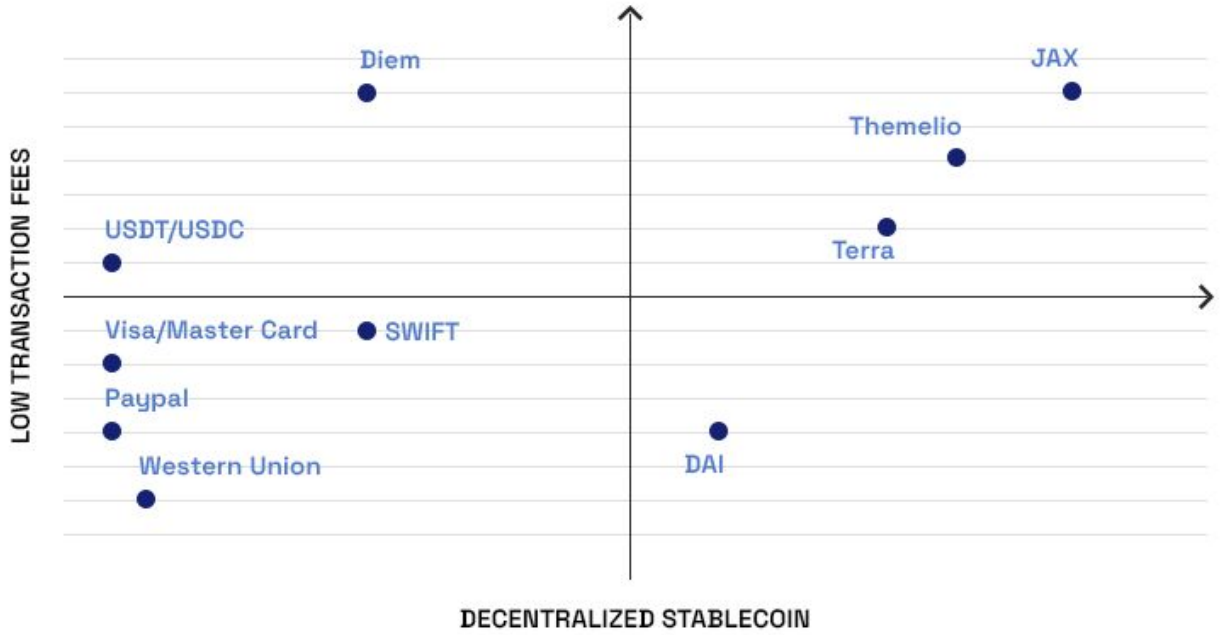
JAX

Jax.Network

Bringing a decentralized stablecoin to DeFi backed by Bitcoin hashrate.

jax.network
info@jax.network

Jax.Network Solution Positioning



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The major problems of cryptocurrencies

Volatility and the need for a Decentralized Stablecoin: The DeFi ecosystem has been in dire need for a decentralized stablecoin since its inception. Currently, DeFi relies on USDT as its stablecoin. However, USDT is centralized and there is the possibility that it can crash. If that were the case, all of DeFi would collapse.

Lower throughput (tps) and the need for scalability to achieve lesser transaction fees: Due to existing blockchain networks' failure to scale, transaction fees have become ridiculously high, such as that of Ethereum's gas fees and the fees on other congested networks. Additionally, fees on decentralized exchange platforms are high due to the native blockchain's inability to scale.

Solutions and Goals

We solve the scalability, volatility problems inherent in existing cryptocurrencies and bring a decentralized stablecoin to the Bitcoin ecosystem

through:

- equitable merged mining: BTC network + Jax.Network
- a universal reward function
- a Proof of Value mechanism based on burning BTC
- sharding and a native decentralized exchange protocol
- anchoring to Bitcoin ecosystem and achieving a high security level as that of the digital gold

Short-term goals

- Launch of Jax.Network
- Listing on exchanges and improve mining, OTC business efficiency.

Mid-term goals

- Capture stablecoin market share by providing cheaper markup rates on FIAT than existing stablecoins.

Long-term goals

- Develop the JaxNet dApp ecosystem based on using JAX as collateral.
- Keep people within our own ecosystem where people will not have the need to convert JAX coins to FIAT.

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Jax.Network:
Solution Explanation

What we create

- Stable JAX coins
- Speculative JAXNET coins
- JAX collateral for independent blockchains allowing for support of smart-contracts
- A global payment network that works as an additional layer of the Bitcoin network

How we create it

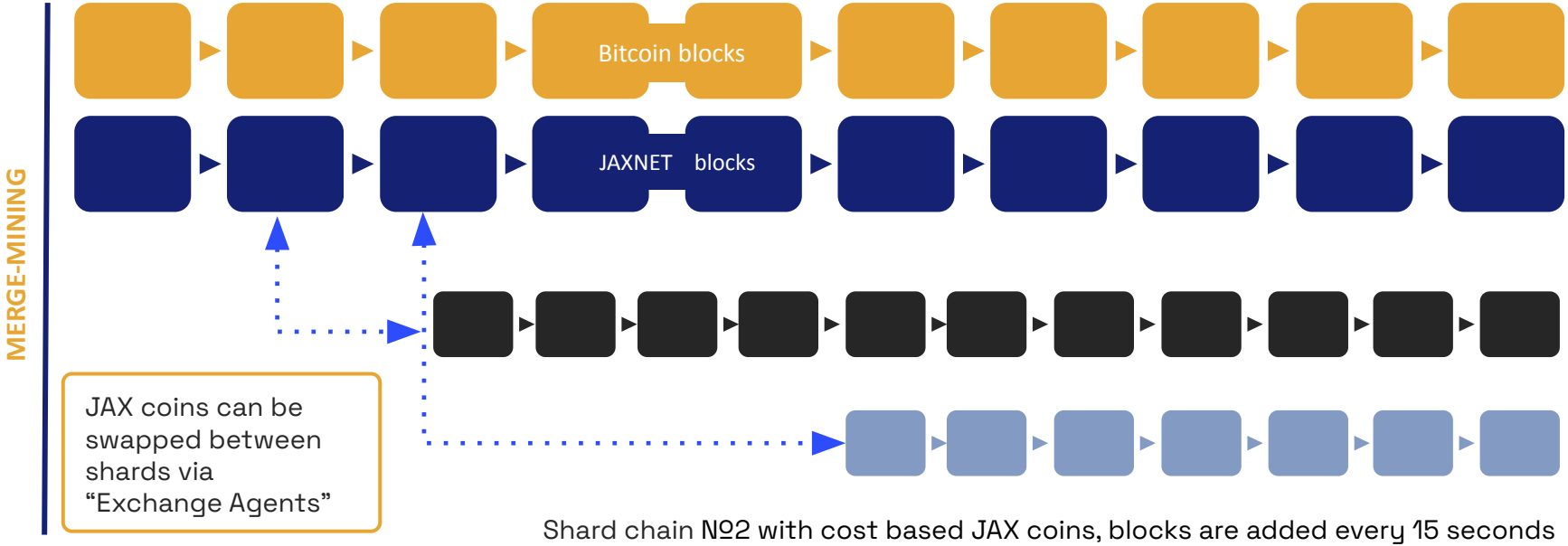
- The issuance of JAX coins are tied to the hashrate of the network and hence to the cost of the hashrate of the Bitcoin network
- JAXNET coins are issued on the beacon chain in fixed quantities during fixed time intervals, hence representing the value of Jax.Network
- JAX coins could be frozen and re-issued in independent blockchains hence allowing for scalable smart-contracts

Tokens in Beacon Chain and Shards

(all chains are working on Proof-of-Work with the Bitcoin network as anchor)

Beacon Chain with JAXNET coins:

- Blocks are added every 10 minutes with 20 coins mined after the first five years



Shard chain №2 with cost based JAX coins, blocks are added every 15 seconds

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JAX coins:
Mid-term Competition

Parameter	JAX coins	BTC	ETH	USDT	DAI
Scalable	✓	✗	✗	on some blockchains (Tron, Algorand)	✗
Stable	“stable cost”	✗	✗	✓	✓
Decentralized	✓	✓	✓	✗	✓
Low fees	✓	for large transactions	yes if net is not overloaded	✓	yes if net is not overloaded
Easy Global Payments	✓	✓	✓	✓	✓
Risks	need for an initial user base	price is rather volatile	price is rather volatile	centralized risks to collateral	collateral, oracle and smart contract risks

JAX coins: Upcoming Competition

Coin	JAX coin	Melmint	Element Zero	Resserve	Ampleforth	Empty set dollar	ZigZag	Diem	Terra coin
Network	Jax.Network	Themelio	Ethereum	Ethereum	Ethereum	Ethereum	EOS	Facebook	Cosmos
Token type	Native coin	Native coin	ERC-20	ERC-20	ERC-20	ERC-20	Smart contract	Native coin	Smart contract
Value stabilized through	Mining costs	Mining costs	US Consumer price index	Collateralized	US consumer price index	Coupon mechanics	Collateralized	Collateralized	Mining rewards
Exchange rate	Floating	Floating	Fixed	Pegged to USD	Partly floating	Pegged to USDC	Pegged to USD	Pegged to USD	Multi-fiat peg
Decentralized*	Yes	Yes	No	No	No	No	No	No	No
Scalable	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes
Maintain purchasing power	Partially	Partially	Yes	No	Partially	No	No	No	No
Money supply	Partly elastic	Elastic	Algorithmic	Elastic	Elastic	Elastic	Elastic	Centralized	Elastic
Transaction fees**	Paid by the receiver, based on market conditions	Paid by sender	Paid by sender	Paid by sender	Paid by sender	Paid by sender	Paid by sender	Unknown	Paid by sender within a 0.1 to 1% interval

* We assume that if the system uses an oracle, then the network is not fully decentralized.
** The problem with the sender deciding the level of fees is that it introduces a free rider problem, as senders are incentivize to lower the fees as much as possible. This is in total contradiction in what is observed in regular payment systems by network economics.

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Jax.Network:
Competitive edge

Jax.Network blockchain vs. other PoW blockchains

- ✔ Stable JAX coin for transactions, deflationary JAXNET coins for speculation
- ✔ Scaled by Pure State Sharding to enable mass adoption
- ✔ Virtually unlimited throughput compared to 10 tx/s of BTC, ETH

Jax.Network blockchain vs. other PoS blockchains

- ✔ Fully Decentralized
- ✔ Demand-driven economic design
- ✔ Doesn't experience the "nothing at stake" problem
- ✔ Doesn't experience the "rich get richer" problem
- ✔ Pure State Sharding
- ✔ Not vulnerable to Long Range attacks

Jax.Network blockchain vs. Lighting Network

- ✔ Less complicated payment routing
- ✔ Primarily a layer 1 solution
- ✔ Sharding provides scale to support almost unlimited deposits required for layer 2 scaling
- ✔ Underlying native token is a stable coin
- ✔ Supports Lightning implementation in JaxNet

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JAX coins: Strategic Competition

Dozens of stablecoins have emerged in the last few years. The purpose of them is to limit volatility of cryptocurrency exchange rates and improve upon their transactional purpose. All these coins rely, one way or another, on some collateral, or need to be backed by fiat currencies. The former increases the cost of creating a transactional network. The latter defeats the purpose of risk diversification by tying crypto holdings with another economy. As an example, the main actor USDT, is backed only by $0.74 for every Tether unit of circulation. Our network will never have to deal with these controversial questions. As for payment networks, they are prone to security risks and expensive compared to cryptocurrencies.

vs. Tether (USDT) et stablecoins

- Highly Scalable
- Stable JAX coins for transactions, deflationary JAXNET coins for speculation
- Decentralized
- No need for collateral and backing by fiat

vs. Visa Mastercard et al.

- Decentralized
- Lower fees
- Almost zero entry barrier
- Easier and faster global payments
- No chargebacks
- No joining fees or membership fees

vs. Swift

- Decentralized
- Instant payments
- Almost zero entry barrier
- No joining fees or membership fees

Target customers & use cases

Jax.Network use case

- JAX coins as a means of payment
- JAX coins as collateral in independent blockchains with scalable smart contracts
- JAXNET coins as cash reserves / treasury funds and as a hedge against inflation

Key attributes

- High scalability, low transaction fees, decentralized and border-less. A universally stable quantifier of economic value.
- Value tied to the adoption of the network. Economically designed to be a hedge against inflation.

Target segments

- Crypto miners, unbanked people, digital payments, cross-border remittances, IoT/M2M
- Crypto miners, savers, pension funds, treasuries
- Communities, Governments, Societies

Target customers & use cases

Audience	Type	Yearly Volumes	Value for the Segment
Stablecoin transactions	P2P	>36.5 tn	Cheaper mark up rates, cheaper transaction fees and greater reliability.
DeFi	P2P	$26 bn [7] as of 25/01/2021	Stable coin pegged to PoW hashrate
Unbanked countries' population	B2C	~$380 bn [4]	Stable cost coins that fluctuate less than local fiat currencies
Crypto mining companies	B2B	>$1 bn [1]	Hashrate-pegged payments & reserves
Crypto exchanges	B2B	>$100 bn [2]	Reserves diversification
Private investors in crypto	B2C	>$200 bn [3]	Portfolio diversification
IoT M2M for energy & utilities	B2B	>$7 bn [6]	Transactions and reserves in an asset that relies on industry prices

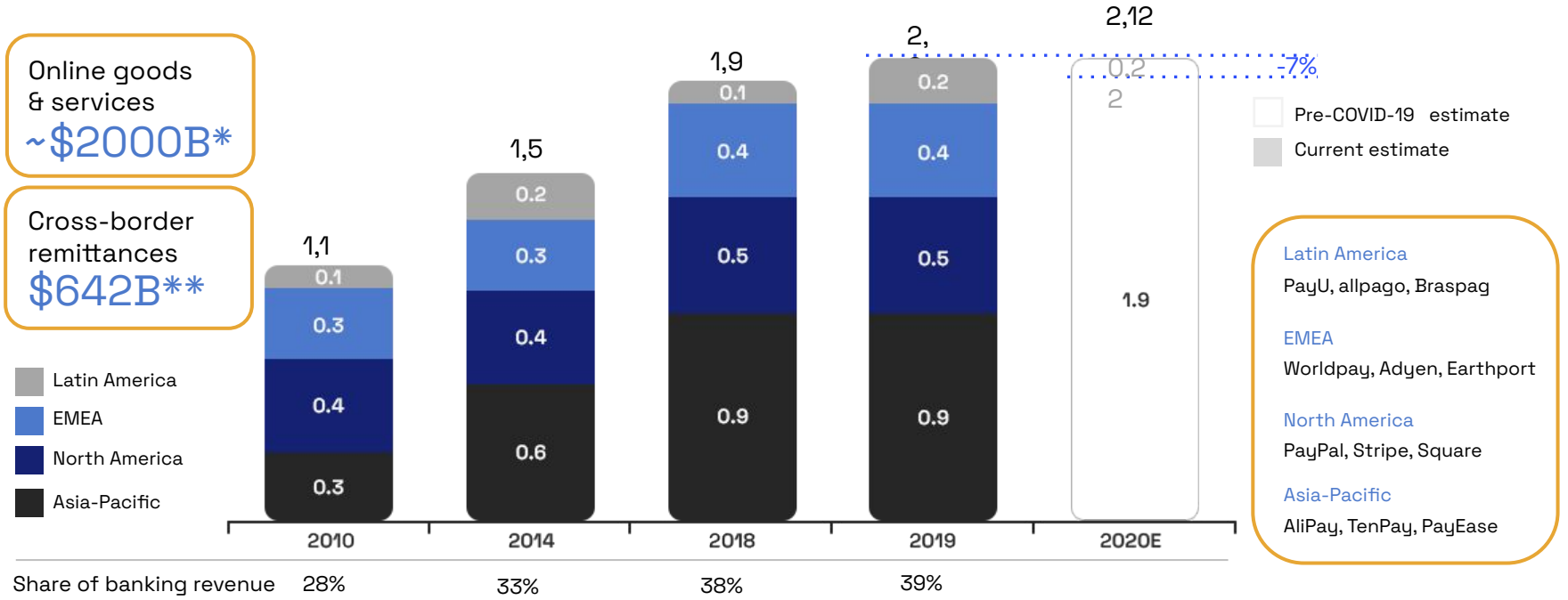
JAX

An enormous market, growing ever still

Global money transfers have experienced solid YoY growth over the last decades supported by both rise in international travel and new businesses going global. The growing trend is expected to continue over at least next 4 years.

Online goods & services ~$2000B*

Cross-border remittances $642B**



Latin America
PayU, allpago, Braspag

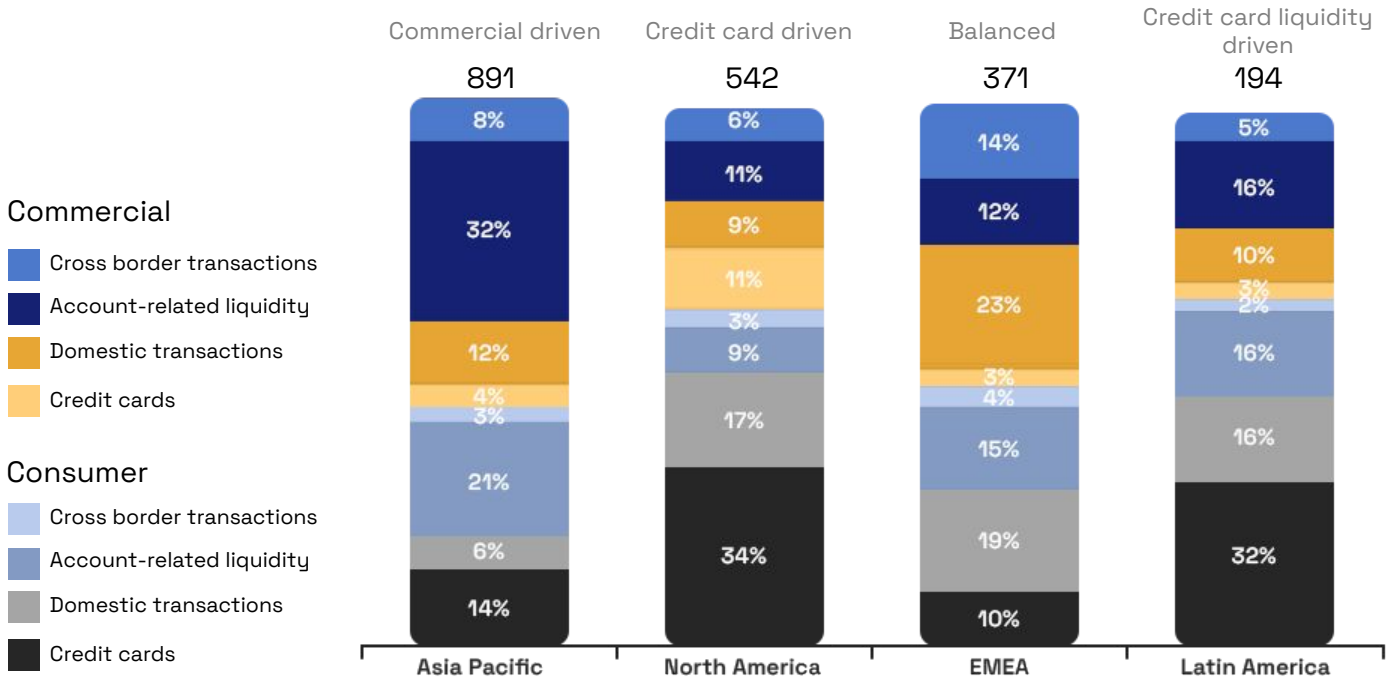
EMEA
Worldpay, Adyen, Earthport

North America
PayPal, Stripe, Square

Asia-Pacific
AliPay, TenPay, PayEase

Share of banking revenue	28%	33%	38%	39%

An enormous market,
Growing ever still



Online goods & services
~$2000B*

Cross-border remittances
$642B**

First steps & go-to-market strategy

Acquisition channels

By relevance:

- Partnership with Miners
- Partnership with OTC desks
- Partnership with Exchanges to list JAX/FIAT pairs
- Ad campaigns to raise awareness of our decentralized stablecoin

Product vision

By timeline:

- Bring scalability to the Bitcoin Network
- Secondary savings account in the form of JAXNET coins
- Stablecoin for the exchange and DeFi market
- Financial inclusion for unbanked population

Winning clients through

By importance for DMs:

- Greater profitability for crypto mining businesses
- Great profitability for OTC desks
- Lesser commissions and markup rates for end users
- Decentralized stablecoin with well designed economics
- Cheaper and Faster transactions

Jax.Network roadmap

Q3 2021

- Launch of Jax.Network
- Onboard Miners to enjoy additional rewards of merge-mining Jax.Network

Q4 2021

- Get listed on exchanges and start offering FIAT exchange pairs for JAX

Q1 2022

- Start capturing stablecoin market share

Q2 2022

- Aggressive ecosystem development activities

Core team

Vinod Manoharan

Founder

Tech entrepreneur, since 2013 and the founder of several licensed gaming companies in India with $10M+ yearly revenues. In 2018, Mr. Manoharan moved to Ukraine and founded JAX.Network to solve the infamous Blockchain Scalability Trilemma.

Iurii Shyshatskyi

Chief Scientist

Award-winning mathematician with experience in global R&D at Samsung. Received Master's degree in Mathematics, attended Northwestern University in Evanston, Illinois. Iurii is a major contributor to the Jax.Network architecture and documentation.

Taras Emelyanenko

Chief Technology Officer

Blockchain expert with a Masters degree in AI and over 15 years of experience in software development. Previously worked at Bitcoinstore, Loyyal, IOHK (Cardano). Contributed to Localbitcoin, Blockcain.info, Bitcoin.com (mining pool and wallet) projects.

Lucas Leger

Chief Economist

A PhD candidate at Le CNAM-PARIS in cryptoeconomics, Lucas worked on applying microeconomic analysis to blockchain-based networks as well as on research projects with prestigious financial institutions.

Core Advisors

Viktoriya Nechyporuk

Viktoriya Nechyporuk has led the Microsoft marketing team in cross-subsidiary marketing strategy implementation and orchestration of global marketing campaigns. She had recently worked as the product marketing director for the blockchain unicorn, Bitfury.

Dr. Abdelhakim Senhaji Hafid

Dr. Hafid is a Full Professor at the University of Montreal and the founding director of Network Research Lab and Montreal Blockchain Lab. Dr. Hafid has lent his support in developing the Jax.Network protocol, and given it his seal of approval.

Vinod Senthil

Vinod is a certified cybersecurity professional and the CEO of infySEC, an accomplished cybersecurity firm. In July 2013, Vinod broke the Guinness world record for conducting the largest information security gathering for the longest duration.

Jagdish Tadasad

Jagdish Tadasad is a Senior Partner at AMJT & Co, Consulting CFO, Policy & Regulatory Affairs at Mobile Premier League. He is a core advisor of the Jax.Network project lending us his expertise on legal and regulatory matters.

S R Arun

Arun is a Senior Partner at ALMT Legal. Arun's corporate practice includes advising venture capital, private equity and investment funds and has developed the capital markets group which specialises in public offerings in India and abroad.

Mr. Key

Mr. KEY's passion for blockchain technology and experience with ICOs has already brought amazing results to crypto-startups across the globe. Whether he's working with hopeful startups looking to change the world or established companies seeking to expand their horizons, Mr. KEY develops game-changing marketing strategies.

Tokenomics

	JAXNET coins	JAX coins
Type	Utility token, Beacon chain coin; Firstly will be available through UNISWAP, backed with a SAFT	Cost-based stable coins in shards
Number of pre-mined coins	40,002,163.65*	✕
Functions	To pay for the security of Jax.Network by incentivizing Bitcoin miners to merge-mine Jax.Network To be used as gas fees for exchange agent listing transactions and other critical transactions To incentivize miners to defend the beacon chain that holds the shard registry Serve as a secondary savings account for the Bitcoin network To incentivize miners to defend the Bitcoin network when the BTC reward drops to 0 To reflect the value of the global transactional payments ecosystem of Jax.Network	Coins with stable cost that can be used for payments, remittances and reserves
Token price	Public round phase 1: $0.77 Available Tokens: 2,000,000 Public round phase 2: $0.87 Available Tokens: 4,000,000 Public round phase 3: $0.97 Available Tokens: 10,000,000	Market Driven
Exchanges	✓	✓
Emission	20 coins per block (every 10 minutes) after 5 years*	Demand Driven

Jax.Network Fundraising Tokenomics

Premine distribution

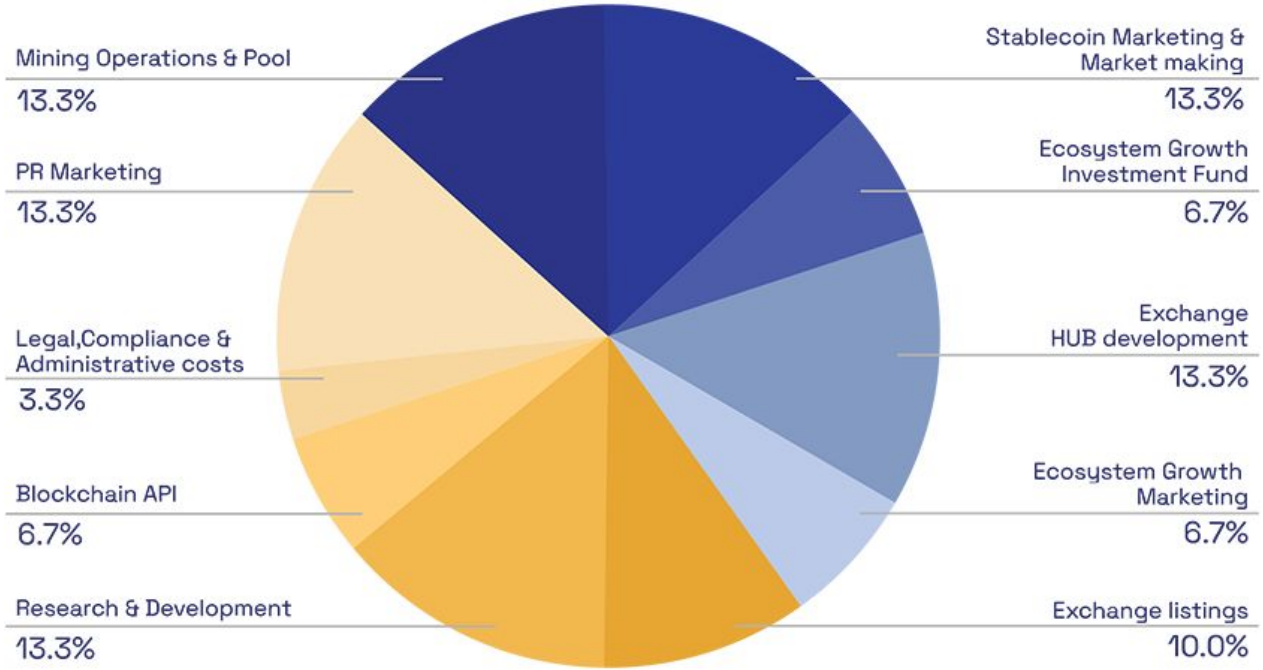
Categories	% of premine	# of JAXNET coins	Vesting from mainnet launch date
Team	9.45%	3,780,000.00	2 years
Advisors	0.50%	200,000.00	2 years
Private pre-sale	2.17%	868,484.00	1 year
Strategic Investors	5.00%	2,000,000.00	see table
Public Sale	40.00%	16,000,000.00	see table
Liquidity Pool	5.00%	2,000,000.00	
Company Reserves	23.81%	9,523,809.52	2 years
Pre-seed & seed Investors	14.07%	5,629,870.13	2 years
Total	100.00%	40,002,163.65	

Public Sale	Phase 1	Phase 2	Phase 3
Coin price (in USD)	0.77	0.87	0.97
# of coins available	2,000,000	4,000,000	10,000,000
Vesting (from launch of mainnet)	No lockin	No lockin	No lockin

Strategic Investors	Phase 1	Phase 2	Phase 3
Coin price (in USD)	0.616	0.696	0.776
# of coins available	250,000	500,000	1,250,000
Vesting (from launch of mainnet)	6 months	3 months	No lockin

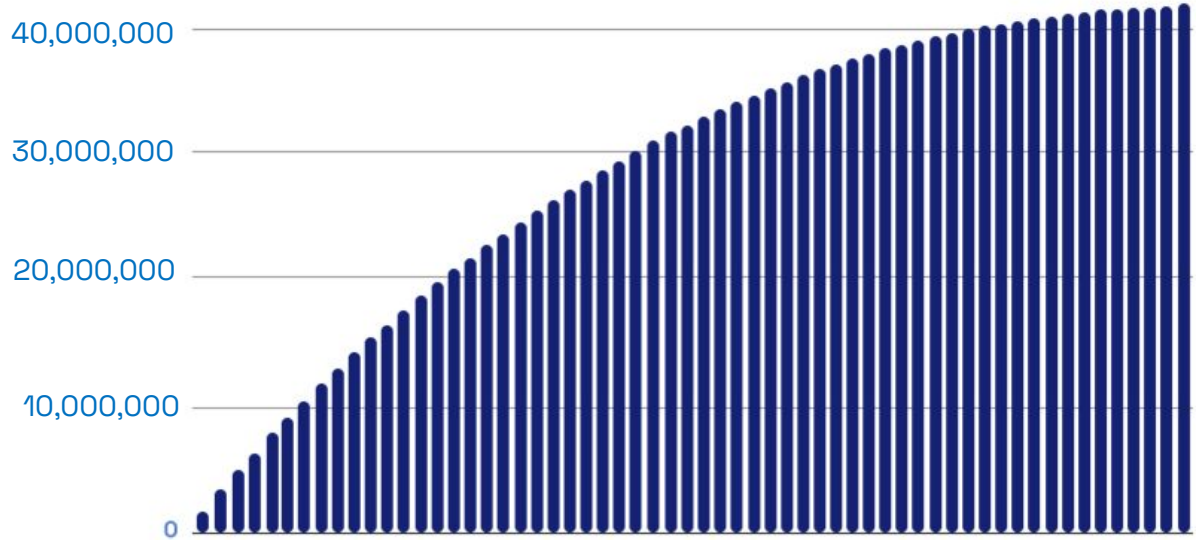
Fundraising Details

Use of funds



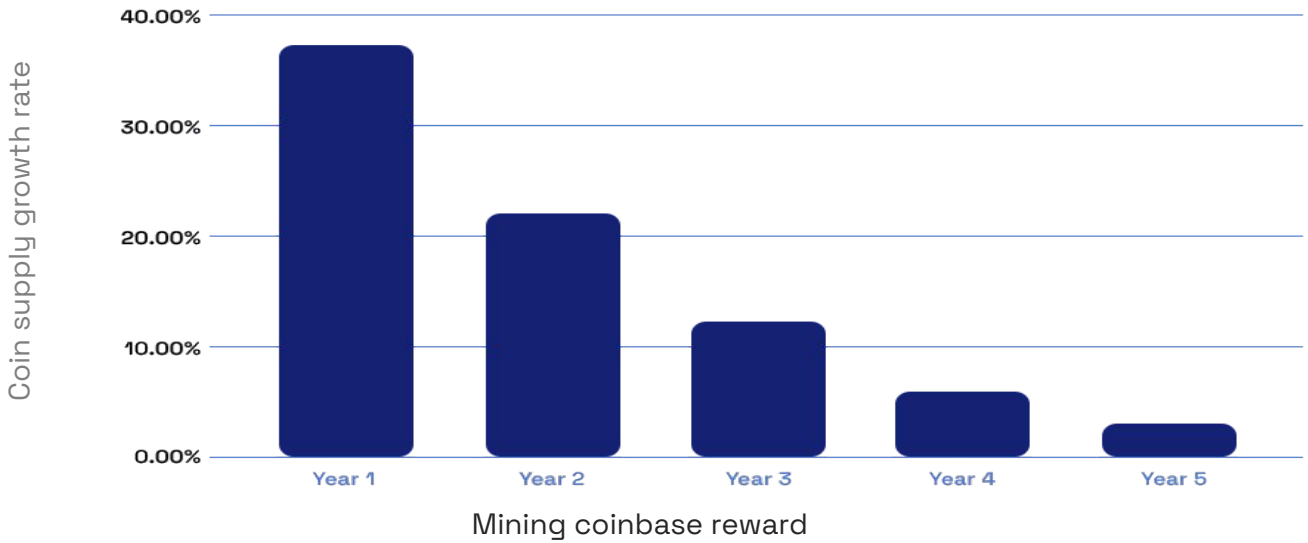
Fundraising Details

JAXNET mining compounded reward schedule [5 years, by month]. After five years, approximately 80 million coins will be circulation, including premined JAXNET coins. Beyond that point, miners will be able to mine only 20 coins per block on the Beacon chain.



JAXNET coins: token supply growth rate by years

The first five years, the coinbase reward is much higher to compensate the volume of premined coins and entice miners to join our network.



Legal provisions

- GOVERNING LAW
- The Token Sale and Purchase Agreement shall be governed by and construed in accordance with the laws of BVI or Estonia, without regard to the principles of conflicts of Laws. Subject to the dispute resolution clause under the SAFT between the parties to the agreement, the courts in the respective jurisdictions (BVI or Estonia) shall have exclusive jurisdiction over all matters arising pursuant to the SAFT Agreement.
- Subject to fulfilling the KYC norms & AML laws by the Investor, All payments in the form of crypto tokens OR Cash as designated by the company in writing shall be made in lawful money of the United States of America to the BVI designated account of the Company.

Contact us to become an investor.

If you are interested in investing in the Jax.Network project, please contact us to discuss your investment.

JAX Network

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