy

The initial investment raised through the ICO will be used to run the company and fund the creation of the first investment portfolio. In addition to this, the company itself will hold a certain amount of coin that will be left to continually stake in a wallet to generate a return on that holding. The return gained from the staking coin will be used to fund new investments for the company's portfolio. Return generated through the Interstellar Holdings will be used to directly reinvest in the company through buying back coin and funding future investments.

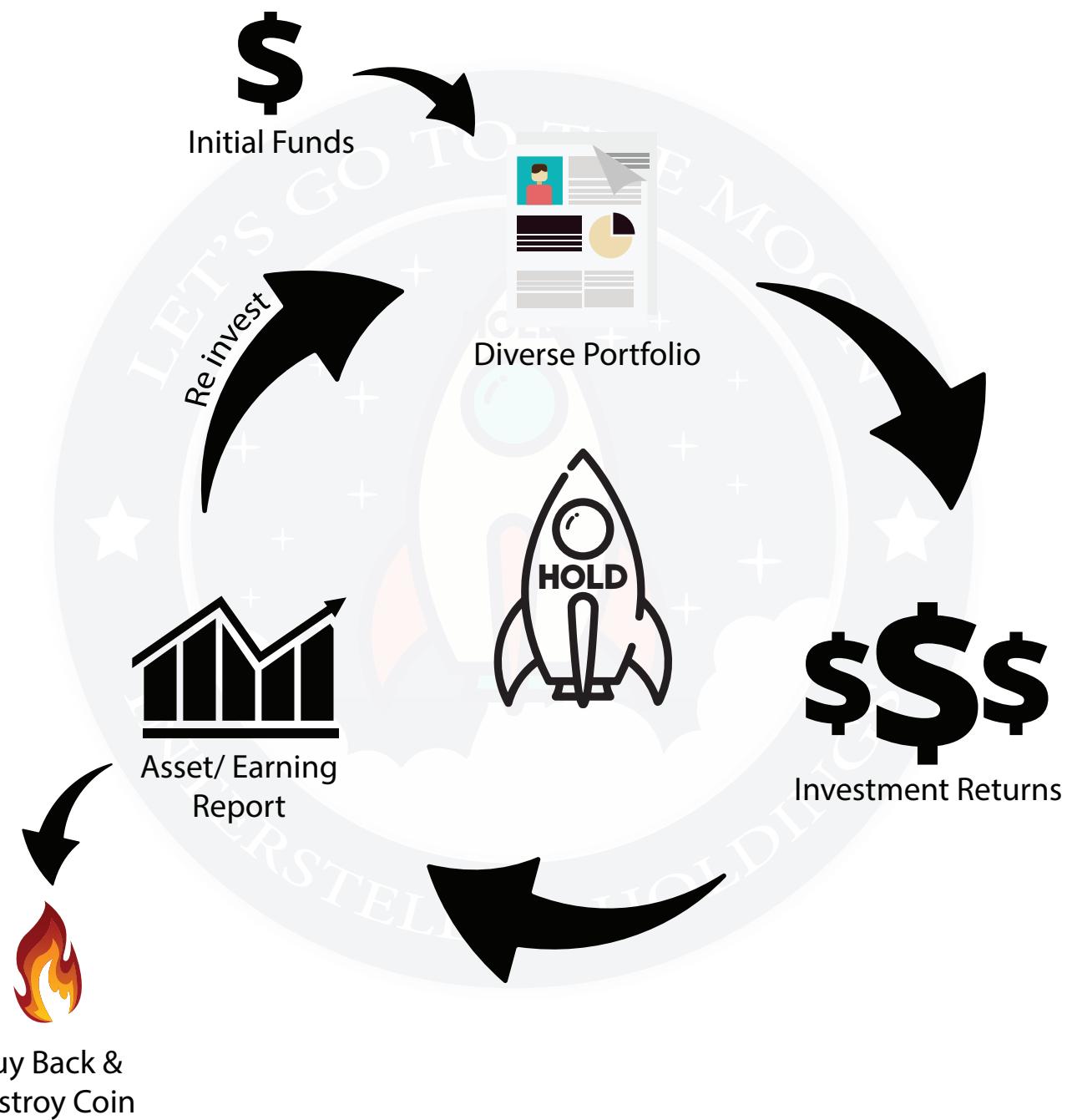
Interstellar Holdings is also introducing a revolutionary means for increasing coin value by continually reducing coin circulation. This will be achieved through purchasing our company's coin and removing them out of circulation by destroying the coin. This will reduce the maximum coin cap of the company, and will ensure value in the coin by increasing scarcity. This will be done on the ongoing basis, rewarding the individuals who hold our coin.

All investments and holdings of the company will be published through reports that will ensure transparency and openness to our investors.



Investment Structure

5.1 Investment Visual



5.2 Cloud mining (STAKING)

As it was mentioned above, users of Interstellar Coin do not need to constantly hash data using costly equipment that consumes a lot of electricity. However, to enter the coin forging pool and be able to earn with Interstellar Coin, one simply needs to keep the wallet online to be considered an active blockchain node. Aforementioned is definitely a better and a more eco-friendly way of maintaining the blockchain integrity and security yet it might likewise lead to some little unnecessary power spending. This is one of the reasons why Interstellar Coin offers a cloud mining service available for all of its users irrespective of whether they are just regular users or big investors. The cloud mining services will be provided by Interstellar Coin and several other trusted third-party companies so that the cryptocurrency members can enjoy a wide selection of payment options and service conditions tailored especially to their needs

According to publicly available statistics, currently, some of the POW based cryptocurrencies use up to 14.18 TW/h of electricity annually, which is comparable to the total power consumption in the entire country of Slovenia.

A rapid growth of any POW based cryptocurrency will undoubtedly lead to a sustainable increase in electricity consumption

Investment Structure

5.3 Cost-efficiency and Sustainability

Since Interstellar Coin is based on the Proof-of-Stake algorithm, which was also developed to make cryptocurrencies more resource efficient and eco-friendly, our users don't need to buy expensive equipment also known as ASICs. It is most likely that these ASICs will become obsolete only one year purchasing them. It's a waste of massive amounts of electricity on performing unnecessary calculations.

5.4 Inflation and Centralization

The prime issue at hand for cryptocurrencies is its' irrespective logic as to whether they are based on POW, POS, or DPOS algorithm that is a primary centralization concern. Since it is both illogical and too costly to perform a 51% attack for a POS based cryptocurrency, the centralization of the network in Interstellar Coin is very unlikely.

As an additional measure against centralization, the creator of the next valid block in the Interstellar Coin blockchain will be selected using deterministic randomization formulas. These formulas are based on the stake size and the lowest hash values that will limit wealth accumulation possibilities and ensure that the cryptocurrency does not get centralized.

The fundamental natures of a POS coin offer a daily reward in exchange for the user's cooperation with achieving the distributed consensus; all POS based coins face inflation issues in one form or another.



Investment Structure

However, we have already calculated the rate of growth of supply and have already began implementing strategies to combat inflation. Coin burn, ICOs, reinvestments are just some of the proposed strategies. Our investment structure allows us to minimize inflation while providing confidence for investors. Connecting tangible value to the coin will also prevent inflation from becoming uncontrollable as the coin will not solely then rely on supply and demand like other coins.

Cryptocurrencies offer a whole range of tools and measures that are meant to contribute to the development of a more transparent, just, and open global financial market, that ensures the security and growth of the investors capital.

Like any other complex and elaborate systems, cryptocurrencies as an article that presents certain flaws and risks associated with any financial instrument. The sections below will provide explanations to such risks and further discuss the ways of balancing them in addition to cutting their impact down to the reasonable minimum.



6.0 Growth and Confusion

The current cryptocurrency market lacks true regulation and because of this navigating through the market can be extremely challenging and overwhelming for new investors. In addition, the variety of different coins, as well as the constant introduction of novel coins everyday adds to this complexity, and makes investing in the current cryptocurrency climate inaccessible for a large portion of the population.

6.1 Market Analysis - Volatility and Risks

Cryptocurrencies are extremely volatile and, due to their limited acceptance in the traditional economy, investors have almost no options to disperse their risk. Money has three important properties: It serves as a store of value, a medium of exchange and a unit of account. Currently, cryptocurrencies are primarily used as a store of value. The use of cryptocurrencies as a medium of exchange and as a unit of account is still in a very early stage. This means that there are limited options to escape the volatility of its value. At present, the only real way out is to reconvert into a fiat currency.

6.2 Enormous Costs in Conventional Trading

Trading fees, broker-assisted fees, account maintenance fees, account transfer fees, selling fees and commission fees at various

Market Analysis

stages are standard costs to consider when buying real-world assets through a retail broker. In addition to the complexity of determining which costs apply to which assets, minimum fees apply that make investing small amounts unprofitable and exclude lower income groups from participating in the market. Percentage-wise, a user that can only invest \$100 in an ETF pays a significantly higher fee than a professional trader investing \$100,000 - we think this is unfair and want to level the playing field here.

6.3 Security Concerns in the Crypto-market

Thus far, no secure and easy way to invest in a crypto-basket with full market exposure in exchange for a single token exists. By introducing our infrastructure, investors will gain full access to the expertise of our highly experienced group of crypto-portfolio managers, allowing the profits to be shared.

