



WHITE PAPER V1
BLACK HOLE PROTOCOL LLC
A COSMOS PROJECT

Abstract

With the advent of digital assets flourishing in an unregulated market, a digital universe continues to grow unchecked. Without an active cleanup mechanism, it has become polluted with tokens and projects that offer little value, detracting from the health of the crypto ecosystem as a whole. As a mechanism purpose built for removing excess and unvalued assets across all chains throughout the broader crypto ecosystem, Black Hole Protocol finds its purpose in upholding the sanitation of digital asset ecosystems by serving as an economic engine through which holders can utilize their share of HOLE tokens to vote on the destruction of other digital assets or the HOLE token if the community so chooses.

HOLE is the native asset of Black Hole LLC that represents voting power in a DeFi instrument used for upholding the health of decentralized economies. Due to the widespread uncertainty in today's markets, digital asset investors often find themselves holding a token that has depreciated in value, backed by nothing beyond hype or speculation. With the presence of Black Hole's mechanism in the crypto ecosystem, an ecosystem-wide pressure is introduced for all digital assets to perform or else risk being destroyed.

Black Hole LLC is an honorable member of the Junø community and pledges to consistently act in alignment with the benefits of the common good. Within Black Hole Protocol, all decisions are voted on via community governance, thus upholding our first principal of maintaining an equitable system.

The Black Hole Process

Each month, the total supply of HOLE tokens increases by no more than 1m tokens, where the tokens are sold immediately at market value and used to purchase tokens selected by the community. Black Hole provides a community voting platform on [Black HoleonJuno.com](https://blackholeonjuno.com) where HOLE token holders cast their vote for which selected assets are to be burned. All votes are weighted in proportion to HOLE holdings in a 1:1 ratio. In this process, Black Hole is able to provide a decentralized mechanism where the value of HOLE is used to purchase and destroy selected assets. Because selected assets are purchased at market value and Black Hole does not retain any of the selected assets, no investors are harmed in the Black Hole process. All Black Hole accounts will be publicly available and will be shared with each Black Hole bi-weekly report.

For users, interactions with Black Hole Protocol are as follows:

1. Hold HOLE in your wallet
2. Submit your bi-weekly vote on the Black Hole.

Voting Portal

In the context of Black Hole, the term “burning” describes the process of buying and destroying supply off of the market. The effect of burning is similar to a large buy order being executed with no potential of selling the tokens that are purchased. Because Black Hole does not retain any of the tokens that are selected to burn, no investors are negatively affected in the process except those who get exceptionally greedy. Black Hole Protocol is not designed to be a speculative pump and dump asset, rather, it is an educational tool and is meant to be understood before a person should attempt to use it. All traders assume responsibility for their own risk.

Roap Map

Phase 1: Airdrop & Launch

Unlike many token launch structures that may invite private sale investors who then use a public launch for exit liquidity, we at Black Hole LLC have no token sale and will be airdropping the majority of our token supply to the JUNO community. A substantial allocation of assets to the community is key for users looking to be a part of an organization that maintains equitable representation in the governance of the protocol.

Phase 1 of our development also includes the launch of our community voting portal, enabling users to choose which eligible assets they would like to see Black Holed. Community members will connect their wallet to our voting API with a transaction to confirm the holders amount of HOLE and therefore their voting power. With the completion of our first Black Hole epoch, reports are published for the community to view.

The HOLE token will be capped at 100m over the first 12-18 months. With our inflation schedule of no more than 1m per month, HOLE has a genesis supply of 100m and a max total supply of 200m tokens.

Phase 2: Pulse Program

More automated services coming to HOLE holders.

Phase 3: Black Hole Any Token

In phase 3 of our evolution, we will place heavy focus on the development of API programming and integration with a partnered exchange to unlock more value for HOLE holders. With the

advent of this API, Black Hole Protocol will no longer limit the assets that are eligible to be Black Holed. This means that if a single person was invested in a project that lost its value, they could repeatedly vote to Black Hole their own asset with their own percentage of HOLE to recover the value of their investment. Tokens will be added on a daily basis to the API. During this phase all votes will no longer be broadcast however they will continue to be viewable through block explorers. Moreover, the deployment of this hub will enable the next phase of development for Black Hole; tokenizing debt.

Phase 4: Hole your Debt

Once our API Black Hole system is up and running, we will be introducing an easy to use API interface where Black Hole users will be able to enter their account numbers and other associated information to establish a direct API to personal debts. Thus, Black Hole community members will be capable of Black Holing their own debts. Most forms of debt bound within the fiat financial system will be eligible to be Black Holed through the Black Hole mechanism. This includes mortgages, car loans, student loans and more.

Future:

We at Black Hole LLC anticipate that in the future the vast majority of jobs across many industries will substituted with a similar type of API and automation in the evolution of blockchain and smart contracts technology.

We also anticipate that small companies and corporations will need new and innovative ways to sustain themselves in a rapidly evolving global financial system. Black Hole Protocol is an open source tool that can be used to augment financial resiliency by any individual or corporation, while simultaneously having a positive consequence on global economies as a whole. Black Hole provides a solution to a core issue overhanging the legacy financial system; the reduction of debts. Black Hole has the capability to reduce the dilution of inflated currencies in the only honorable way, which is to pay for all outstanding debts that created the extra currency, and destroy them as a trusted entity.

Why Juno Network?

As Black Hole Protocol is a community driven project, so too is Juno Network. Among many reasons, we choose Juno Network as our home because building on a community owned ecosystem aligns with our values of sovereignty and decentralization. And of course, Juno Network's active community members share the inspirations and visions that create an environment for accelerating growth.

As the first blockchain development environment to deploy interoperable smart contracts, Juno Network provides an efficient and censorship resistant infrastructure for Black Hole Protocol to build its asset burning machine. At the core of the cosmos ecosystem is the Inter Blockchain Communication Protocol (IBC), setting a single standard for interoperability of blockchain data.

We at Black Hole LLC see that Junø, an IBC enabled asset and home of the CosmWasm, provides the tools, efficiency, accessibility and scalability needed to evolve and thrive in the digital economy over the long term.

Black Hole LLC business processes are carried out through Junø's proven smart contract framework, driven by Tendermint BFT consensus engine. Thus, providing a public and community driven network for conducting operations in an open environment with little to no counterparty risk.

In contrast to many other protocols building in ecosystems outside of cosmos, such as a layer 2 on Ethereum, we see that using Junø Network in the construction of our protocol is an asset that sets us apart from other projects in the broader crypto ecosystem. IBC Dex's provide the HOLE token among many other tokens a decentralized space to pool liquidity and enable HOLE to be traded on the open market.

With community voting as a core function that decides which assets to Black Hole, on-chain governance is key to Black Hole's operation. The combination of Cosmos security and accessibility provided through the Keplr wallet unlock unparalleled value for Black Hole Protocol while enabling our on chain governance processes.

We at Black Hole LLC look forward to continuing our relationship with the Junø Network community and developers in the progressive evolution of digital assets and decentralized applications. Together we are a part of building the future of blockchain for a brighter tomorrow.

While modest in its beginnings, Black Hole LLC is providing a solution for building a more equitable approach to the creation and destruction of value. As we cultivate a better balance in our financial systems, we journey onward in achieving a life affirming timeline for Planet Earth and for humanity.