

LUNARX: UNIVERSAL MIDDLEWARE TO DAPPS, PART II

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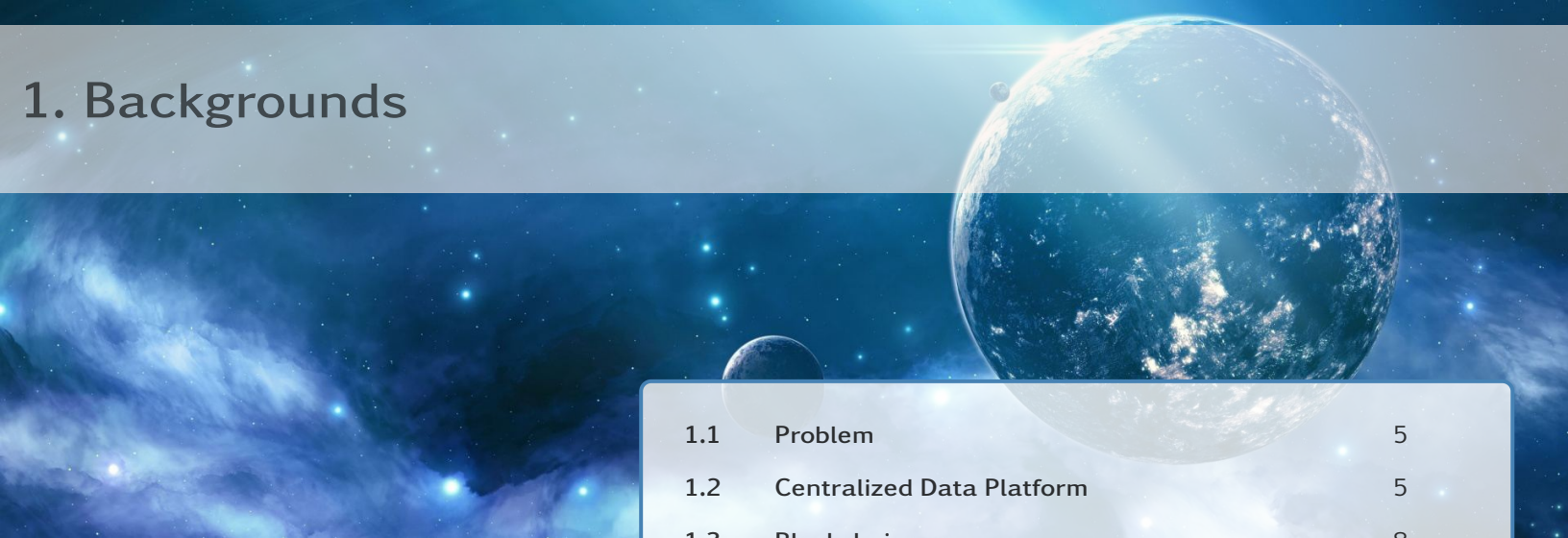
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Contents

1	Backgrounds	5
1.1	Problem	5
1.2	Centralized Data Platform	5
1.3	Blockchain	8
2	What is LunarX	9
2.1	Not only Blockchain	10
2.2	Aim	10
2.3	Benefits	11
2.4	Where to begin	12
3	Business Scenarios	13
3.1	Miners who serve internet users	13
3.2	Other Roles	13
3.3	Business Process	14
4	Technical Architecture	16
4.1	Two-layer protocol stack	16
4.2	DHT	17
4.3	Data Storage and Query	17
4.4	Naming	18

5	LunarX Economy	20
5.1	Use of LX token	20
5.2	Incentive - based circulation mechanism	20
5.3	LX Issue Plan	21
6	Road Map	22
6.1	Q2, 2018 – Q2, 2019	22
7	Team	24
7.1	team background	24
	Literature	26



1. Backgrounds

1.1	Problem	5
1.2	Centralized Data Platform	5
1.3	Blockchain	8

1.1 Problem

With the continuous introduction of internet applications, the internet has been expanding to Asia, Africa and Latin America, and the number of users has also been increasing. But even with the exponential growth of internet in the past decades, there are still 3.5 billion people around the world that do not have access to internet. All these means more data service are needed.

Centralized data platform is today’s mainstream data service solution. As the need expands, more and more data centers are put into operation, often at very high costs. At the same time, concerns regarding reliability, security, and privacy have also become more pronounced over the last few years.

To address these shortcomings, the science and technology community has advanced decentralized applications (DApp) that run on peer-to-peer (P2P) networks. However, until now, there is no easy-to-use solution to process a large amount of data in a truly reliable, scalable, flexible and cost-efficient manner.

1.2 Centralized Data Platform

Costs

Data centers are very costly. Since end users will eventually pay for these costs one way or the other, it may worth examining these costs briefly.

Industrial data center is a complex system containing thousands of interdependent devices. Data center operators need to update and optimize the temperature, humidity, air pressure, power usage, fan speed, resources (CPU, Memory, HDD IO) utilization in real time. Therefore, merely the construction and maintenance budget of a Tier-3 data center is usually more

Reliability

Even with all the redundant capacity, data center are not fail-proof. A 2016 study by the Ponemon Institute found that unplanned outages for just 63 data centers in one year costed more than 43 million. The average cost of data service outage has reached nearly \$10,000 per minute, more than 200% higher than 2010. (Ponemon Institute 2016)

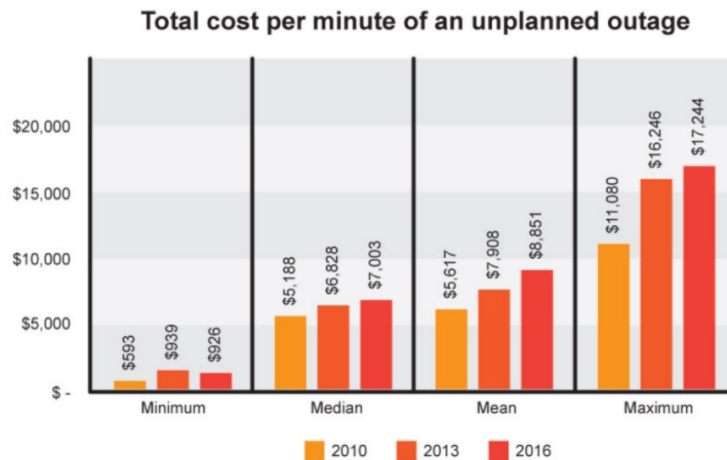


Figure 1.2: cost per minute of an unplanned outage

Source: Ponemon Institute

Security

Database of top enterprises are repeated hacked despite heavy investment to protect data. In 2016, data of 68 million Dropbox users were leaked for sale on darknet markets. In 2017, Equifax, one of the three credit bureaus in the U.S., was attacked and sensitive information for more than 143 million people were stolen.

With the increasing size of users and the increasingly complex network environment, any new function upgrades, or changes to old functions, are accompanied by ever-increasing security testing requirements, and increasingly inevitable risk of attacks.

Privacy

Privacy is one of the often mentioned concerns about centralized platform supported by data centers. The platforms not only have all the knowledge of their users' data, but also share users' identities and characteristics. To use their services, users have no choice but to trust these platforms.

When there is not enough transparency, not all, if any, business are trustworthy. There are plenty of examples where companies monitor and peep at users' data, advertising on users' behaviors and personal information, or even sell users' data directly to marketers.

1.3 Blockchain

Flexibility and scalability

Since the birth of blockchain technology, solutions for distributed computing in an untrusted environment has advanced significantly. Blockchain is a decentralized sequential transaction database. Transaction data are data that describe token generation, transfer and banking. The global consistency of transaction data in blockchain is achieved through proof of work (PoW) or its variants, which prevent double spending, data tampering and other malicious alteration in the network.

However, most data generated in DApp are not about transactions. Nevertheless, they need to be tamper-resistant, traceable, anonymous, autonomous, and scalable. Although we can still put the data into blocks, generating blocks needs to be proved by work and can only be recorded in the blockchain database by global consensus. This is very resource consuming and not an efficient solution for distributed computing.

Alternative includes putting data into FileCoin, Sia, IPFS (InterPlanetary File System) or Storj, but they cannot provide services of traditional centralized data centers, such as structured data processing, vertical scaling, object storage, table storage, CDN, data retrieval, structured query, cache and plug&play with convenient interfaces. Therefore, they are not flexible and scalable for upper-tier applications.

PoW mechanism

Blockchain based solutions require some kind of PoW mechanism to verify the validity of the data service, as users and service providers need a mechanism to prove their good faith to each other. Existing storage layer projects, such as FileCoin, IPFS, Sia and Storj, have all adopted Proof of Storage method as the Pow mechanism. For example, Filecoin invented Proof of Replication and Proof of Spacetime to address Sybil attacks, Generation attacks and Outsourcing attacks. However, if data replication is adopted as the storage model, malicious nodes can still generate proofs of replica as needed when storing data locally. Therefore, existing PoW mechanisms are not completely scam-proof.

2. What is LunarX

2.1	Not only Blockchain	10
2.2	Aim	10
2.3	Benefits	11
2.4	Where to begin	12

LunarX is a middleware for Dapps in a value network. With its support, DApp can have each node in the network provides services to each other no matter where they are, storing encrypted data, serving analysis requests, while earning tokens at the same time. With no data center involvement, LunarX significantly reduces the cost of obtaining services.

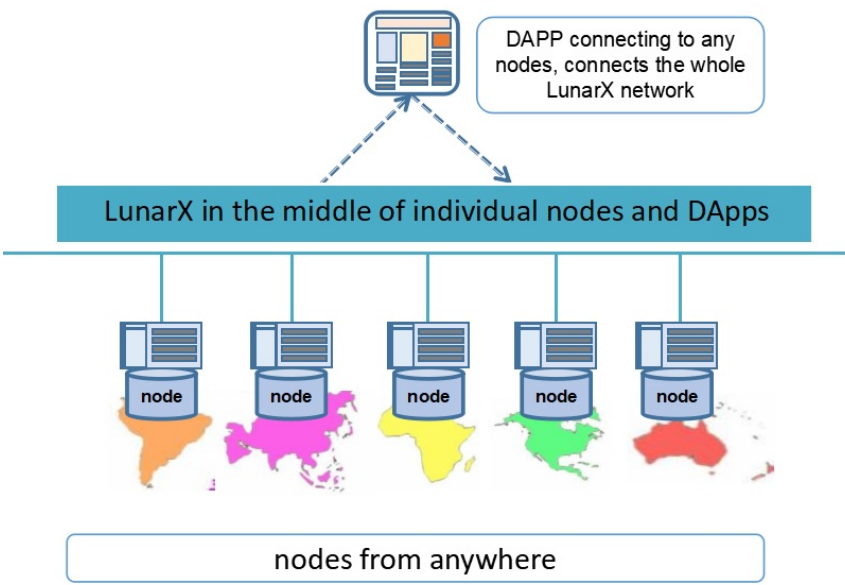


Figure 2.1: Middleware for Dapps

From a global perspective, the middleware is a bunch of fundamental protocols that defines infrastructural services which are necessarily supporting the future value network. LunarX is:

- 1. A network: Every peer joining the LunarX network becomes a part of the whole data service system, providing data chain functionality to clients.

2. A matrix: Globally sparse matrix, locally DAG for managing data, and generating blocks for miners.

2.1 not only storage for files (or objects), but also for structured data, stored and managed in remote data chain by algebraic encryption commutative map (see part I).

2.2 not only for storage, but also for stream media publishing, content delivery, CDN, web sites,etc.

2.3 Robust data self-recovery by error erasure coded, in case some nodes are out of service or attacked by malicious hackers.

3. A bridge: These core data of a large number of commercial applications will use middle-ware to interact with blockchain and the underlying hardware. LunarX will build a bridge between the two worlds.

2.1 Not only Blockchain

Currently most online services are provided through centralized infrastructure. Because of that, we have no control over our data and are inevitably naked in front of big Internet Service Providers.

Blockchain technology changes that and make building a value network a possibility. But blockchain alone cannot fulfill the vision of a value network. At present, the block chain is very suitable for processing transactional data, such as transfer money and liquidation, while LunarX can process non-transactional data, such as user generated content, file storage, smart device data or streaming media, etc.

2.2 Aim

LunarX aims to offer fundamental building blocks for decentralized, infinitely-scalable, tamper proof, anonymous and autonomous data infrastructure for DApps and their users.

Some may think that blockchain is a global giant computer, so there is logic to think that blockchain is as a (ledger) storage and (Turing completeness) intelligent contract is as computing capability. Everything depends on a database with chained structure.

It is not enough for decentralized applications. Such applications need a uniform, secure, extensible, flexible, and decentralized data processing layer to enable business logic to be implemented quickly. This is the original intention of lunarX's design.

We understand that not all functionality of data center can be decentralized. Many internet applications have to rely on huge data centers. Such as online games, team cooperation, e-mail, online e-commerce and the like.

But there are still quite a few kinds of applications, which can eliminate the need of data center centralized services. For example, the scenario that bitcoin targets. Bitcoin's founder

has designed a proof-of-work based ledger management method to eliminate various drawbacks of the central currency system. Another example is the UGC-type applications. Users submit the content they produce to a data center of an internet company for hosting, displaying or distributing. In order to ensure that their content will not be altered, banned, or stolen, users of such applications have a strong demand for a decentralized solution.

Due to the lack of middleware products with good scalability and flexibility, these applications usually develop their own systems to process data. Some of them use blockchains to pack data into blocks. But as we said before, only a small amount of data is transactional. The development of DApp still has high cost.

2.3 Benefits

At least the following aspects will benefit from LunarX's decentralized architecture:

1)The resources occupied by data centers can be greatly saved, such as cooling, land occupation and large-scale hardware.

In fact, most personal computing tasks are not complicated. The complexity of the data center system lies in the fact that all the users' data are centralized, which requires scheduling, resource allocation, task contention and good hardware to support this computing. However, if everyone has independent computing resources instead of sharing them with others, then from the perspective of a single user, the number of computing tasks will be small. For example, personal online notes, an UGC application, may be used once or twice a day. If 10,000 users start to use at 10 am at the same time, the suppliers of this application will have to bear the pressure of this data peak, that is to say, they will have to configure good machine clusters to deal with it. However, if use P2P techniques, this kind of application will not make data jam to one place, thus reducing many system pressures.

2)The cost of developing DApp will be greatly reduced. Because there is no data management standard, at present, many DApps' data are still managed centrally, and only a part of transaction data is put into the blockchain. Application developers urgently need a universal middleware system that allows them to customize data schema and structures, freely assemble various basic services, vertically scalable, and meet the requirements of storage, query, retrieval. If the system has such functionality, it will make the development and deployment of commercial applications extremely quick.

3)Users will eventually pay for a certain service. Previously, it was paid to the data center, which required to cover the construction costs and expensive labor costs. Now idle individual resources are used to provide services, and users' fees are paid to other individuals on the network, thus the overall expenditure is greatly reduced.

4)The privacy of user data will be protected by cryptography schemes. For example, we all know online storage. Users who use online storage often find that their data has been deleted or moved. What they don't know is that their data has always been monitored.

At present, technology communities have already developed many distributed online storage solutions, such as IPFS, Storj, etc. With LunarX, it will be much easier to build a distributed storage system. We will introduce this subject in the next section.

2.4 Where to begin

We start exploring decentralized architecture from the UGC (User Generated Content)-type applications. Because such applications generate most of the traffic on the internet today. In order to ensure data security, autonomy and tamper-resistance, this architecture uses a large number of encryption commutative mapping principles, as analyzed and designed in the part I of this white paper.

The main functional modules we designed in the middleware include: DHT, object storage, file storage, table storage, naming, archive, replication, CDN, data retrieval, structured query, cache and value exchange (used in online selling and buying assets).

These modules are necessary components for upper layer applications. Many of them have already been studied in the part I. In chapter 4, we will look at how these modules serve from the perspective of application development.

3. Business Scenarios

3.1	Miners who serve internet users	13
3.2	Other Roles	13
3.3	Business Process	14

3.1 Miners who serve internet users

The concept of **miners** comes from bitcoin. In lunarX, miners no longer simply provide brutal hash computing as what they are doing in bitcoin, but provide useful data calculation, such as storage, structural analysis, mapping, point query, range query, etc.

in our context, **service providers** are the miners

Any user can join the LunarX network to be a data service provider, selling his spare computing resource to other peers in the network. The LunarX daemon automatically accepts records from the network and insert them into local table shard. At regular intervals, the service provider earns incentive tokens for his service, as long as automatic proofs show that the data structure is still available and complete, without being altered or damaged.

LunarX employs an blockchain incentive system to mine tokens. During the repeatedly proofing of valid data computing, blocks will be created, and with them a certain amount of tokens as the mining reward will be sent to the provider's wallet address. Also, the blockchain manages exchanges of tokens and services.

For miners, not only local file systems can be of service, the distributed file systems (DFS) are also good candidates for professional users. There are many industrial level DFS implementations, for example the Hadoop distributed file system(HDFS). Typically, this option is for traditional data center operators.

3.2 Other Roles

The network consists of three major roles: DApp and their users, service provider(miner), tracker. Miner has been introduced above. let's take a look at the other two roles.

DApps and their users:

DApps run on LunarX. Users are those who subscribe the services that DApps published. Both sides are data senders, and the receiver is no longer a private database, but the LunarX open network. For example, a storage business provides a cloud-storage application, its clients may choose to submit files to LunarX, and anyone except the owner has no way to access these files.

Trackers:

Trackers validate transactions between service users and service providers. In addition, each of them drives a bunch of verifiers to audit service providers of the retrievability of the data and availability of the services they deployed. And trackers will be rewarded by tokens for their service as well.

3.3 Business Process

Dapp's supplier A releases the software for users to download and use, the software processes users' data and puts it into LunarX, that is to say, it is put into other individual devices on the internet, but this supplier A has no control over these data. The user pays a certain amount of credit tokens LX. When the service is verified to be valid, these credit tokens LX will be transferred to these individual accounts that provide computing power.

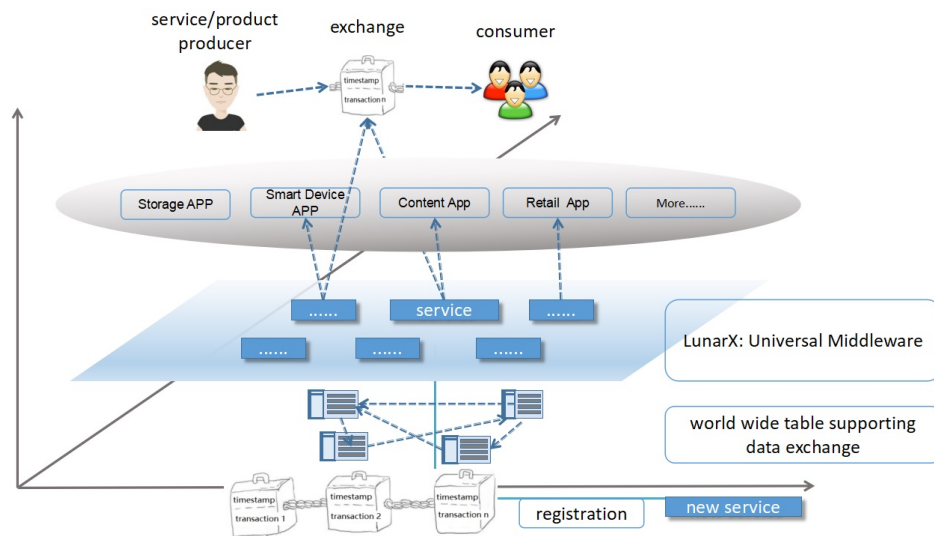


Figure 3.1: Business Process

Miners:

1) Miners accept remote requests, because the data structure is standard, and the data is encrypted, miners do not know the type of service, what the specific data is and who requests. they only know how many computing resources they provide to a request.

2) When the auditor verifies that the service is valid, or after verifying that it is valid for a period of time, the miner will receive the service confirmation message (sent by the smart contract) and then get the payment.

DApp's suppliers:

- 1) Create a table in LunarX, define the data structure(columns) of its business.
- 2) Publish the software to its user.
- 3) Users submit data, use data, or analyze data via the software.
- 4) The supplier draws a commission from the user's computing resource usage fee paid to the miners. If the user agrees, this ratio will be determined by the supplier himself.
- 5) If several suppliers provide similar services, users will choose the best products to use, just like the traditional software market.

DApp's users:

- 1) The user downloads the software, which has the functions or services to meet his needs.
- 2) When the auditor verifies that the service is valid, or after verifying that it is valid for a period of time, the user will receive the service confirmation message (sent by the smart contract) and then pay for the remote resources consumed during the use of software.
- 3) Users can pay with LX or mainstream tokens, depending on the type accepted by the miner and the DApp, who provide the tool and resource. LunarX will read the exchange rates from major exchanges to help users exchange accurately.

4. Technical Architecture

4.1	Two-layer protocol stack	16
4.2	DHT	17
4.3	Data Storage and Query	17
4.4	Naming	18

The discussion in this chapter is based on fundamental framework introduced in the part I of this white paper. The purpose here is to explain how lunarX serves applications technically.

4.1 Two-layer protocol stack

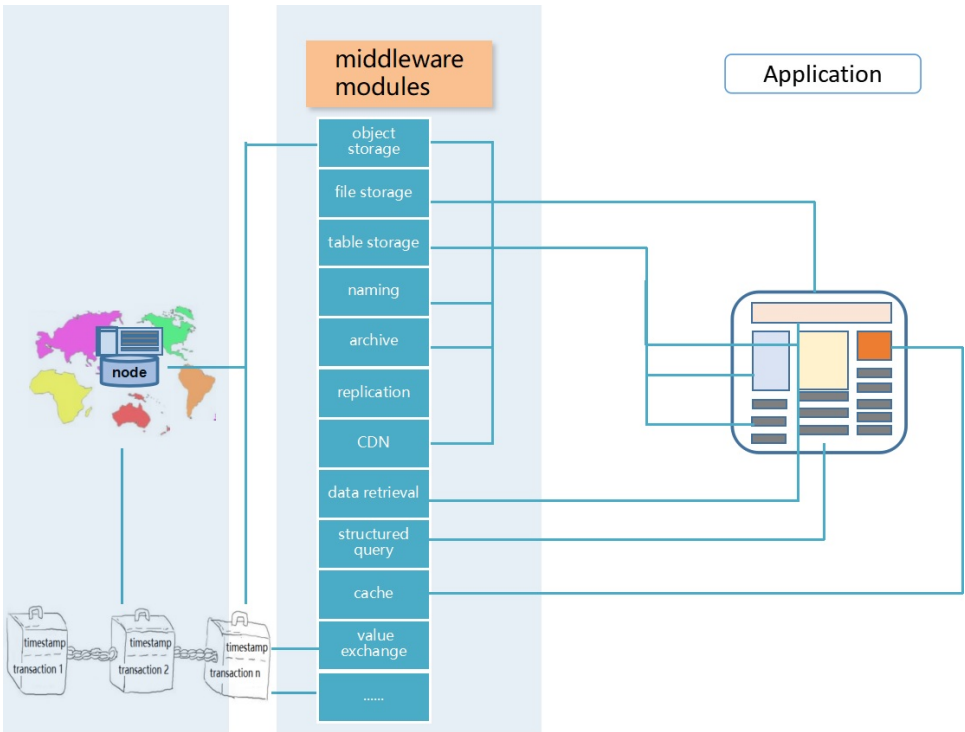


Figure 4.1: modules in the two layer architecture

The main functional modules we designed in the middleware include: DHT, object storage, file storage, table storage, naming, archive, replication, cdn, data retrieval, structured query, cache and value exchange (used in online selling and buying assets). Most of them have already been discussed in detail in part I, we briefly introduce some common and important modules here again.

4.2 DHT

Every peer has a pair of public key and private key. When this peer is on line, it has a long string (the hash of the public key) representing the unique identity of this peer. Other peers encrypt the message with the public key, the receiver decrypt it and know the content/instruction/value that the message bears. Also, public key and its hash are used to validate the authenticity of a peer. If the hash of the public key of peer is not equal to the id of the peer, the connection will be severed.

Peers are organized in a DHT network, e.g Kademlia DHT and its improvement S/Kademlia DHT, which stores nodes and resource locations throughout the network. Kademlia DHT uses XOR(exclusive or) operator to calculate the logical distance between any two peers. All nodes in a massive network according to the XOR metric construct a prefix binary tree, hence has the logarithmic complexity in searching through. Suppose we have 30 million nodes, in the worst case, it only costs 25 hops to reach the searched node.

A much more encouraging advantage of Kademlia DHT is the ability against the DOS(denial of service) attack. Even if some of nodes is flooded, routing procedure will seek around the jammed area, therefor it will have limited effect on network availability.

4.3 Data Storage and Query

This module includes file storage, object storage, table storage, archive and replication. These data are stored as data rows in the underlying storage. Each row has many entries. For example, a P-2-P storage DApp has each data row which records user's files and metadata including author, date, size, price, etc.

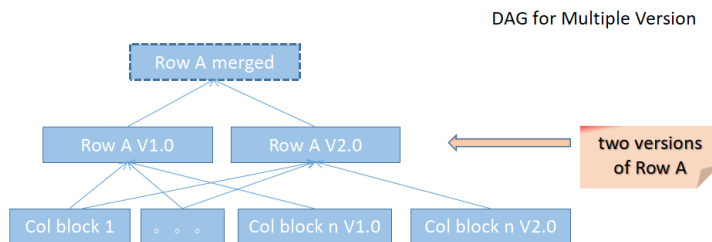


Figure 4.2: Locally DAG for Managing Data Rows

Multiple versions of a data row are organized in a DAG. And for big rows, such as 5GB size,

they will be stored in a merkle tree for the retrievability.

Querying on encrypted data is another essential component. As long as the properties of encryption commutative mapping are satisfied, this function can be safely performed on remote anonymous nodes.

The diagrams here can be found in part I.

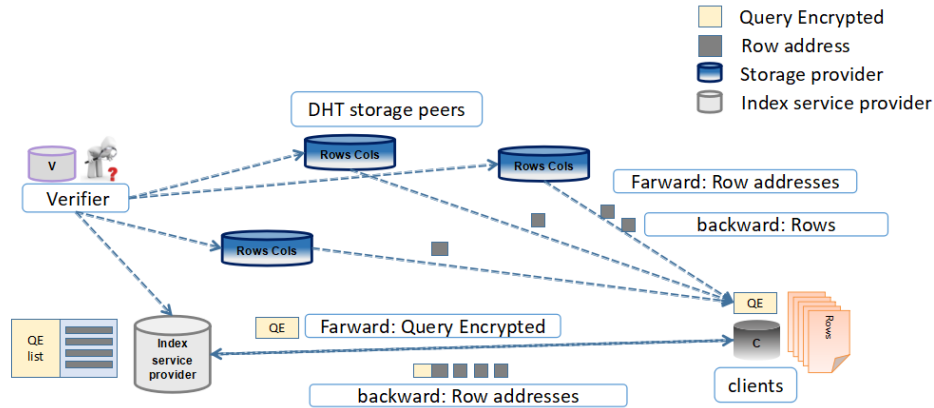


Figure 4.3: P-2-P Service Engine

4.4 Naming

Nodes are identified by an ID, which is the hash of the peer's public key, unique but not human readable. During first hand shake, peers exchange their public key, and compute the hashes to check if the node id equals to its hash of the public key. If not, the connection will be severed immediately.

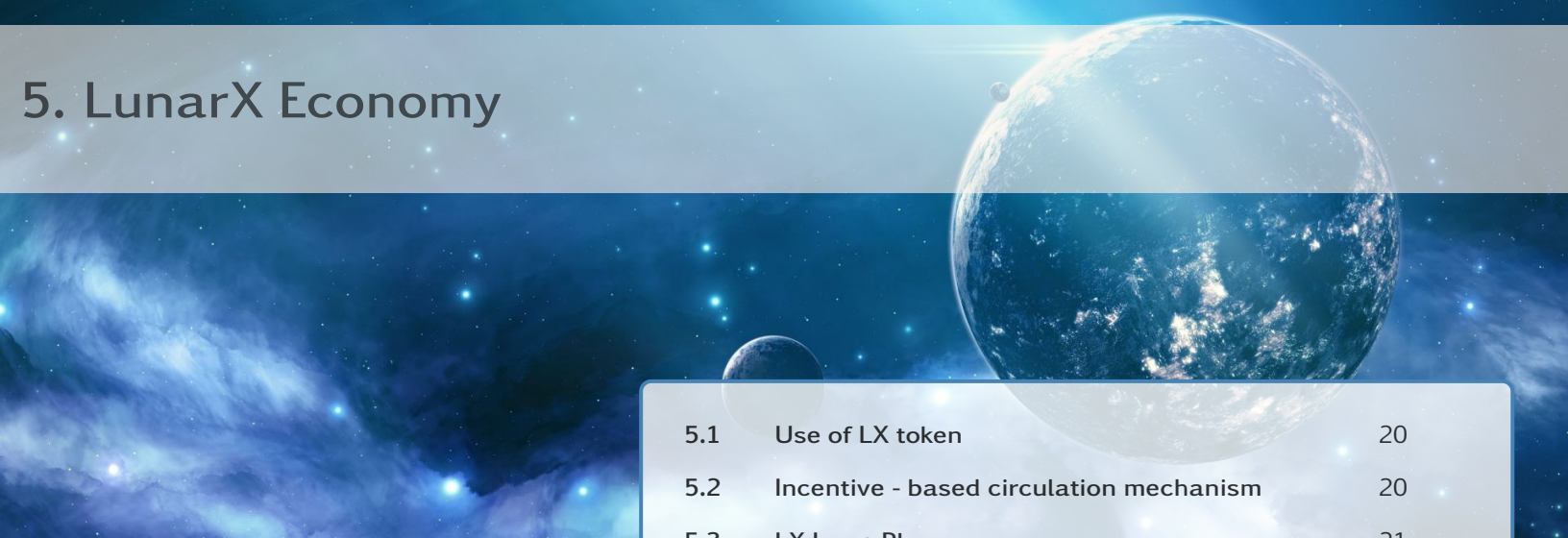
We will locate a resource by its readable name, not its key, like what current internet domain is:

LunarX/content_{name}/SXcdi86wsDkKyYUB.....

Internally it is a hashmap from name string to an ID, user can query an ID by the name. Using linear hash because it is space saving, and grows almost linearly along with the increase of elements. Here are two basic operation of a hashmap:

Put(name, ID)
ID = get(name)

For the concern of performance in put and query of massive sites, we use binary linear hash storage to manage names. If a node has a higher configuration, a k-v database will be a much better choice.



5. LunarX Economy

5.1	Use of LX token	20
5.2	Incentive - based circulation mechanism	20
5.3	LX Issue Plan	21

5.1 Use of LX token

The LX token will be devoted to research and development, team expansion, community operations and marketing in the agreed ratio. In order to make the leading creation of science and technology, our team will gradually release reserved LX tokens to invest in R&D, reward the blockchain developers who have made outstanding contributions, and incubate the potential scientific and technological direction.

5.2 Incentive - based circulation mechanism

Who will make profits? The following participants will earn tokens, not only LX, but also mainstream cryptographic currencies:

- 1) The miners;
- 2) The auditors who audit whether there are forgery nodes;
- 3) DApps’ suppliers;
- 4) Users who create valuable services/products/contents/tools to the internet via DApps;

In the early version of LunarX, we only support the mainstream BTC, ETH, and our partner-s’ tokens. We will have periodic bulletin boards telling users how many tokens a registered service can exchange and the exchange rate between tokens. The pricing of services is determined by the DApp/service suppliers.

who will pay?

- 1) LunarX system will generate tokens for miners after proofing the validity of data services;
- 2) DApps' users, who seek useful services for their own needs;

5.3 LX Issue Plan

LX issued a total of 100 million, each ETH convertible 3790 LX, no crowdfund. The token will be logged into the mainstream exchange in the short time.

[**Token total**] 100 million.

[**Crowdfunding**] NO ICO.

Token Distribution

25%=25 million of core team,

55%=55 million of community and miners, for rewards of contribution,

20%=20 million of early investors.

6. Road Map

Readers should understand that with the development of technology and market, the planning in this white paper will also make corresponding adjustments. The only thing that will never change is our vision. We will keep working hard to create a better internet data service ecosystem.

6.1 Q2, 2018 – Q2, 2019

TABLE 6.1 White Papers

2018 Q2	<ul style="list-style-type: none">Part I: Technique white paper, architecture, fundamental module planning.Part II: Business, marketing and token economy white paper.Website and github.
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TABLE 6.2 Road Map

2018 Q2	• architecture, fundamental module development.
2018 Q3	• Hardware design, interface release.
	• Software architecture improvement. Test fundamental modules.
	• Internal testnet online. Start to build and grow LunarX community.
	• Middleware protocol release.
2018 Q4	• Storage application, which is the first DApp release.
	• Name Service.
	• Content site building Service, CDN.
	• live streaming service.
	• complete hardware development.
	• by the end of Q4, LunarX main network online. Join test with partners.
	• Miner release.
2019 Q1	• More DApps plugin. Begin to support main stream blockchains, including: BTC, Ethereum, Zilliqa, EOS, and partners' coins.
	• Begin to test LunarX on Skywire.
2019 Q2	• Release standard data access interface.
	• Personal AI assistant trained by individual secret data.
	• plugin more DApps.

7. Team

7.1 team background

24

7.1 team background



Ben Fei, Funder of LunarX. Years of asset management, product management experience.

Exp:

Funding internet company, as CEO, won "Outstanding Enterprise Award" on Demo China Summit 2016, Beijing.

Former IBMer at IBM CRL, PBC(Personal Business Commitment) top 5% once, top 30% twice.

Edu: B.S/Ph.D, Fundamental Math, Tongji University, Shanghai, China.

LinkedIn:<https://www.linkedin.com/in/ben-fei-813867113/>



Jinlei Ben Xiong, Funder of LunarX. Successful entrepreneur.

Exp:

Senior Vice President of Listed Company, Product/MediaStrategy(Fractalist, code: 870104),

Co-publisher, MIT Technology Review Chinese Edition,

Co-publisher, Science Times Magazine from NYTimes,

Founding Telecom Servicing Company, acquired by a listed company(code:837272)

Sales Manager, Hewlett Packard,

Sales/Marketing, SONY VAIO,

Edu: MA, University of Sheffield, England.

LinkedIn:<https://www.linkedin.com/in/ben-xiong-802a496/>



Ryo Umezawa, co-Funder

Exp:

Ryo has been with J-Seed Ventures since 2005, participating in several partner companies where he frequently assisted in starting up the businesses, marketing and business development. He has experience in the mobile, online marketing, advertisement and platform businesses.

Principle, East Ventures. East Ventures is a seed-early stage venture capital firm with offices in Singapore, Indonesia and Tokyo. It was founded in 2010, and have invested in more than 200 companies across Asia and US, which include internet startups on commerce, social, game, SAAS, and mobile service.

Director, J-Seed Ventures, Tokyo-based venture incubator. The company also manages Venture Generation, a startup community in Tokyo, and assists foreign clients to establish operations in Japan.

President & CEO, Hailo. Hailo is the evolution of the hail - a free smartphone app which puts people just two taps away from a licensed vehicle, and lets drivers get more passengers when they want them.

Edu: BA, International Business and Economics, Sophia University .

LinkedIn: <https://www.linkedin.com/in/ryoumezawa/>



Yan Wang, co-Funder

Exp: worked in China Academy of Social Sciences.

Join in the early blockchain field as angel investor, benefit from Bitshares and Ethereum successfully. Used to be advisor of several overseas blockchain projects. Founder of SPO project.

Edu: M.S at China Academy of Social Sciences(the top research institute in China).



Young Jun, Core Member

Exp: Amazon (the leading cloud computing unicorn).

He has rich experience in cloud computing, big data, e-commerce platforms, is excellent at internet architecture and leads the technical progress.

Edu: M.S at Tsinghua University, Computer science, Beijing, China.



Cheng Zhang,

Exp: Over 18 years of work experience in the IT industry. From 2001 to 2007 as a senior software engineer in the software outsourcing industry in Japan. Since 2007, as the **Co-Founder & CTO**, he founded **the largest mobile game company** in Xi'an(Capital of Shanxi Province). Since then, he has Co-Founded a number of Internet companies, focusing on the development of apps and games for mobile platform. He has great experience in team management and project research and development.

**Yenny.Z**

Exp: More than 10 years as editor-in-chief of traditional media and new media, management experience and planning experience of large-scale activities, and has been involved in blockchain industry for 3 years.

Worked in many top media such as <<The Mirror>> and <<Beijing news>>, participated in the planning and reporting of major national events, and won more than 10 awards in the field of news. Have rich practical experience in new media operation, brand public relations, market expansion and community operation.

Edu: B.A, Renmin University of China, Beijing, China.

**Vincent, Leader of new media operation**

Exp: project manager at the head office of a bank. Promoted the progress of several intra-bank projects. He is a geek of block chain, used to hold media and community operation positions in two top 70 block chain companies, and have a deep understanding of block chain industry.

Edu: M.S, machine learning, Chinese academy of sciences.
