MINDS

ADDENDUM

minds.com | minds.org

V0.4 | Subject to change

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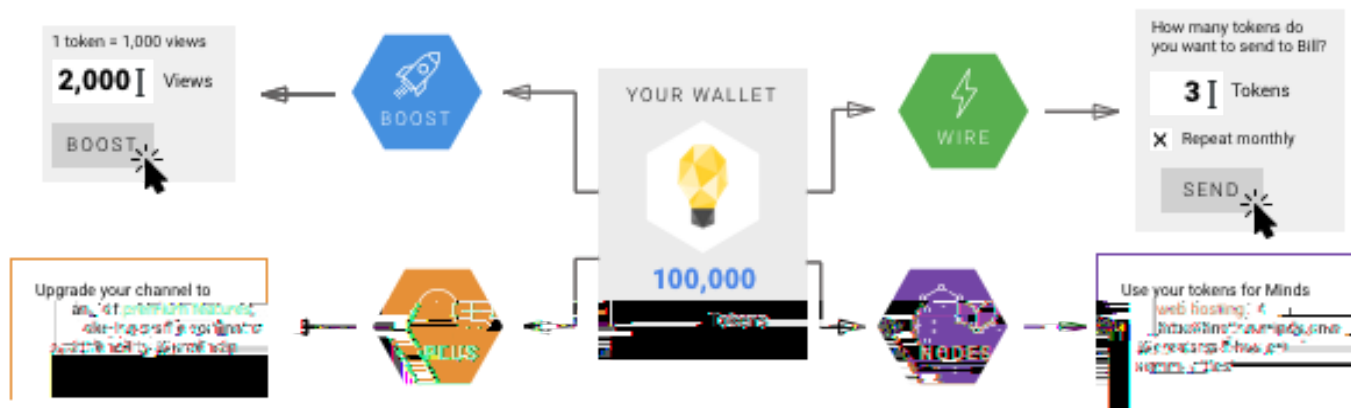Jack Ottman, Co-founder and COO

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1. INTRODUCTION

Minds is a crypto social network where users earn token rewards for their contributions and take back their Internet freedom. The Minds token is a utility token built with the Ethereum ERC-20 standard. The token distribution process is uniquely designed to scale autonomously with the growth and activity on the Minds network which ensures that the ecosystem is fair and based entirely on user contribution. Minds tokens are not a currency or a security, but are a utility token used to fuel services on the Minds social network, including:

c	rip ion
os	An advertising network where users exchange tokens for views on their content or channel.
Wire	A peer-to-peer payment system where users exchange tokens for tips and content subscriptions.
Pl s	A recurring monthly service that provides premium channel features, such as no ads.
los ing	Build your own white-labeled social network using Minds source code.
filia e Re ards	Third party affiliate program to enable distributed rewards for your business and customers.

TOKEN UTILITY

a. Testnet Results

The Minds token has been running on the Rinkeby Testnet[1] since March 2018 and the experience has provided valuable insight into the architecture to ensure that the distribution is fair and scalable. The test results provided valuable insights into token usage both OnChain (stored on the distributed

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[1] https://rinkeby.etherscan.io/tokentxns?a=0x499e5a8a3e363d6279a670a9b3f6849a1fc06250&p=8

blockchain) and OffChain (stored on Minds servers). At the completion of the Testnet period, Minds tokens have been distributed to approximately 900,000 users.

During the Testnet phase, we conducted several code audits to ensure that Minds' infrastructure and smart contracts are secure and ready for production. These audits were performed by Coinspect[2], a prominent blockchain and cyber-security firm. All issues that were identified during these tests have been resolved and approved.

Below is a table summarizing the results from our Testnet phase:

s [March 29, 2018 - J l 31, 2018]		
ac ion T pe	Token Vol me	Uniq e Users
OnChain	86,352	2,910
Rewards	1,550	2,375
Boosts	2,603	173
Wires	366	67
Withdrawals	58,403	707
OffChain	809,797	901,798
Rewards	448,561	56,668
Boosts	188,141	11,927
Wires	173,095	57,717

b. Tokenizing Global Consciousness

Minds is an ideal platform to build a tokenized economy by monetizing ideas and consciousness and sharing them across the Internet. The economy is designed to reward the channels who are contributing the most to the network through their content, development and thought leadership. The result is real tokenized data to quantify and reward the prevailing voices on the platform.

The ideas that spark the most unique interaction will earn the highest amount of rewards, which in turn can be used to amplify future ideas though our Boost function. Every user's voice carries the same voting weight on Minds, making it a truly community-operated and democratized system.This data at scale is enormously useful for building a transparent ranking system for discoverability. The algorithms that determine the top content and search results are open source and driven by contribution score, which further increases the discoverability of the voices that are generating the most traction from the rest of the community.

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[2] https://coinspect.com

2. TOKEN ECONOMICS

a. Definitions

Term	Definition
Circulating Token Supply	Tokens Distributed
Tokens Distributed	Tokens Sold + Tokens Rewarded
Tokens Reclaimed	Total tokens reclaimed for Minds services (ie. Boost, Wire, Plus)
Token Supply Cap	Maximum tokens to be minted

b. Token Allocation

Minds will designate a capped supply of tokens for both sales and consumption rewards. Tokens will only be minted as needed on an ongoing basis, determined by the demand and activity from the network. The following table describes the allocation of the token supply of **1 billion tokens**:

Allocation	Token	Tokens
Token Sales	10%	100,000,000
Token Rewards	90%	900,000,000
Total	**100%**	**1,000,000,000**

c. Token Sales

Minds will sell tokens at https://minds.com/token to ensure that the tokens are widely distributed and that users always have the ability to purchase them for utilization on the platform. Tokens will be available for purchase for registered Minds users in exchange for Ether. Please read our Frequently Asked Questions for more information about purchasing tokens. All proceeds resulting from the sale of tokens will be used to fund Minds operating expenses.

Orders for tokens in an amount less than 60 ETH are automatically approved. Purchases of tokens for 60 ETH or more are subject to review by Minds staff, and purchasers may be asked to confirm that they are purchasing the tokens for use on the platform, and not as an investment.

The following table outlines the key elements regarding the sale of Minds tokens:

Minds Token Sale	
Da e	August 13, 2018, 12PM UTC
ng h of Sale	Ongoing
Price	(ETH/USD market price) / $0.15 *ETH/USD market price calculated in regular intervals*
To al Sales S ppl	100,000,000 tokens
Token Re ards S ppl	900,000,000 tokens
To al Token S ppl	1,000,000,000 tokens
ac Address	0x3ee05db92ffc3a0bdf27e2f1ff1e0df16768afb9 (subject to change)
en s	ETH

Additionally, Minds will sell the tokens on an ongoing basis, and proposes to adjust the price of tokens from time to time to reflect, among other metrics, the market value of the services and benefits available in exchange for tokens, such as advertising impressions, hosting services, Boost, Wire and Plus.

d. Token Rewards

i. Beta Rewards

Minds will distribute an initial token reward to its Beta community[3] for their participation in Minds' development and testing processes. The goal of the initial event is to reward users for their efforts thus far and to jump-start the Minds token economy with enough immediate distribution to sustain network activity during the transition phase.

To claim your Beta Reward, visit your wallet and follow the prompt to join the rewards program by providing a mobile number (if you have not already done so). This enables us to create a unique identifier for your channel and prevent users from abusing the system with fake channels. Once you have completed this step, your wallet will be credited with your Beta Reward tokens. All users who claim their Beta Reward will receive a token reward equal in value to their existing token balance from

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[3] Beta community is defined as all users with Testnet token balances prior to MainNet launch

the Testnet phase. If you need further assistance, you can visit our [Frequently Asked Questions](#) or the [Help & Support group](#).

ii. Ongoing Rewards

Minds will mint tokens on an ongoing basis to reward the community for their contributions to the network. The token supply is engineered to scale autonomously with the growth of the network. Tokens that are reclaimed for Minds services will be recycled into the reward pool or sold in order to help replenish the token supply. We will also occasionally run promotional airdrops of tokens to reward users and incentivize certain activity on the network.

The following table outlines the scoring system used to determine user contribution:

ion	ed Score
Vo e	1
en	2
Check-in	2
S bscriber	4
Remind	4
Referral	10
ac ions	10
en	Manually Reviewed

Each day, Minds takes the sum of all user contribution scores to determine the Total Network Score. The Total Network Score is used to determine the number of tokens rewarded in the Daily Reward Pool.

Term	fini ion
Dail Re ard Pool	Total Network Score * Multiplier
l iplier	$(\pi/100) = 0.0314159265359$

e. Transparency and Fairness

One of the most important elements of the Minds network is transparency. All of our code is 100% free and open source which allows for rigorous peer review, audit and collaboration. Minds is attempting to build a fair and democratic system by tying the token distribution directly to the demand and activity of the network and by giving all users equal opportunity to contribute and earn.

Founders, advisors and employees of Minds are not allocated any additional supply of tokens and will be subject to the same distribution rules as the rest of the community. Every user's vote counts for the

same amount, and every voice has equal ability to be heard. The key for any fair economy is for everyone to have an equal chance at making it to the top. Success on Minds is measured by unique daily interaction for maximum fairness and reward integrity as opposed to other models that give the users with a higher token balance more voting power.

The Ethereum blockchain is governed by the Ethereum [governance compendium](#)[4] for all improvements, project management and technical decisions regarding the blockchain and its infrastructure.

The proven philosophy that Minds has always acted upon is one of community-driven code evolution and putting users first. This model maximizes network effect because it benefits the most users and inspires an ethos of contributionism and meritocracy. Network activity will always be the main determinant of the distribution, but Minds will likely evolve the code on occasion. All changes will be published publicly for full transparency and all users are encouraged to make software submissions.[5]

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[4] https://github.com/ethereum/wiki/wiki/Governance-compendium
[5] https://github.com/minds