Precious Whitepaper

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In mid-2017, the crypto-universe is an exciting arena with a wealth of technologies building on the brilliance of Satoshi Nakamoto as expressed through Bitcoin. Unfortunately, the world outside of the cryto-universe is a mess. Debt levels held within the fiat-based, central bank controlled currencies are at levels never before seen in the history of the planet. Governments are bigger and more controlling of their populace than ever, and ecologies are under incredible stress and in danger of failure.

The environment into which the Precious coin is being launched is one in which the majority of crypto technology development is seeking freedom from the central-bank controlled system. This is hard, and a very good goal.

Precious is much more ambitious.

Goal:

The Precious team is dedicated to the creation of a platform capable of transforming the very definition of wealth. Precious is the gateway by which the world can shift to an equity-based model, and away from the current unsustainable debt-based mess. No longer will the worker slave for a currency which is continually being devalued by the "elite". Instead, the worker will earn Precious, a currency backed by the assets which they are contributing their energy to creating.

PRECIOUS Quick Feature Summary v1.0:

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Lead Architect Introduction:

First, an introduction to our leading visionary:

My name is Brad Peters. I have BS degrees in Biochemistry and Biophysics, Computer Science, and my MBA. Upon graduation, I joined IBM's Linux Technology Center in their PowerPC division, worked my way up through the ranks to technical team-lead for their RAS group. In 2011, I moved the Intel's Open-source Technology Center, grew to become a Domain Architect for the Tizen OS project, and in 2016 became a Senior developer for the Clear Linux for Intel Architecture Operating System. I live and breath C and C++, and love the open-source software philosophy.

I have long been concerned about the debt-based monetary system, which drains wealth from those who do the work, handing it to the paper-pushers who write rules and control the printing presses. I appeared in a AJ+ news piece posted on 6/28/17. Precious is our solution to the automation issue outlined in this video, but also is designed to address the broader wealth and fairness problem present in the current economy:

Feature 1: Equity and Wealth

Wealth is a tricky concept. What is it? How does one keep it growing faster than inflation, while minimizing loses? In todays environment of Financial Repression, this is a nearly impossible task.

The Precious Project is meant to make wealth preservation and growth a non-issue and, in fact, simply a side-effect of the system itself.

How do we achieve this?

Ownership of a Precious coin represents a percent of ownership of all assets stored in the Precious blockchain. In addition, all dividends or returns on investment are shared amongst the coin holders, in percentages equal to their percent holdings of total coins, and hard assests can even be purchased out of the blockchain and into individual ownership, if the community agrees.

Example: A Single Family Home

Imagine the following scenario. Someone in the Precious community advertises interest in a single family home which recently went up for sale. The community votes, using the Vote mechanism to be detailed later, and the vote passes. This vote, signed by each coin which voted in favor, leads to the creation of an offer for purchase. Perhaps this home is listed at $250,000 US dollars. Given exchange rates at that time, the Precious community offers $270,000 equivalent in Precious coin, which is **to be created** if that offer is accepted by the seller. This is the primary mechanism by which Precious is created.

The seller of the home can take that Precious and do whatever they wish with it. Perhaps they sell some on the open market for dollars. These are new coins, and if sold, this can represent a dilution in value of existing coins. It is also possible that the seller decides to retain some or all of their new Precious coins. The more favorably Precious is seen as a "good" asset to hold, the more likely the theoretical home seller will be to hold onto their new coins. This then represents up to a 100% growth in value to the currency and community as a whole, with a potential 0% dilution in value. This also encourages the entire Precious community to ensure the coin is the best possible place to invest value.

The really interesting impact of the above scenario is within the Precious community itself. That home is now an asset, registered on the Precious blockchain. Perhaps the community decides to renovate the home, then rent it out **for Precious** coins. All proceeds of that rental income, minus maintanence costs, get distributed to the current Precious holders of record for more than one month.

An equity model is the one and perhaps only economic model which, as a side-effect of its nature, provides a sustainable bases for cooperation and support.

An equity-based model enables each of the following:

- Asset purchase does not involve a third party currency-creator (bank), and thus no debt is created. This is an asset/equity/ownership economic model

- In this model, everyone benefits by building long-lasting, sustainable assets, and by helping each other succeed. The current system encourages throw-away assets, which then need to be rebuilt (and refinanced), and is quite unsustainable

- A mechanism by which automation becomes universally beneficial, rather than "job destroying". Increased automation within the Precious asset-base translates to increased income for everyone, with less work required over time

Feature 2: Counter-Pulse

In May of 2017, it appears Central Banks initiated a concerted effort to destroy positive investor sentiment in the crypto-universe. Being an open ledger, many details in the cypto blockchains, exchanges, and markets are visible, while being hidden in the closed, black-box banking system.

There are multiple strings of evidence demonstrating this attack, one of which is visible if one looks closely at the volume of trades and the market cap of Bitcoin around May 23, 2017, June 6 and June 11th. On those days, the markets were slammed with massive, abupt selling. In the days and weeks prior to those dates, one can clearly see large spike in the incoming US dollars used to purchase Bitcoin. This buying was so extremely focused from the US Dollar that the fiat Yuan:Dollar exchange rate of 6.9:1 was broken in the crypto world, dropping to a mere 5.72:1 on 5/10. On the "Pulse attack days", the ratio showed massive dollar selling, spiking the ration back up to 6.82:1 on 5/22.

A normal seller would seek to maximize profits. These trades, however, were so large that they swamped the order book, not maximizing profit, but instead maximizing damage.

We could go on, but the above example illustrates the nature of the problem. We have named the gradual inflow of dollars into crypto, then the rapid sale, a Pulse attack, as the coin market cap looks similar to a pulse wave. Precious is designed to retain value through all attacks, and Counter-pulse is a advanced mechanism designed to counter these specific Pulse attacks.

Counter-pulse is a patchset which enables a variable-sized block, growing or shrinking in size over time, to optimize the average transaction rate witnessed in the prior 30 days. The slow and backward-looking adaptation is meant to delay trades during massively unusual days, such as when under attack. Counter-Pulse is designed to move smaller transactions with infrequently-seen source and destination addresses ahead of massive trades, especially those with source and destination addresses which have been witnessed in the recent past.

Upcoming large transactions are advertised via the Precious public API, as well as on our public website and updates provided via social media feeds. Large transactions are defined by those exceeding a 6-sigma limit, ie, those outside of 6 standard deviations from the mean trailing transaction size, translating to an occurrence rate of less than 0.00034%. In other words, if there is a transaction of this size, it is very odd, and worthy of scrutiny and delay. Transactions can never be denied, of course; Counter-Pulse merely delays them for a time. Details to follow when PreciousCoin ICO's.

From what we have seen since May 2017, the Pulse attacks are based upon a slow accumulation of coins over the course of 5-10 days, then the extremely rapid sale of those coins, typically in 3 parts separated by 3-12 hours. The Counter-pulse patch set will allow for extremely efficient transaction times during "normal" days, while resulting in delayed transaction times when and if the blockchain is under attack. These delays will allow Precious holders time to react, front-running the attackers and profiting from the attempted attack, thus reducing the incentive to attack in the first place and ideally creating a coin which is very stable and growing in value.

Paired with the tangible assets owned on the blockchain and their dividend stream, if an attack ever were to be successful and drive Precious below the underlying value of its asset base, the coin would be a "deal", motivating further investment and driving Precious conversion rates back up, also acting to counter the intended effect of the attack.

The Counter-Pulse patch will likely be adopted broadly by other coins, which is entirely desireable to the Precious team. In fact, we see the ongoing attacks as something the entire crypto-community needs to join hands and minds in an effort to counter.

Feature 3: Voting

The Precious blockchain will support coin-holder voting, casting support or not for issues of interest to the Precious community. Voting will support multiple types of proposals, the list of which will grow over time. Coin holders will get one vote per coin held for longer than one month, and votes are always 72-hours in duration. Voting is the primary mechanism by which Precious coins are created. Mining fees are the other mechanism for coin creation, in a mechanism identical to Bitcoin.

The purpose of voting is initially envisioned to support the purchase of assets. A successful vote requires at least 10% participation from the total number of coins, and requires at least a 54% majority "Yes" vote. Although asset purchase is the primary use-case, others will be fully supported including asset sales proposals, new business finance proposals, employee hiring proposals, Precious feature development input, and more.

Votes and vote details, including the public address of coins participating and their actual vote (signed), are always recorded on the blockchain for all to see.

The vote struct consists of several variables, with details to follow with the ICO:

- Proposal outline

- Vote type (Asset Purchase, Jobs, etc)

- Participation Requirements (Open to all, ID required, etc)

- Vote result (hash signed by each "Yes" coin). Allows voters to reconfirm past votes, but no reverse lookup

- Geographic scope (single zip code, list of zip codes, state, country)

- Static URL to a wiki for follow-up

- Linked-list including any additional votes needed to support the asset (Vote to finance lawn care for the home, for example)

Feature 4: Anonymity and Security

Transaction anonymity similar to that provided by Dash or Monero is to be a primary goal of the Precious project. We will retain a Proof of Work consensus algorithm for the foreseeable future, which has proven to be quite secure. More details to follow in ICO.

On the drawing board is a model for **optional** Open-identity (OpenID) support, wherein a wallet established with the proven identity of the owner can be funded from anonymous source funds, and used to vote or transact in certain sets of votes or transactions where identity is necessary. For instance, it may be that an individual wishes to purchase a home using Precious. They might create a identity wallet, move funds into the wallet, and send those funds to the seller, allowing the seller as well as the local government to confirm the identity of the purchaser, and use that identity in their own records. Critical to highlight is that the source wallet for those funds will be non-determinable with very high probability. Mechanism details to be disclosed during ICO, we're not reinventing the wheel. Other coins have very good solutions to this problem, and we will be adapting those to our goals.

Feature 5: Jobs

Precious is designed to support a full community, and align the interests of each member of the community. This entails that people should be able to earn money denominated in Precious, to then be able to purchase goods using the same currency they earn in.

Our goal is to establish a traditional jobs marketplace in which all listed positions pay in Precious. It is entirely up to the earner what they then do with their salaries.

We do not and will not support the exploitation of labor in third world countries, paying a small fraction of what the same position pays in so-called developed countries. The jobs marketplace will provide a complaint system, which will spawn Votes of the "Jobs" type. Those coin holders subscribed to these types of votes will be able to vote to retain or delete the job posting, given a 54% majority.

Precious will also fund the creation of a Marketplace soon after the ICO.

Feature 6: Software Development funding

Precious is a self-funding coin, funding the engineering, marketing, and other efforts needed to create and expand the capabilities of the coin. Funding will be done through the Voting mechanism and new coin creation.

Bootstrap funding is being done through the Pre-ICO process, proceeds from which will be used to purchase the initial asset base (provide the coin intrinsic value), purchase support infrastructure, and fund developers for full-time work.

Github Source Repo:

Please visit: https://github.com/precious-project/precious