WHITE PAPER
Version 3.0

PAYMON

Paymon - Blockchain
Platform

Gleim Semyon

2018

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ABSTRACT

Our team has been working on Paymon since 2016. This project is going to simplify the interaction between cryptocurrency holders and blockchain technology users. We are bringing the existing in the industry services to a new level and, moreover, introducing new ones.

Paymon suggests its own view of standard Blockchain, introducing ways of dealing with most issues of existing cryptocurrencies: the scaling problem, archaic architecture and high transaction fees. Our platform improves all cryptocurrency instruments: from technology and infrastructure to regulatory compliance with current regulations.

Business platform Profit, developed under our project, will be a universal solution for everyone: from developers and basic users to commercial organizations. Moreover, the project is a great investment opportunity in virtue of its tokens. Our team has currently created a blockchain messenger, which allows its users to safely and easily send each other not only messages, but also cryptocurrency.

We are also developing and suggesting you to try out the groundbreaking technology Hive, which is together with the business platform Profit will allow you not only to create smart-contracts, add your business and perform transactions without any fees, but also to test efficiency and safety of all services yourself.

Everything mentioned above is the result of our team's hard work, we spent more than two years doing it, and we are happy to present you with what we have achieved so far.

In the White Paper that you are currently reading you will find all advantages of Paymon blockchain platform and its cryptocurrency of the same name (PMNC), business model of the company, and the mechanism of token distribution.

Paymon's ICO has started at the 2nd of February 2018. During the month we did a lot of things.

Here is just a small part of what we have done recently:

1. Closed launch of the beta web-version of Paymon;

2. Local testnet of our blockchain "Hive";

3. Established partnerships with major market participants;

4. Now we are negotiating with the largest exchanges;

5. Hired an excellent staff;

6. Developed effective marketing strategy and successfully run it through 2 rounds of ICO;

7. Had a meeting with the ambassadors of several countries;

8. Went to the several conferences and shared our opinion about "Why is cryptocurrency not so popular at the mass market?";

9. Launched pre-registration for our business platform PROFIT.

What we are working on:

1. Launch of the business platform "Profit".

2. Public testing of our detective "Hive".

3. Implementation of Paymon debit cards.

4. Improve our Android and iOS apps.

5. Public launch of the Web version of Paymon.

We hope you follow the news from our team. Thank you for that!

You are more than welcome to be part of our project!

Gleim Semyon, CEO Paymon.

Nowadays you can hear about cryptocurrencies like Bitcoin and Ethereum anywhere, starting from social media and ending with world leaders' offices. Mining is being considered as a tool for growth of national economy and benefit for transnational corporations. It is well-known that projects that use remarkable blockchain technology are appearing in unbelievable numbers. The document in front of you is describing one of such projects, its prospects and ICO strategies.

The first cryptocurrency in the world Bitcoin is growing in value and known to the whole world, but it doesn't mean it can be used for microtransactions, simply because it doesn't have the means to perform them due to the scaling problem. Anyway, it became very important to the world economy and gave birth to new, better, more promising cryptocurrencies. Now it is important to improve all existing in the global network applications and services, create new ones.

Paymon is a platform which has functions of all most promising trends of blockchain technology. It is unique, there aren't any projects like it.

Paymon's most important goal is creating transnational blockchain eco-system that includes:

- decentralization
- confidentiality
- free access

Such ecosystem will introduce a whole new way of communication between customers and businesses. Any possible transaction can be performed in this one application: making money on cryptocurrency rate differences or buying a bottle of milk.

PAYMON

Cryptocurrency is a relatively new phenomenon, especially comparing to all economic trends. However, it has already been recognized. Capitalization growth shows prospects of cryptocurrencies both in usage and investments.
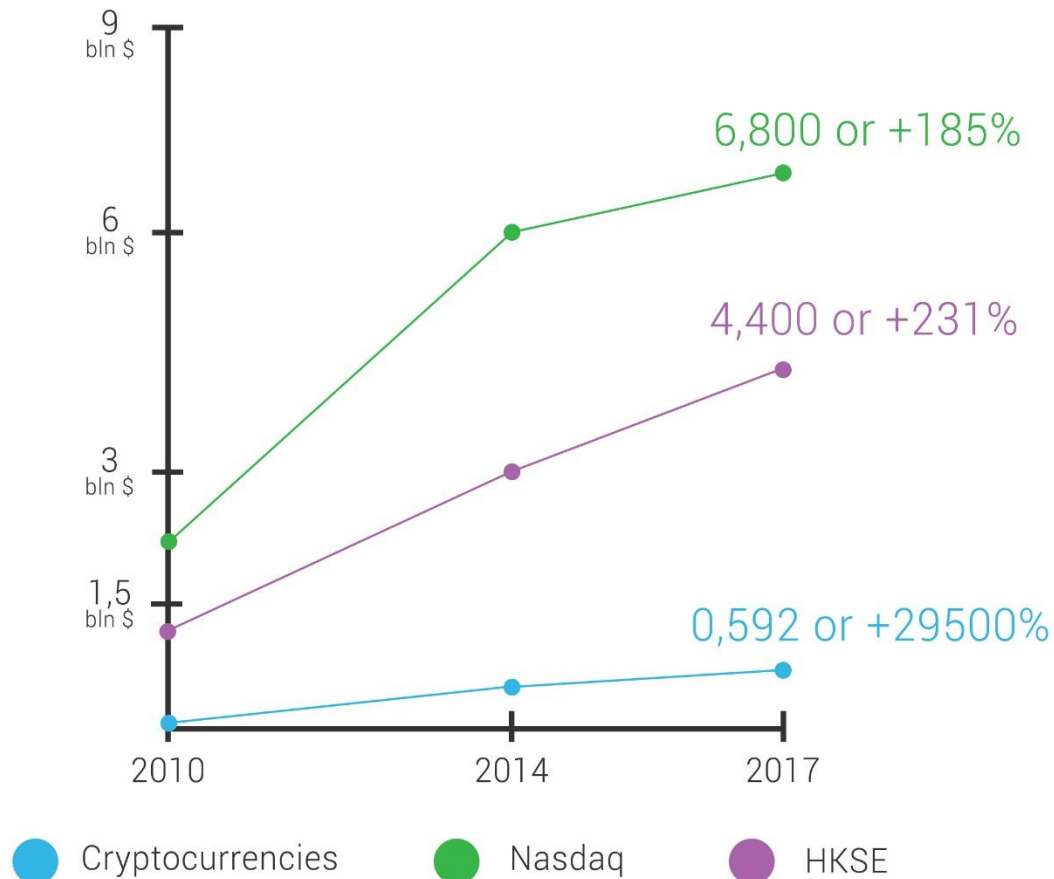
Capitalization growth of Nasdaq (USA), Hong Kong Stock Exchange and all cryptocurrencies in the last 7 years

According to this diagram cryptocurrency growth is way higher than the growth of modern high-tech world companies. We should also mention the fact that in 2017 cryptocurrencies capitalization increased by 36000%. None of the modern businesses can give you the same profits from investments.

In addition, cryptocurrencies have been used for investments and payments for over 10 years, this fact tells us that it is pretty reliable.

The idea was born in one of the dormitories in Ekaterinburg, Russian Federation, in 2016.
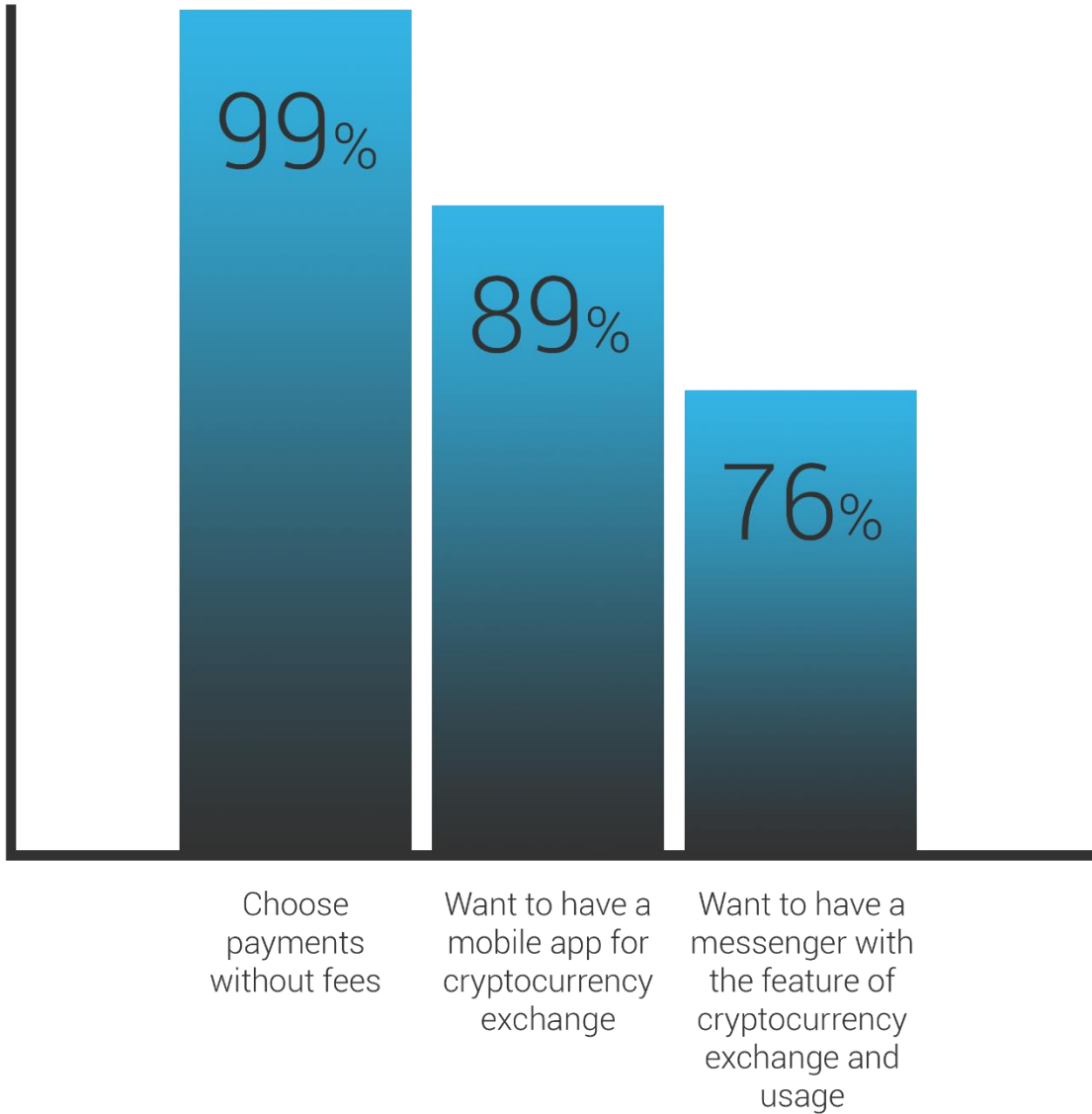
At first our idea was to create a convenient application, where it would be possible to add online wallets of various banks and manage all your financial assets within one system. But after numerous meetings with bank representatives we realized that the existing bureaucratic barriers would never allow us to realize the project in full.

Eventually we decided to switch to blockchain technology and develop an application with automatic creation and addition of any existing cryptowallets. We also thought that this app should also function as a messenger, making everything easy and convenient for its users.

On the early stages we were confronted with a problem: many people believed in such thing as cryptocurrency, but they didn't see the point of using it in anything other than investing, trading, or saving assets.

Later we conducted a sociological survey, revealing that most of the cryptocurrency holders want to exchange cryptocurrency without any fees, want to pay with it for goods and services without long waiting for transaction confirmations.

100%

99%

89%

76%

Choose payments without fees

Want to have a mobile app for cryptocurrency exchange

Want to have a messenger with the feature of cryptocurrency exchange and usage

The survey was conducted among blockchain conference participants. 110 people took part in it

Since the first day of Paymon development our goal has been to make cryptocurrency exchangeable between users, make it possible for customers to pay for goods and services of different companies with it. That is why we decided to launch ICO and distribute as many tokens as possible to be able to build our own blockchain technology called Hive.

Currently we have already created a mobile app (beta versions available for Android and iOS). It is a blockchain messenger in which you can keep cryptocurrencies, exchange them with your friends, add them and withdraw them. For now, only Bitcoin and Ethereum have been tested and are ready to be transferred. The wallets are created in the app automatically upon registration, you can also make a backup copy of your wallet and restore it.

It has all functions of a standard messenger. Even more features will be added, as the project is still under development.
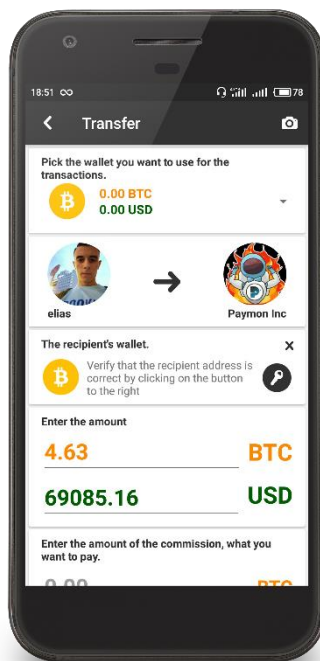
The application can currently be downloaded from App Store and Google Play. It is our working MVP.
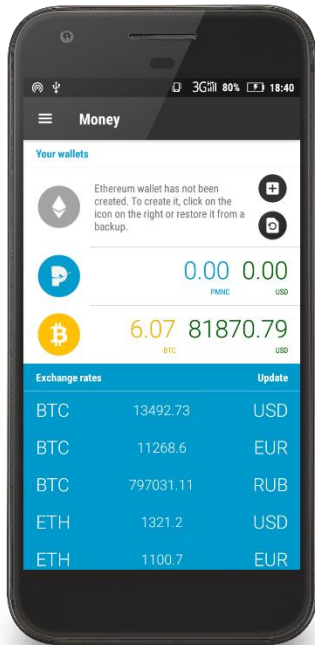
Transfer Bitcoin and
Ethereum.
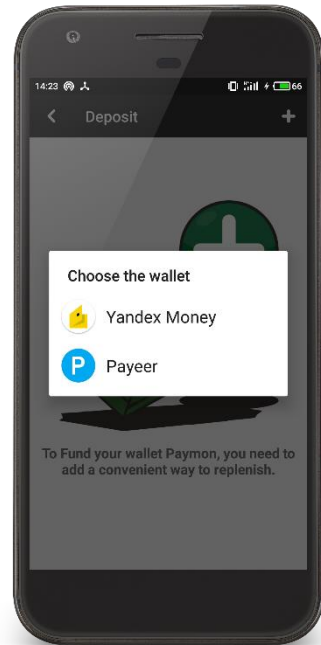
Add and convert fiat
money to
cryptocurrencies,
withdraw your funds.

Wallets are created automatically. You
can make a backup copy of them,
restore them.

1. Paymon platform.

What will Paymon have?

◀ Decentralized token exchange of all types of blockchain;

◀ A system for creating smart contracts with ready-made pre-configured contents;

◀ API for developers;

◀ Developers who use Paymon platform will be fully supported by the creators and will have greater opportunities;

◀ Security system for both users and developers;

◀ You will be able to create your own token or cryptocurrency;

◀ You will be able to organize and launch your own Token Sale (ICO);

◀ Escrow;

◀ Financial transactions and mobile payments;

◀ Confirmation of assets possession;

◀ Voting and rating system;

◀ Authorization and authentication confirmation.

2. Paymon cryptocurrency

If cryptocurrency is ever to become a tool of the future finance, it needs to have scaling level of at least VISA and MasterCard. Currently none of the existent cryptocurrencies can say that they have it.

We are confident that our cryptocurrency PMNC will be as popular as Bitcoin, and even more.

PMNC is not just a token, it is a digital asset with the following functions:

◀ Safe keeping of your funds;

◀ Possibility of assets growth;

◀ Instant exchange of currency between the network users;

◀ One common interface for investments in classic assets, currencies and cryptocurrencies;

◀ Forex hedging.

We believe that cryptocurrency must be:

- Anonymous
- Fast
- Without any transaction fees

Blockchain that is used to make cryptocurrencies must have the following features:

◀ Scalability

◀ Full decentralization

◀ Transparency

A project needs to have several key features to constantly grow in value and improve:
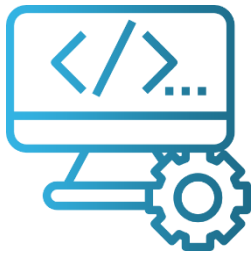
OPEN SOURCE SOFTWARE

STABLE OPERATION OF BLOCKCHAIN
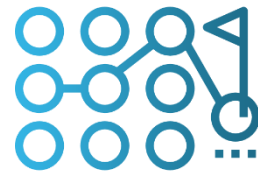
ABILITY TO USE CRYPTOCURRENCY IN THE REAL SECTOR OF ECONOMY

DECENTRALIZATION

CONVENIENT WALLET

Important information!

◀ Our ICO will be conducted in 3 stages. It means that our team is ready for a long-term work, and you will be able to monitor development of the project.

◀ Each day more and more merchants and developers of ICO projects will be joining Paymon, encouraging their users to pay for goods with PMNC, thus ensuring our steady growth.
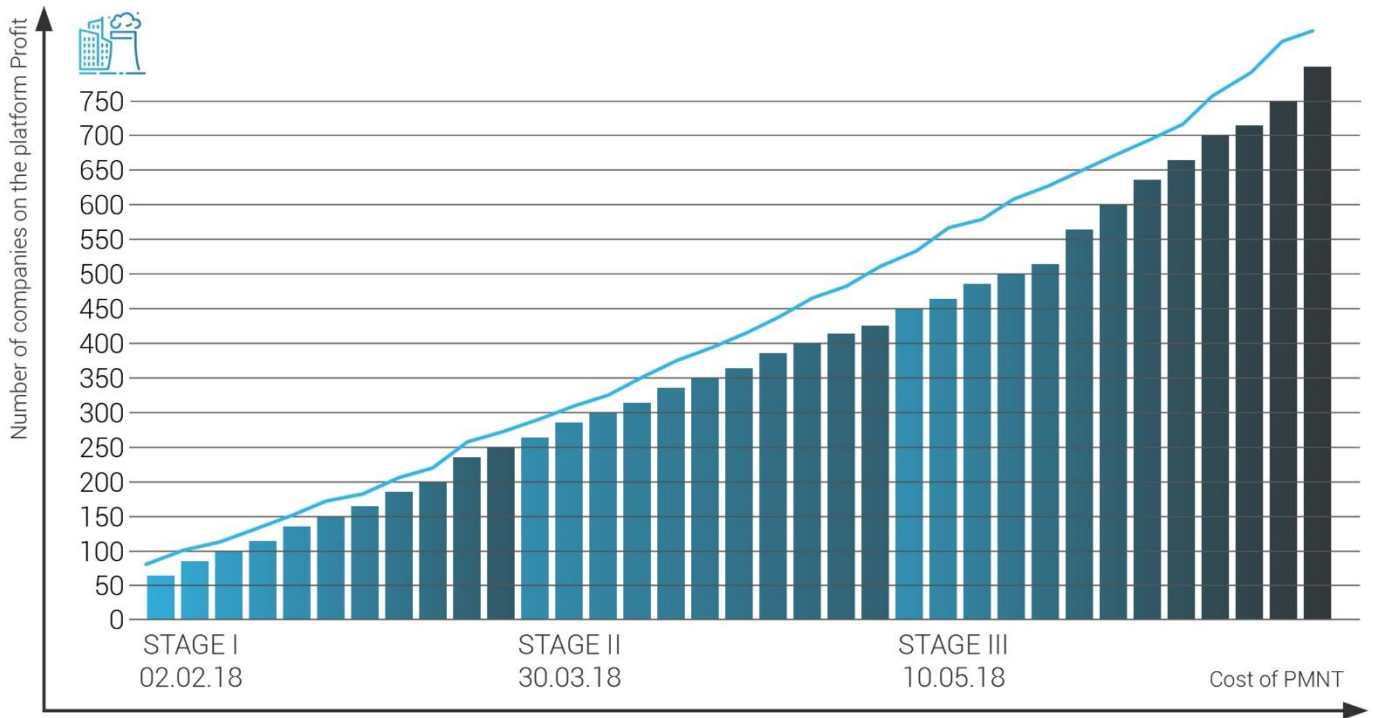
Diagram of PMNC projected growth in relation to the number of businesses connected to Paymon

TOKEN DESCRIPTION

1. Token is a payment instrument that can be traded, purchased, exchanged and used to pay for goods from different stores and services connected to Paymon platform.

Business platform Profit

PAYMON

Internal and external exchanges
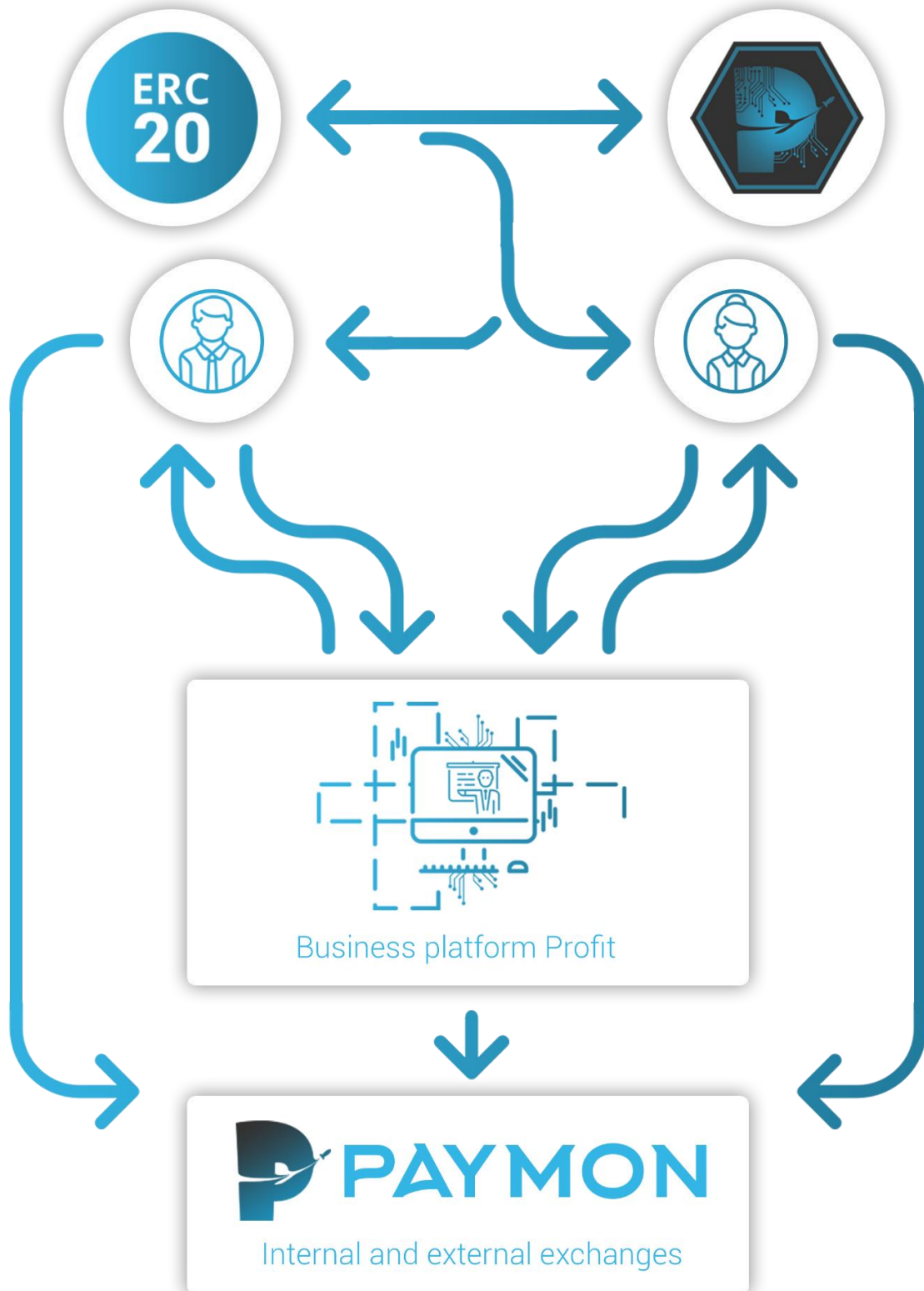
2. PMNC can be traded for other cryptocurrencies within Paymon using Atomic swap (read "Exchange and purchase. Smart contracts and Atomic swap" for details).
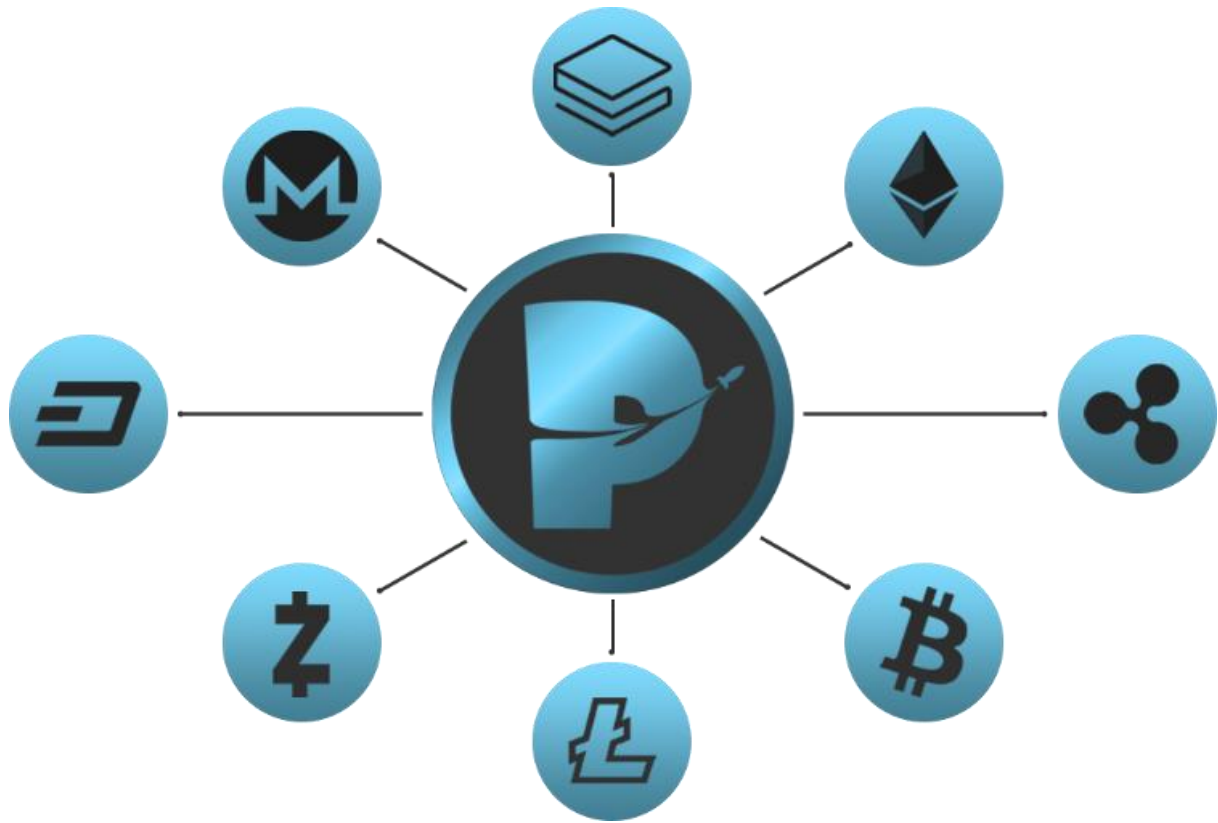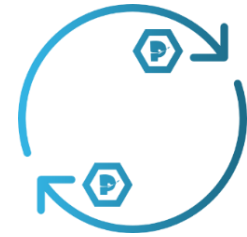
WHAT YOU CAN DO WITH PMNC (PAYMON COIN)

TRANSFER IT TO YOUR FRIENDS

EXCHANGE PMNC FOR ANY OTHER
CRYPTOCURRENCY WITHIN THE SYSTEM

SPEND IT ON WHATEVER YOU WANT

KEEP YOUR ASSETS IN PMNC

PAY FOR PAYMON SERVICES

BUSINESS OWNERS CAN ADD THEIR
COMPANY TO PAYMON

![PAYMON]

WHAT YOU CAN DO WITH PMNT (PAYMON TOKEN)

EXCHANGE IT TO PMNC IN YOUR
PERSSONAL ACCOUNT

SELL IT

Total amount of tokens issued for the ICO – 1 billion

1 PMNT price:
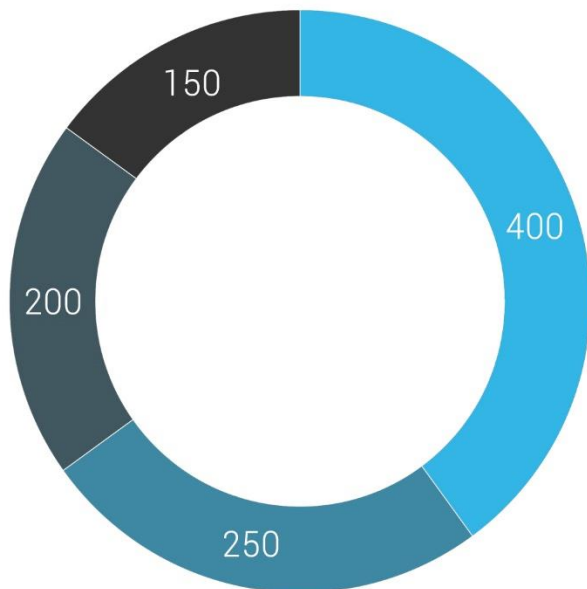
Total PMNT

1.000.000.000

1 stage 400 M PMNT

2 stage 250 M PMNT

3 stage 200 M PMNT

Reserved 150 M PMNT

1 PMNT = 1 PMNC

PMNT (Paymon token) is ERC 20 standard.

PMNT will help create and exchange other cryptocurrencies with the help of Ethereum smart contracts.

PMNC (Paymon coin) is a cryptocurrency that operates on Hive technology and can be used on Paymon platform.

You will be able to exchange PMNT to PMNC in your Personal Account.

At first investors will receive ERC20 tokens PMNT (Paymon token), then in their Personal Accounts they will be able to convert them to PMNC (Paymon coin).

After STAGE I 15% of all tokens will be reserved.

These tokens will be reserved only from STAGE I!

Our ICO will be conducted in 3 stages, each stage will have a specific amount of tokens.

STAGE I = 550 million (150 million will be reserved for Bounty participants, Paymon team, advisors and media partners) Advisors and media, Paymon team, Bounty campaign.

PAYMON
TEAM
5%

ADVISORS
AND MEDIA
7%

BOUNTY -
CAMPAIGN
3%
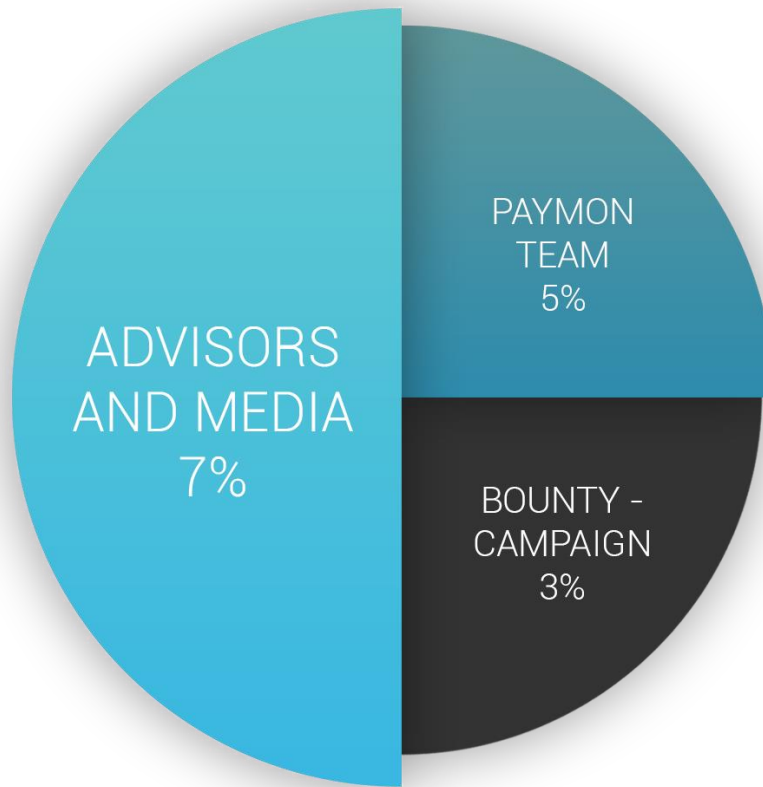
STAGE I = 250 M.
STAGE II = 200 M.

Token price

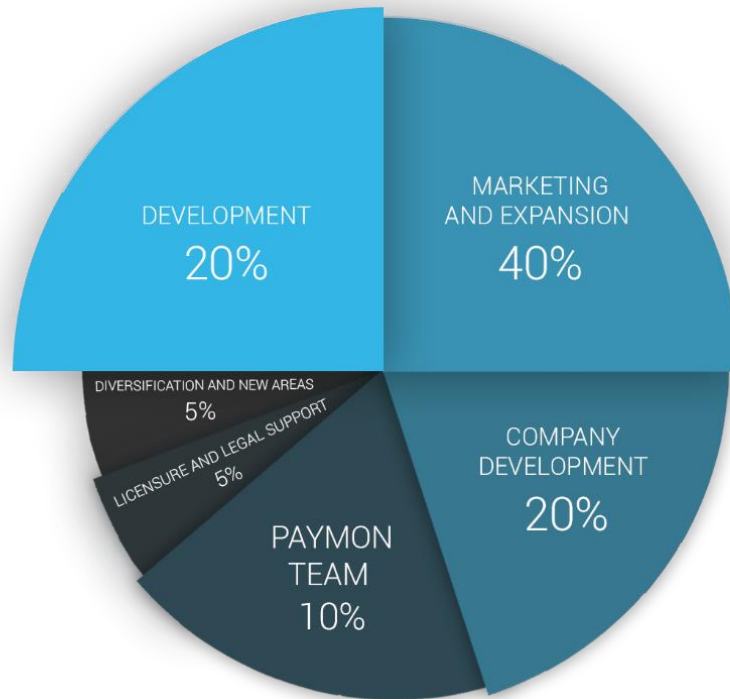| 1 stage 400 M PMNT | 2 stage 250 M PMNT | 3 stage 200 M PMNT |

0.015$

∞ ∞

The price isn't fixed*

More info about the distribution system of the 2nd and 3rd stages you can find at the 22 page

ALLOCATION OF FUNDS

Allocation of all funds raised on the ICO:

The 1st method

1.1. Standard option. Use our website to invest during the ICO.

Visit our website, find the "Invest" button, register your Personal Account and enter it, then get a unique wallet address and send your funds there, don't forget to mention an Ethereum address where your tokens will be sent.
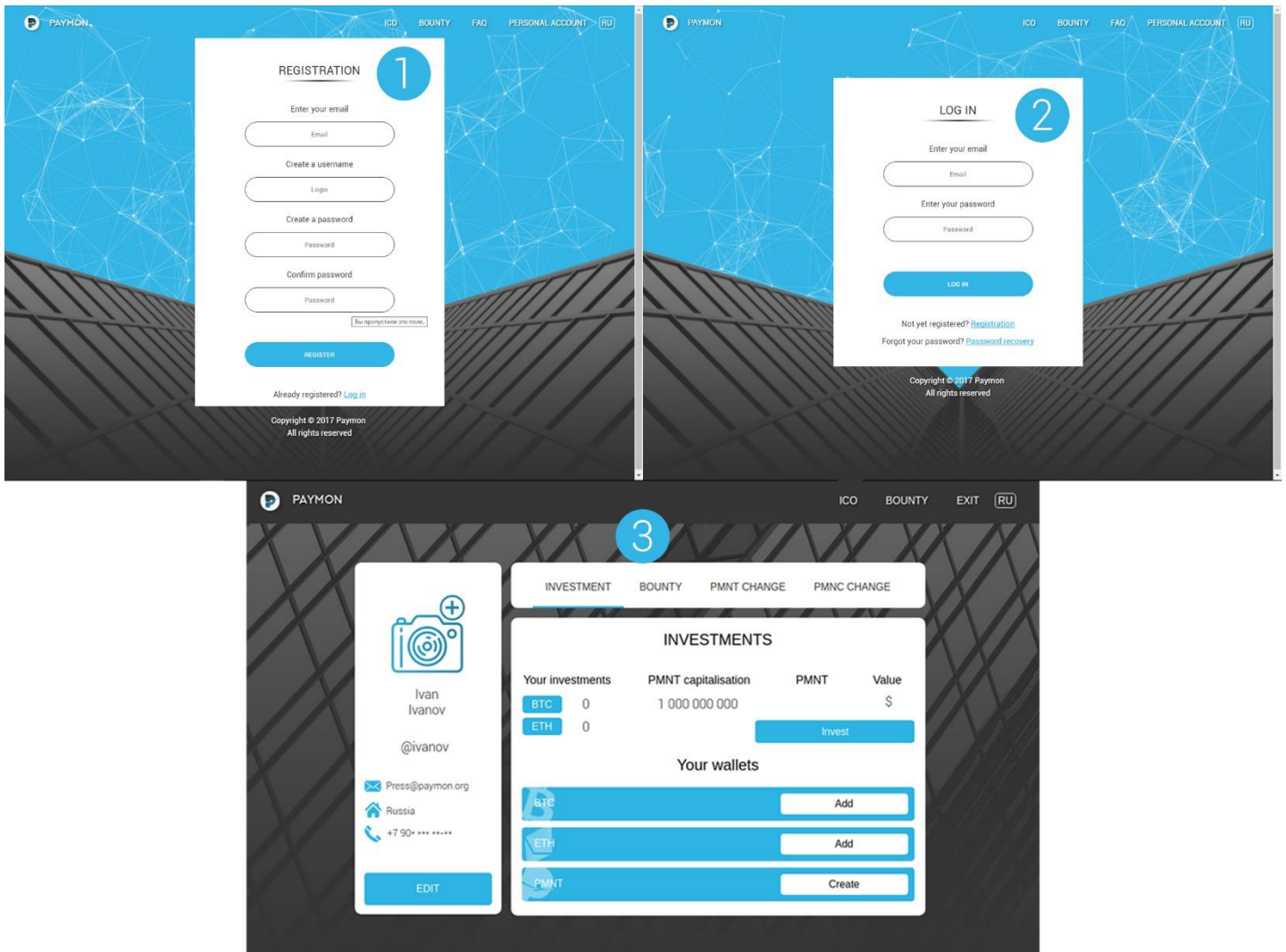
Note that:

1. The ICO participants will be receiving ERC20 tokens (PMNT). This token is required for the proper processing of Ethereum smart contracts.

2. You will be able to change PMNT to PMNC one-to-one in your Personal Paymon Account afterwards (web-version or in the mobile app).

PMNT is working on Ethereum and has nothing to do with any mentioned above Paymon features

The PMNT Token distribution will take place 34 days starting on May 10, 2018 at 18:00 UTC+0. 200,000,000 PMNT ERC-20 compatible Tokens ("Paymon Tokens") will be distributed according to the schedule below:

165 000 000 PMNT distributed during a 30 days (10.05. − 09.06)	11 000 000 PMNT 10.05 - 12.05
	11 000 000 PMNT 12.05 - 14.05
	... etcetera
	11 000 000 PMNT 07.06 - 09.06

35 000 000 PMNT distributed during the next 4 days (09.06 - 13.06)	8 750 000 PMNT 09.06 - 10.06
	8 750 000 PMNT 10.06 - 11.06
	8 750 000 PMNT 11.06 - 12.06
	8 750 000 PMNT 12.06 - 13.06

At the end of the period referred to above, a set number of PMNT Tokens will be distributed pro rata amongst all authorized purchasers, based on the total ETH and BTC contributed during those periods, respectively, as follows:

$$= a * \left(\frac{b}{c}\right),$$

a = Total ETH contributed by an authorized purchaser during the period, b = Total number of PMNT Tokens available for distribution in the period, c = Total ETH contributed by all authorized purchasers during the period.

Example:

1. 20 PMNT Tokens are available during a period.

2. Bob contributes 4 ETH and Alice contributes 1 ETH during the period.

3. As a total of 5 ETH were contributed for 20 PMNT Tokens during the period, 1 PMNT Token will be distributed for every 0.25 ETH contributed. Therefore, Bob receives 16 PMNT Tokens and Alice receives 4 PMNT Tokens.

(You can find full description of this technology in our Technical White Paper).

One of our priorities is providing our users with comfortable ways of using and transferring cryptocurrency. It should be fast, secure and, most importantly, without or with minimum commissions.

Our cryptocurrency will be based on Directed Acyclic Graph (DAG). Hive will let you make fast transactions without fees or long waiting for transaction approval.
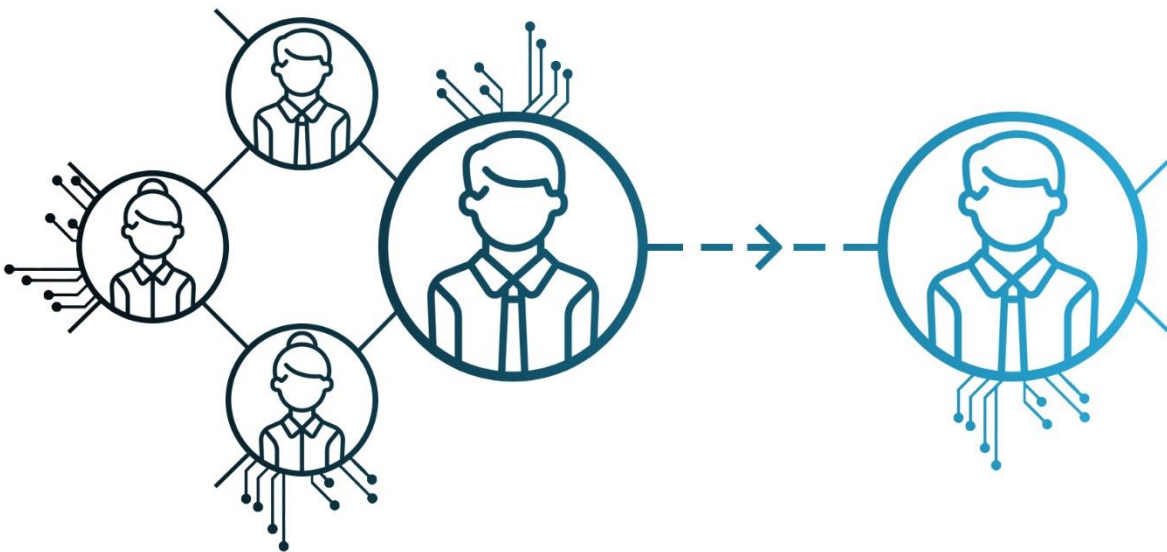
Instead of the standard Blockchain we will use DAG (Directed Acyclic Graph, which is a better, improved version of Blockchain).

This technology has been used for centuries, one of the most famous companies to use it is IOTA, who adapted it for Internet of Things (IoT). Our project, unlike them, used this technology on people, who will be able to have fast transactions thanks to DAG.

Transactions represent a set of DAG nodes. Its edge set is formed as follows: in order to receive a new transaction, it must approve two previous ones.

Its advantages:

◀ Users of the network are miners;

◀ Fast transactions even if the network is overloaded;

◀ No fees;

◀ Users maintain DAG;

◀ 1-2 transactions is a separate set of nodes.

COMPARISON TABLE

	DAG	Blockchain
Speed	HIGH	LOW
Security	HIGH	LOW
Scaling	HIGH	LOW
Trust level	LOW	HIGH
Accessibility	LOW	HIGH
Lightness	HIGH	LOW

• LOW   ∴ HIGH

If there is no directed edge between transactions A and B, but there is a directed path at least two edges long between A and B, we say, that A indirectly approves B.

There is also a transaction called "Genesis", which is directly or indirectly approved by all the other transactions. What is Genesis? At first there is a wallet that contains all the tokens, then Genesis transaction distributes these tokens to other wallet owners.

In order to conduct your own transaction, you need to approve other users' transactions: the more approvals the user gets, the faster the transaction.

Over time each transaction gets more and more approvals (direct or indirect), and the system accepts it. In other words, it will be way more difficult (practically impossible) to make the system accept a transaction with "double expense".

For a transaction to be valid, the node must solve a cryptographic puzzle similar to the one that is contained in the bitcoin-miner.

## POM – PROOF OF ME

(Read our Technical White Paper for more details).
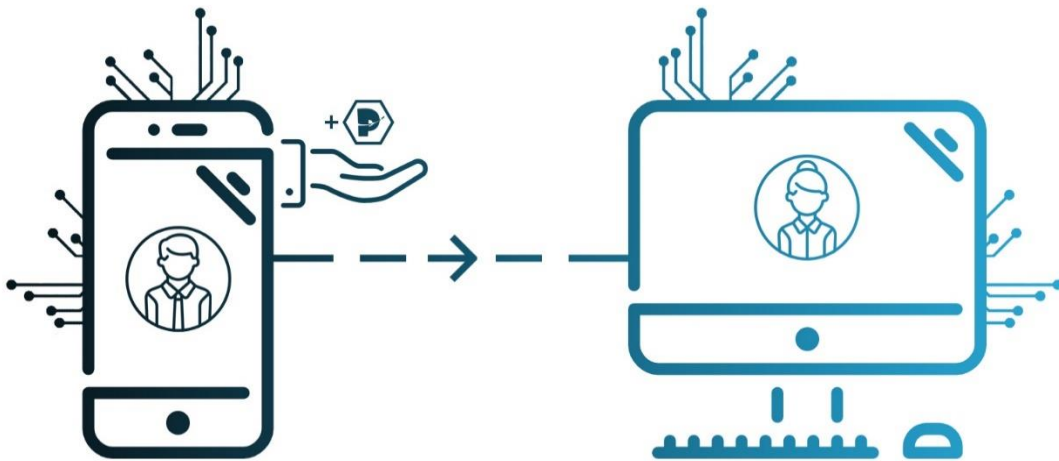
POM – is a way to approve users, it is based on POW (Proof of Work) and on rating system within the network.

Users of business platform Profit will be getting cashback from each transaction they conduct. This is done on order to reward users, who load the network, thus making Hive very quick.

EXCHANGE AND PURCHASE. SMART CONTRACTS AND ATOMIC SWAP

(Read our Technical White Paper for more details)
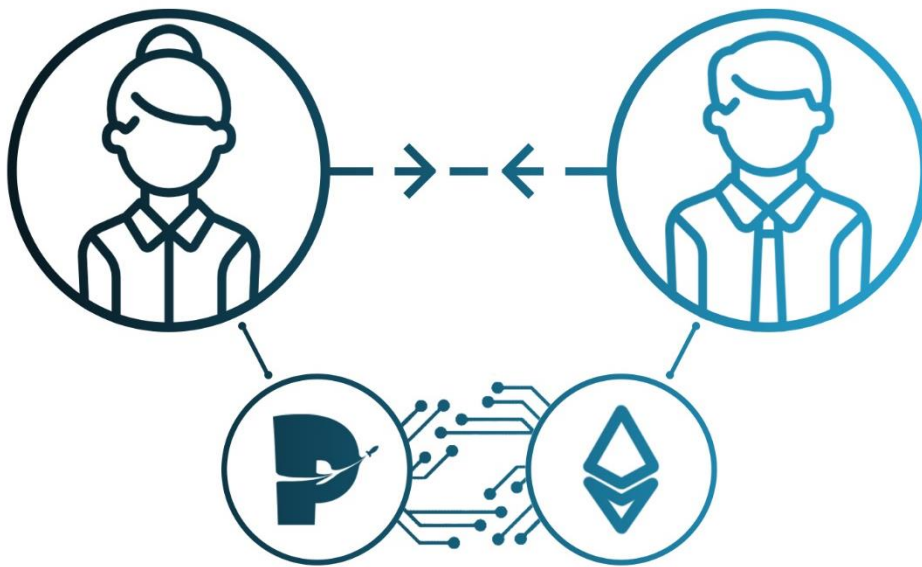
If you want to buy or sell cryptocurrency, you will have to study and understand a lot of different things, the process is not that simple and clear. Moreover, exchanges charge high fees.

Paymon doesn't have these problems! All cryptocurrency transactions will be conducted without fees through the use of atomic swaps and internal smart contracts realized on Hive.

The exchange rate will be taken from the exchange that has maximum traded value and a fully operational API.

Alice joins Paymon and wants to buy 1 Bitcoin

She sends an order for 1 Bitcoin to the system

Paymon system starts searching for a seller

At the same time Bob wants to sell 1 Bitcoin

The system connects them and the exchange takes place, all of this is done within Paymon
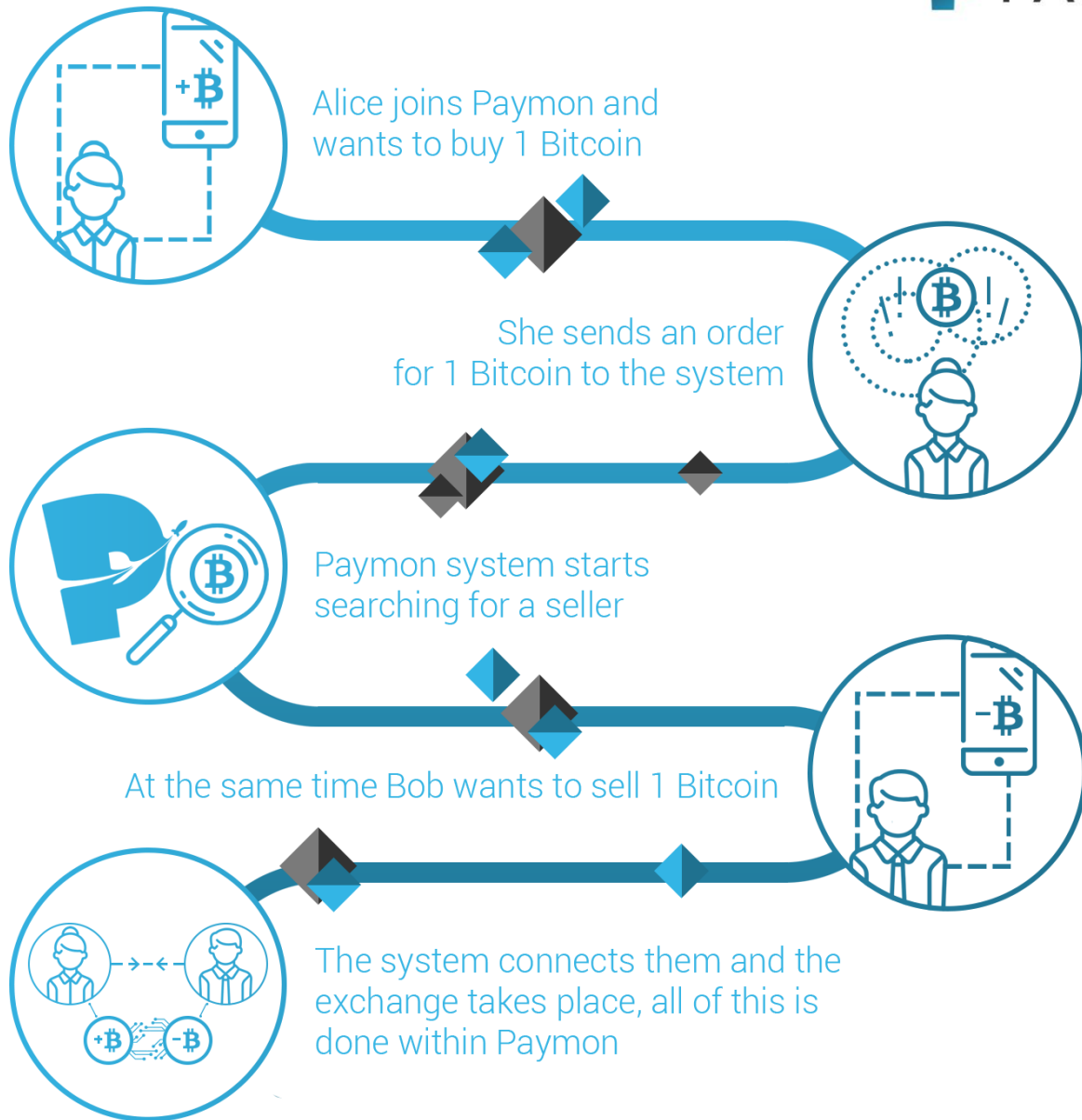
"Now we can exchange cryptocurrency only through exchanges (even between our own wallets) and we have to pay high fees for it. Paymon is developing a technology, which will solve the problem of overpayments."

"With Paymon support across the board there is no need in market exchanges or any other intermediaries. Users can set exchange rates themselves and perform transactions P2P."
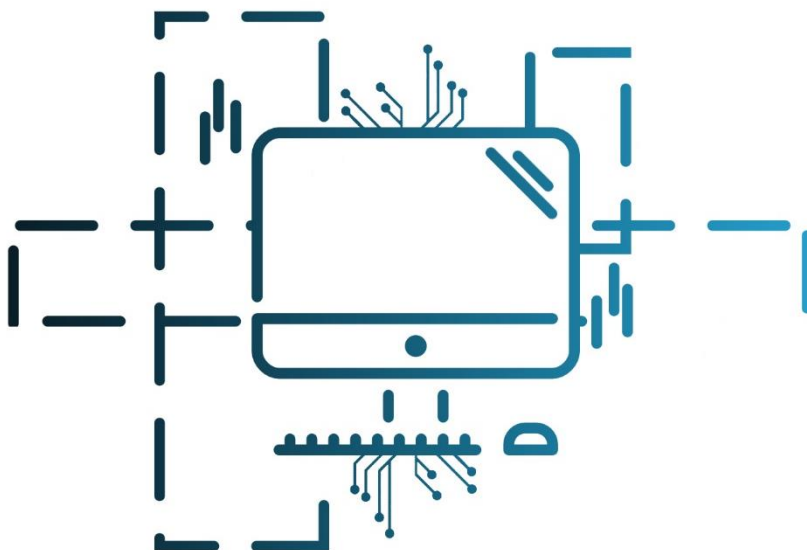
Business owners who want to receive payments for their goods in cryptocurrency need to:

1. Submit a request on www.paymon.org in the For Business tab.

2. Paymon will give you Login and Password for your Personal Account.

4. Then you will need to register your company in Paymon, don't worry, it is quite easy.

5. Once you fill in the form and submit it, Paymon will generate the company within the platform. Then each user will be able to buy your goods.
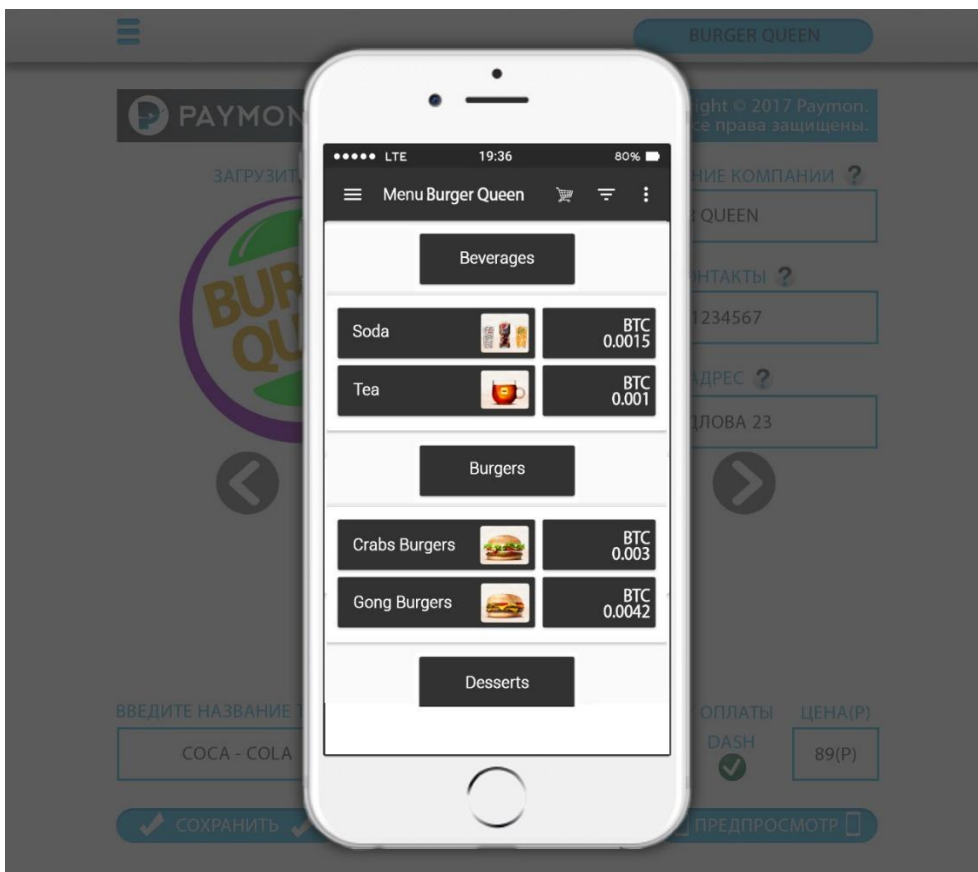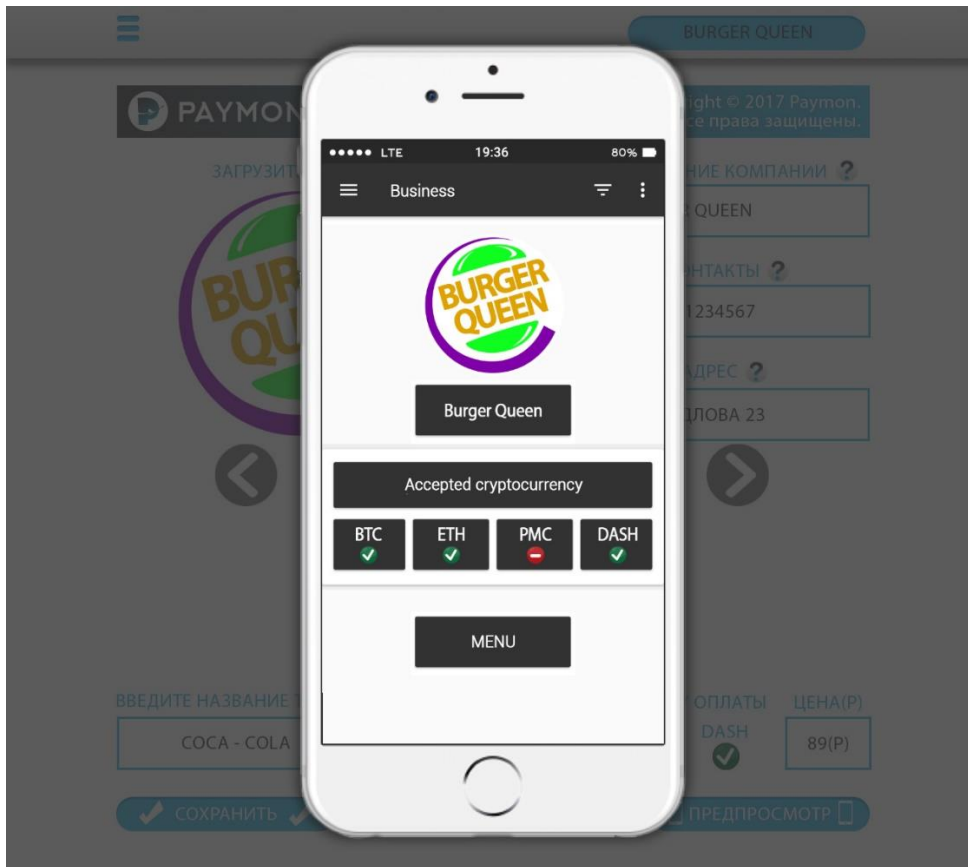
The whole world is just starting to pass regulatory laws regarding cryptocurrencies and Token Sales. Paymon warns you that it shall not take responsibility for possible restrictions placed on cryptocurrency projects or Token sales by any country. Due to the fact that Chinese citizens and US citizens are forbidden from high risk investments in cryptocurrency, they won't be able to participate in the 1st stage of the ICO. Blockchain technology is a recent invention, that is why it is not regulated properly in any country yet. Paymon warns you, that it shall not be liable in case some country in the world passes a regulatory law on blockchain, thus negatively affecting development of the project or cryptomarket in whole.

Open protocol creates more risks for Paymon development. Our platform might experience cyberattacks, which can hurt its reputation, value, and our users' personal data and funds. Our team will do everything in their power to prevent this from happening, but we must warn you that it is still possible. Developing a blockchain platform is not an easy task, it requires experienced human assets and physical infrastructure. There is a chance that Paymon will need more funds for its development than it is planned. This risk also includes the fact that the founders might not be able to find proper specialists, which could negatively impact the project's ability to achieve its milestones.

You might not be able to sell or use in any way the tokens that you will get after investing in the Token Sale.

There are risks in connection with transferring funds to Paymon and participating in its ICO and/or using PMNT as exemplary set forth above and hereinafter. In particular, but not concluding, there are such inherent risks as:

- The underlying software application and software platform is still in an early development stage and unproven, there is no warranty that the process of creating PMNT will be uninterrupted or errorfree and there is an inherent risk that the software could contain weaknesses, vulnerabilities or bugs causing, inter alia, the complete loss of your funds and/or PMNT.

- The blockchain technology allows new forms of interaction and it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing, blockchain technology based applications, which may be contrary to the current setup of the project and which may, inter alia, result in substantial modifications of Paymon project, including its termination and the loss of PMNT for the participants.

- Paymon project may give rise to other, alternative projects, promoted by unaffiliated third parties, under which PMNT will have no intrinsic value.

- The underlying software application and software platform may be exposed to attacks by hackers or other individuals that could result in theft or loss of PMNT or/and your funds.

- As with other cryptocurrencies, the blockchain used for PMNT is susceptible to mining attacks, including, but not limited to, double-spend attacks, majority mining power attacks, "selfish-mining" attacks, and race condition attacks. Any successful attacks present a risk to PMNT, expected proper execution and sequencing of PMNT transactions, and expected proper execution and sequencing of contract computations.

- The Wallet or Wallet service provider used for the contribution, has to be technically compatible with PMNT. The failure to assure this may have the result that the participant will not gain access to his/her PMNT.

Paymon is not liable in any way for failure to perform due to any Force majeure event. By participating in the ICO or receiving and holding the tokens, to the extent permitted by applicable law, the participants agree that no other party may be held liable for any Loss arising out of, or in any way connected to, any Force majeure event.

Before making a decision to join the project, you need to read the Terms and Conditions http://www.paymon.org/