



HEX2X

<https://hex2x.org>



Official Whitepaper

A lucrative, high-interest currency, designed to reward stakers.

Community built, full transparency, high interest, Game Theory optimized



Introduction to HEX2X



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What is HEX2X?

HEX2X is a decentralized Certificate of Deposit (CD) system, operating similarly to the same financial instrument provided by banks while cutting out the middleman. HEX2X generates interest through the idea of inflation. Users can stake a specific number of tokens for a specific period of time and receive about 8% APY on that staked amount at the base level. Earnings are increased by other mechanics within the system, which are further detailed in this document. At the time of writing, the global CD market has a \$7 Trillion market capitalization. HEX2X plans to absorb a portion of that market by providing higher returns to its users.



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HEX2X is a fork of HEX, designed to improve the rewards to stakers

- In HEX, 100% of ETH in the Adoption Amplifier auctions goes to the pockets of the founder. In HEX2X, 80% of ETH spent in the Daily Auctions runs through an automated smart contract and is immediately used to purchase HEX2X tokens, boosting the price. These tokens are then distributed trustlessly to stakers. This, in itself, increases staking rewards drastically in comparison to Hex, and increases the value of HEX2X simultaneously. Right now, a \$10K order increases the price by 7%. Once the Auction is live, we anticipate to be using millions of dollars, exclusively for buy pressure, daily.

- In HEX, nearly 50% of late claim and early unstake penalties go to the pockets of the founder. In HEX2X, 100% of all late claim and early unstake penalties go to the stakers.

- HEX2X inflation rate is 8%, double that of HEX. This means that stakers are rewarded even more in comparison to non-stakers.

-- There are FIVE Big Pay Day's in Hex2X, instead of only one in the Hex ecosystem. It's widely understood that after Hex's one and only BPD, there will be mass-inflation and mass-selling. Our system mitigates both of those by splitting BPD over five years, allowing for longevity.

- Early unstake penalties are more severe in HEX2X, ensuring that once members stake, they will stay staked. This increases the stability of the circulating supply, and helps to increase the price of HEX2X further.

HEX2X is the next evolution of HEX.
Built by the community, for the community



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Development Teams

RockNBlock Team will be working on HEX2X. RnB previously created mywish.io (partner of Binance, NEO, RSK), swaps.network and participated in HEX Money development.



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Better Staking

HEX2X inflation rate is 8% per year, roughly double that of HEX.
All tokens purchased through buybacks are distributed directly to stakers. This will increase the staking rewards dramatically

100% of inflation is paid out to stakers.

Stakers earn proportional to their stake. Unlike in HEX, where “Bigger Pays Better” and an oligarchy is created. All stakers in HEX2X earn proportionally to their stake.



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Daily Auctions

Every day, users can bid ETH into the daily Auction Pool to purchase HEX2X. How much HEX2X they earn is directly proportional to how much they put in compared to the rest of the pool. If you put in 10% of the ETH for that day, you earn 10% of the HEX2X in the pool.

The HEX2X in the auction pool comes from:

- Unclaimed HEX2X:

- Every week HEX or HEX2T holder's waits to claim their HEX2X, 2% of their balance is added into the Auction Pool

- Early Exit and Late Withdrawal fees:

- If you end your stake ahead of the committed time period, you pay a penalty that goes to the Auction pool
- If you don't withdraw after your stake is completed, you pay a penalty that goes to the Auction pool



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Freeclaims for HEX Holders

While the two projects are not officially affiliated, we applaud HEX for their innovation of certificates of deposits, and bringing this financial instrument to cryptocurrency.

While HEX may have been the first mover in this specific application, we saw that there was inequality in the HEX system in regards to both the staking rewards and the ETH auctions. In the interest of transparency and community centric ideals, our system fixes the problems we have identified and puts the community above all else.

HEX2X tokens will be able to be claimed at a 1:1 ratio by all HEX holders and all HEX2T holders.

HEX holders: 100% of freeclaimed HEX2X will be autostaked, with 2% releasing weekly.

- This means if you withdraw on day 8, you get 2% of your HEX2X claim, 98% then goes into the Daily Auction pool. If you withdraw early, the rest of your tokens immediately go to the Auction Pool

HEX2T holders: 0% will be autostaked.

HEX2X Roadmap



HEX2T token is launched

May 29th, 2020

HEX2T token is trading on Uniswap

Open-Source Github repo goes live

June, 2020

**Mainnet Conversion
1 HEX2T : 1 HEX2X**

HEX2X listed on larger exchanges

September, 2020

Development of HEX2X begins

HEX2X Staking interface completed

August, 2020

Daily Auction goes live

**Ecosystem additions
TBA**

HEX2X Deep Dive



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Background

The world of banking finance has not changed for the last fifty years. Plagued by centralization and controlled by central authorities, banks are nothing more than structures by which governmental institutions track the flow of money of their citizens. While banks are needed for any modern civilization to function, the backing of today's currencies are based purely off of faith and trust. Take for example the U.S. Dollar. Every Dollar used to be backed by Gold Reserves, but now that system is antiquated. Today, the US Dollar is backed by nothing but trust in the U.S. economic system. As we have seen over the last few months of coronavirus economic stimulus policies, the Dollar and interest rates can be manipulated at will by the Federal Reserve without any accountability.



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Economics of Cryptocurrency

The rise of cryptocurrency has grown exponentially over the last three years as a result of the realization that these decentralized, transparent, and distributed systems can be the replacement for an archaic banking system which has not experienced any innovation. While many people have profited immensely from this revolution, many have been scammed through exchange hacking, and coins which are nothing more than "pump and dump" schemes where prices rise quickly and drop even faster in a short period of time. As a result, people have sought other ways to get into the crypto space in a more stable manner: mining and staking.

Mining may not be accessible to everyone as it requires a large initial investment into expensive GPUs (graphic processing units), which are upwards of \$300 and consume copious amounts of electricity. Since Bitcoin is a decentralized network not regulated by a single authority, networks of computers with these GPUs are used to verify transactions to make sure that they are valid. As a result of this verification process, which is quite computationally intensive, miners are rewarded a "block reward" in the form of a sliver of Bitcoin whenever new transactions are added to the blockchain. However, because the "block reward" is halved every 4 years and the price of Bitcoin is currently stabilizing, Bitcoin mining is currently not profitable unless performed at a massive warehouse-like scale.

The second way to get a more stable income source is through staking and is the basis for how HEX2X generates interest. Staking pays users who commit their coins to the HEX2X smart contract for a period of time which is to be measured in the units of days. When one stakes HEX2X coins he/she will not have access to withdraw those coins during this time but at the end of the staking period they will receive his/her coins and additional interest. The system works by the idea that the longer one stakes the more money he/she will get through bonuses for being a long term staker. All of these calculations are done automatically and securely on the blockchain so they are safe and cannot be manipulated by bad actors.



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HEX2X Economics

HEX2X generates interest through the idea of inflation. The HEX2X smart contract doesn't just pay out HEX2X from its reserves to reward stakers randomly but on five basic principles.

1. The amount of HEX2X staked by a user.
2. The total amount of HEX2X staked by everyone else.
3. The period for which the user staked their HEX2X.
4. The HEX2X flat inflation rate which is compounded daily.
5. The amount of ETH paid into the auction daily

HEX2X was inspired from the success of HEX having eclipsed a \$1 Billion market cap within four months. HEX2X sits at a \$4 million market cap currently and is growing at an exponential rate. We decided to take some of the factors behind the success of HEX and make it less "founder focused". Rather than rewarding the founder more for the success of HEX, we wanted to reward the community and stakers. HEX2X is designed to be a system where you can park your money and have it grow at an incredibly fast rate.

HEX2X Deep Dive Cont.



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HEX2X v. HEX

Here are the main key points behind the differences between HEX2X and HEX:

For every staking period, **80% of the ETH amount** that is used to purchase HEX2X in the Daily Auctions is used to buy back HEX2X tokens from exchanges, which are then distributed to stakers in proportion to their stakes. This will lead to a boost in price and will give higher incentives to stakers.

HEX2X has double the inflation of HEX: **8% versus 3.69%**. This leads to **twice the ROI** alone for HEX2X.

100% of the inflation is paid out to HEX2X holders and can be seen completely transparently on the blockchain.

100% of all "token penalties" are paid out to stakers, unlike Hex, where only 50% of penalties go to stakers, and the other 50% goes to the founder

The founder owns no tokens. Yes, The founder owns **no tokens**. There is no fear of being dumped, exit scammed, or getting in too late for HEX2X. So how does the founder get money here? See below.



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HEX2X Adoption

HEX2X will accelerate adoption by welcoming HEX holders to the HEX2X ecosystem. HEX holders will be able to freeclaim **HEX2X at a 1:1 ratio for every HEX they hold, or have staked**. This is capped at 250M HEX2X per HEX holder. Anything over 250M goes to the Auction Pool.

To get their free HEX2X, HEX holders need to manually claim HEX2X tokens. Every week that these coins go unclaimed, the amount of coins that an individual can claim reduces by **2%**. These coins then go into an auction where people can bid for them. **80%** of the amount used to bid for the HEX2X from the daily auctions is used to buyback more tokens from exchanges like expressed above and the founder receives the other **20%** of the bid as compensation here. This is a unique format for compensation for the founder and shows that only as a result of long term success of the project can the founder reap his/her capital appreciation.

HEX2X is one of the first projects of its kind to not have founder owned tokens, have a proven precursor concept in HEX, and a strong community focus. The mission of HEX2X is to give a product to the community to grow their capital by compounding it with interest. The fundamentals behind HEX2X are meant to create a unique product for the community and flip users from the original HEX to HEX2X so that they can grow their finances even faster than before.

HEX2X Deep Dive Cont.



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HEX Snapshot for Freeclaims

HEX2X will be able to be freeclaimed at 1:1 ratio to all existing participants in the HEX ecosystem.

Participants are identified as ETH Addresses which hold HEX or have burnt their HEX in lieu of shares/hearts. The claim will be in the ratio of 1:1, so each HEX or Heart held by the wallet will result in a claim of single HEX2X subject to certain conditions mentioned in the document below.

Since HEX is a transferable token, a snapshot on a pre-set record date would be used to identify accounts applicable for freeclaim and the amount of HEX2X to be set out for claim.

Via Bonus like LongerPaysBetter (see below) users typically get more Heart/shares than the HEX they put up, so we have assumed that total claimable HEX2 will be summation of HEX in users wallets and the Hearts/shares obtained by the users by staking their HEX.

The HEX2X snapshot contract will record the state of the HEX and Heart Holders at a pre-set record date. The snapshot will record the quantity of HEX and Heart associated with each address. This will enable the contract to record all addresses which have a balance of HEX token and Heart along with the quantity.

This record shall not be a part of the smart contract but shall be referenced from the smart contract along with a proof.

Pre-launch, the following information will be made public for complete transparency.

1. The snapshot of the Hex and share/heart balances with wallet reference.
 - a. In case of major discrepancies, the platform might redo the snapshot
2. The code for generating the merkle tree and top hash. This hash shall be recorded on the smart contract.



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Record Period

There will be a 15 days notification period for the snapshot. For example, if notification is delivered on X date then the snapshot will be recorded on X+15 date.

Note: A change in HEX holding between the snapshot date and the claim shall not affect the claim amount.



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Claim Mechanism

Post record data, when the claim process will initiate, users will need to log in with the same account (private key) by which their HEX and Heart/share balances have been computed. HEX2X will be minted into that particular wallet only. The following claim tool will be available on the HEX2X dApp for users to have easy access.

HEX2X Deep Dive Cont.



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Auto-Staking for Freeclaimed HEX

For all Freeclaimed tokens, the contract immediately stakes 100% of the claimed HEX2X for a minimum duration of 350 days.

No auto-staking is applicable to HEX2X tokens claimed from burning HEX2T holders.



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Early Unstake Penalty for Freeclaimed HEX2X

Each week 2% of the Freeclaimed HEX2X is unlocked for unstaking. If a user withdraws early, the remaining amount is penalised as early unstake penalty. The penalty tokens are sent to the auction pool.

Example: A has 100 AFreeclaimed HEX2X which get auto locked for 350 days.

- If A aims to withdraw the Freeclaimed HEX2X before the end of Week 1, 100% of the amount will be penalized.
- If A aims to withdraw the Freeclaimed HEX2X after 7 days, 2% of the payout (principal + payout via staking) will be claimed, and 98% will be penalized.

A user can't unstake partially, which means that if one wishes to unstake then the whole amount gets unstaked and penalties are levied on that.

Such penalties for a particular day are also added to the auction pool for the next day, part of the late claim penalties.



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Late HEX2X Claim Penalty

There is a Late Claim Penalty for users which are late to claim their freeclaim HEX2X.

HEX2X claimers lose 2% of their claimable amount every week their HEX2X goes unclaimed. This rate continues for 50 weeks, until 100% of their claimable amount is penalized.

Calculations: Late Claim Penalty = 1 - (Days since Freeclaim Start/350)

Note: This 2% weekly penalty is sent for the Auction Pool. (More Details Below)

HEX2X Deep Dive Cont.



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Freeclaimed HEX2X Examples (with Late Claim Penalty)

A user has a claim of about 100 HEX2X post freeclaim start date.

- **Freeclaim Start Date:**
 - A will get $100 * 1$ [No Late Claim Penalty] = 100HEX2X
- **Day 1 post Freeclaim start:**
 - A will get $100 * 0.99714$ [Late Claim Penalty] = 99.714 HEX2X
- **Day 51 post Freeclaim start:**
 - A will get $100 * 0.85429$ [Late Claim Penalty] = 85.429 HEX2X
- **Day 200 post Freeclaim start:**
 - A will get $100 * 0.42857$ [Late Claim Penalty] = 42.857 HEX2X
- **Day 350 Post Freeclaim start:**
 - A will get $100 * 0.0$ [Late Claim Penalty] = 0.000 HEX2X



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Maximum HEX2X Claim Limit

Maximum HEX2X claim limit per HEX wallet is set at 250 Million HEX (inclusive of Heart), one can't claim any more HEX2X for their HEX over the 250 Million Limit.

HEX (inclusive of Hearts) over the 250M limit per wallet will be utilized for the Daily Auctions and put in the Auction pool.

Unlike early/late penalties that are spread out over 7 days, any extra tokens will ALL go into the auction for a SINGLE day. One day each week we will have a MEGA AUCTION.



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Pre-Sale (HEX2T)

250,000,000,000 HEX2T Tokens are available for pre-sale. They are currently trading at Uniswap against ETH.

HEX2X Deep Dive Cont.



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Conversion to HEX2X

HEX2T token holders will be able to claim their HEX2X via the built in claim tool, available on the HEX2X dApp website.

Post-go live, HEX2T token holders will burn the HEX2T token to get the HEX2X token (in a 1:1 ratio). Unlike HEX2X claimed in exchange for HEX, 0% of the HEX2X claimed in exchange for HEX2T will be auto-staked and they will be directly transferred to the holder's wallet.



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Late HEX2T Claim Penalty

Just like late claims for freeclaimed HEX2X, there is also a Late Claim Penalty for users which are late to claim their HEX2T converted HEX2X.

Such HEX2X claimers also lose 2% of their claimable amount every week their HEX2X goes unclaimed. As days progress and come close to day 350, the penalty increases till the claim amount becomes zero.

Calculations: Late Claim Penalty = 1 - (Days since Freeclaim Start/350)

Note: This 2% weekly penalty is used for the Amplifier Auction Pool. (More Details Below)



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Amount of HEX2X Available for Auction

Each day, an auction is processed for users to stake their ETH to get the HEX2X available in the auction. HEX2X available for the auction are pooled via 3 sources (majorly from penalties):

1. From Unclaimed HEX2X

Every week 2% of the unclaimed HEX2X (both Freeclaimed and HEX2T) are set out for auction.

This is shown on the platform as the late claim penalty.

2. From Late Stake Claim and Early Unstake Penalties

All late stake claim and early unstake penalty tokens are computed for the previous day and added to the auction pool. (Details for Late stake and Early unstake penalty tokens are below)

3. From HEX2X over the 250M per wallet limit

Maximum HEX2X claim limit per HEX wallet is set at 250 Million HEX (inclusive of Heart), one can't claim any more HEX2X for their HEX over the 250 Million Limit.

All over-limit HEX2X will be up for auction. Each week, there will be a single day where these tokens will be added to the auction pool.

HEX2X Deep Dive Cont.



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Penalties: Early Unstake

The staking feature allows the user to unstake before the committed time although the user pays a penalty for this.

Once someone initiates unstaking, the payout due to them is computed based on the days they were staked. Thus the payout is their principal + summation of payout they received per day.

Penalty is computed in the following ways:

- Penalty is a percentage of how early the user unstaked
 - Penalty percentage is $\text{No. of days committed days left} / \text{Total Committed Days}$.
 - Example:
 - A user stakes 100 HEX2X and gets 50 HEX2X as their share in the payout pools for the days they are staked for
 - The user commits to stake for 100 days, but unstakes after Day 20
 - Payout Penalty is $80/100$ or 80% of the Final Payout
 - Final Payout = 20% of (Earned Interest + Principal)
 - In the example above, only 30 HEX2X will be return (20% of 150 HEX2X)

All early unstake penalties for a day are tabulated and added to the reward pool for the next day, thus 100% of the penalties are distributed to the users.



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Late Unstake Penalty

The system penalizes a user for leaving their stake unattended after their committed period is over. There is a grace period of post which penalties are levied.

The final payout (principal + payout) is penalized at 0.143% per day (1% per week)

Example: User's Payout of 100 HEX2X are available for claim at the end of 50 days (stake period)

- Grace Period: Day 51-64 - No penalty
- Penalty Period: Post Day 64 - Penalty of 0.143% per day is levied
- Note: In about 2 year unclaimed status, the entire payout is lost including the principal.

All late unstake penalties for a day are tabulated and added to the reward pool for the next day, thus 100% of the penalties are distributed to the users.



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Transformation

Users can participate in the auction, by staking their ETH to get HEX2X.

For every auction, a set number of HEX2X are put up and users can pool their ETH to get these. A user's claim is equal to the HEX2X in the auction * $[\text{ETH they contributed} / \text{Total ETH contributed}]$. Thus the HEX2X they earn is dependent on their ownership of the ETH pool.

Example: Let's assume 100 HEX2X are available in the auction pool.

- "A" stakes 1 ETH in the auction and a total of 10 ETH are pooled as the auction ends.
- Hence, A owns 10% of the pool. $(1/10)$
- As A owns 10% of the pool, A will get 10% of the HEX2X ie. 10.

80% of the ETH deposited daily into the auction is used to purchase HEX2X directly from exchanges and these HEX2X tokens are then added to the payout pool for the day. Thus, they are distributed to the stakers. (More details below)

HEX2X Deep Dive Cont.



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Multiple Entries and Exits into the Auction

Entering an auction entails sending ETH to the contract function. All ETH sent during a given day is tallied and any following day, an exit Function may be called to claim the share of the transformed HEX2X. Thus there are no late claim penalties for HEX2X claimed via the auction.

It's possible to make multiple entries in a day and the exit function shall allow claiming the entire amount in one transaction or in multiple transactions.



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Staking

Staking involves locking HEX2X into the smart contract itself for a period of time (in days).

During the staked period, one is not allowed access to the staked HEX2X.

At the end of the staking period, the holder receives the HEX2X staked plus interest (this is the payout).

This works like the Certificate of Deposit Facility.



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Shares

Shares are important as the payouts are drawn from the reward pool (more on this below) on the basis of shares held/total shares in the reward pool.

Payout (for each day) = HEX2X in Reward Pool for the day * (No.of shares held by the holder/Total Shares in the reward pool for the day)

The shares received by staking are dependent on the Bonus Multiplier and the Share Price.

The concept of shares is the same as that of the Hearts (in particular for the Snapshot), mentioned above. More info on Shares in 0x26.



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Bonus Multiplier

The platform rewards stakers which stake for longer. This is delivered via the Bonus Multiplier.

No. of Share = No. of HEX2X * Bonus Multiplier.

HEX2X Deep Dive Cont.



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LongerPaysBetter

The idea is to reward users for staking for longer. The longer duration for their stake, the more shares are given as bonus.

The formula is $(\text{days staked} - 1) / 1820$. The “minus 1” accounts for the minimum stake period of 1 day.

So for each year, the bonus comes to about ~20%. Staked for 365 Days - 20% Bonus, 730 Days - 40% Bonus and so on.

This bonus is capped at about 5 years of staking or 1820 days. As one doesn't get any additional bonus to stake beyond 1820 days.

Final Calculation of Bonuses

Shares = HEX2X Staked * (1 + Bonus% LongerPaysBetter)



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Share Rate

Total Shares Issues = (HEX2X Staked * Bonus Multiplier) / **Share Rate**

At the beginning of the platform, the Global Share is 1 and is designed to always increase.

Increasing Share Rate

The idea of an always increasing Share Rate is to benefit the stakers which were early to stake their HEX2X. As the Share Rate increases, the shares issued decreases even if the staker is staking the same amount of HEX2X for the same duration. This is done to always make sure that the staker who staked early has better return than the staker who came late.

Calculation of the New Share Rate

Every time a user ends their stake, they burn the shares they held. At this point, the platform runs an inverse share conversion function to calculate the new share rate.

The platform uses the payout (principal + interest) received at the end of the stake, the duration of the stake and the number of shares destroyed as the stake ends, to compute the new share rate. The new share rate reflects the rate at which a user gets the same number of shares destroyed for staking all the HEX2X minted (post the end of the stake).

Calculation:

Initially as stake begins: $\text{shares} = (\text{input HEX2X} + \text{bonuses}(\text{factoring input HEX2X, stake days})) / \text{Share Rate}$

Inverse calculation after stake ends; $\text{New Share Rate} = ((\text{input HEX2X} + \text{payouts}) + \text{bonuses}(\text{factoring input HEX2X} + \text{payouts}, \text{stake days})) / \text{shares destroyed}$

Result: If New Share Rate > Global Share Rate, New Share Rate will be used as Global Share Rate

Thus, if the New Share Rate is higher than the current global Share Rate, the global Share Rate is updated. If not, it remains the same.

HEX2X Deep Dive Cont.



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Payout at End of Stake

At the end of the staking period, the smart contract goes back to each day of the term and accumulates the total payout as the sum of user's share/total shares * payout for each day. The contract mints the required HEX2X and credits them to the target wallet.

Users are able to stake earlier than the stake period mentioned but there are penalties for the same. (Discussed Below)

Users are also penalised for leaving their payout unclaimed after the staking period is over. (Discussed Below)



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Payout Pool

The contract accumulates a payout pool per day and based on the shares held by stakes, this pooled is paid out.

At the end of the staking period, the smart contract goes back to each day of the term and accumulates the total payout as the sum of user's share/total shares * payout for each day.

The payout pool is made of the interest rate (based on the Inflation Rate) and the tokens auto-bought from the Exchanges using 80% of the ETH deposited via the Auction.



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Auto-Payout to HEX2X Holders

80% of the ETH staked in the auction is used to buy back the HEX2X tokens via exchanges, thus increasing the value of HEX2X for the holders.

This HEX2X bought via the exchanges is added to the payout pool for the particular day and thus distributed to HEX2X stakers for the day. The following is governed via a non-custodial immutable smart contract with set parameters for auto-buyout from exchanges and distribution via payout pool.

Although, there is a vulnerability with the following model: The following model of 80% of ETH going to buy HEX2X from exchanges leaves open **significant arbitrage opportunities** for users who may wish to gamify the system. Users will be able to figure out when the platform will buy HEX2X from exchanges every day (timing), thus they will purchase HEX2X from the exchanges themselves prior to that and sell once the 80% ETH is used to buy HEX2X and the price goes significantly up.

To control the following the smart contract is designed to exchange HEX2X from exchange as soon as the ETH is deposited in the auction pool, instead of doing it all at once.

HEX2X Deep Dive Cont.



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Payout Pool: Inflation Component

The payout pool is filled with the daily interest of 0.021087% of the total coin supply. This comes out to 8% annual, compounded daily for 365 days.

The total coin supply is computed as total HEX2X and shares in the holder's wallet on the HEX2X platform.

There are additional inputs to the payout pool discussed below.



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BigPayDay

The concept of having a BigPayDay is to allocate the unclaimed air-dropped HEX2X tokens to the stakers at the BigPayDay (Day 351).

Token Pooling Mechanism

For each day after Freeclaim HEX2X claiming process goes live, 0.2857% (1/350) of the unclaimed HEX2X are earmarked for the BigPayDay pool. As the day goes by the BigPayDay pool gets bigger, as unclaimed HEX2X gets added.

On BigPayDays which happen once every year (for 5 years), all tokens in the BigPayDay pool are added to the Payout Pool for that day. Stakers who are staked on that day are entitled to payout based on how much of the share pool they own.



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Token Division for the 5 BigPayDays

BigPayDays are supposed to happen once every year for 5 consecutive years. The calculations for the amount of tokens distributed each year on account of the BigPayDay are:

1. Year 1: 10% of the Tokens are distributed
2. Year 2: 15% of the Tokens are distributed
3. Year 3: 20% of the Tokens are distributed
4. Year 4: 25% of the Tokens are distributed
5. Year 5: 30% of the Tokens are distributed

HEX2X Deep Dive Cont.



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BigPayDay Eligibility

Only stakers which have been staked for periods above 350 days will be eligible for the BigPayDay Payout.

Thus, all users are incentivised to be staked (and for a period of over an year) at the date of the BigPayDay as the payout will be massive.

Calculation of Payout on BigPayDay

Payout Pool Calculations for Big Pay Day: Tokens in Payout Pool (Via daily inflation and auto-bought ETH and BigPayDay Tokens) * (1+ Critical Mass Bonus + Virality Bonus)



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Referral Program

Link Generation

The website allows users to generate a referral link.

The link basically contains the wallet address and thus is quick to generate and share, via the website.

This is for claims related to the Airdropped HEX2X.

This sets a cookie in the browser of the person who clicks it.

The cookie merely states the referrer's wallet address and is read by the claim tool and thus both the referrer and the referee are rewarded.

Bonus to the Referrer (who refers)

The referrer gets 20% of the claim value made by the refereee (inclusive of the late penalty). The bonus HEX2X is transferred to the target account.

Bonus to the Referee (one who uses the link)

The user who used the link also gets 10% of the claim value (inclusive of the late penalty)

Example for Referring Mechanism

Using the link, if a user makes a claim for 10,000 HEX2X (inclusive of Bonus and Penalties)

- The Referrer gets 20% Bonus ie. 2000 HEX2X
- The Referree gets 10% Bonus ie. 1000 HEX2X



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Governance for Smart Contract Upgrades

As the platform is run via Smart Contracts, there needs to be a mechanism to allow for edits or changes in them. Such upgrades affect the platform and the users as a whole thus, their needs to be a community driven governance mechanism to allow for such updates.

HEX2X Mathematics



0x1

Supply Stats

The initial supply will be 500 Billion tokens.

The inflation rate will be 8% annually, 40 Billion tokens.

On average, that equates to 109.5 Million tokens daily.



0x2

Penalty Stats

How much additional value will come from Late claim/ Early Withdraw?

In the HEX system, 500M out of 250 B HEX are in the auction pool daily.
That's about 1/500 of the total supply daily.

This 1/500 metric does not account for the 50% of tokens that Richard keeps for himself

Meaning, we anticipate 1/250 of the HEX2X total supply will be in the auction daily from penalties.

1/250th is 2 Billion tokens. At 25% marketcap, that is worth \$1.2 Million Dollars, DAILY.



0x3

Buyback Stats

How much additional value will come from the 80% ETH token buybacks daily?

In the HEX system, \$3 Million of ETH enters the auction pool daily.

In phase 1, with 25% marketcap, that equates to an additional \$750,000.

Total amount of value distributed daily in phase one will be:

	\$1,200,000
	\$750,000
+	\$65,000
<hr/>	
	= \$2,015,000 DAILY



0x4

Mathematics

As development of this token is ongoing and details are subject to change, here is the mathematical basis behind the economics of staking.

We can start out by defining the variables for the total token supply and staked amounts which are a function of the day i .

$$S(i) = \text{total token supply at day } i$$

$$H(i) = \text{total staked amount at day } i$$

Then we can determine the daily payout rate denoted by the function $P(i)$. We designate I to represent the fixed inflation rate which is 8% in HEX2X.

$$P(i) = (S(i) + H(i)) * I$$

On any given day we can represent the amount staked for a given individual on a given day by the simplified expression below that is a function of the time period to be staked in days d , amount staked initially staked by an individual h , and current day i .

$$s(d,h,i) = \text{current stake}$$

Therefore, the total staked at a given time can be represented by the function $H(i)$ below where n represents the total number of individuals in the staking pool.

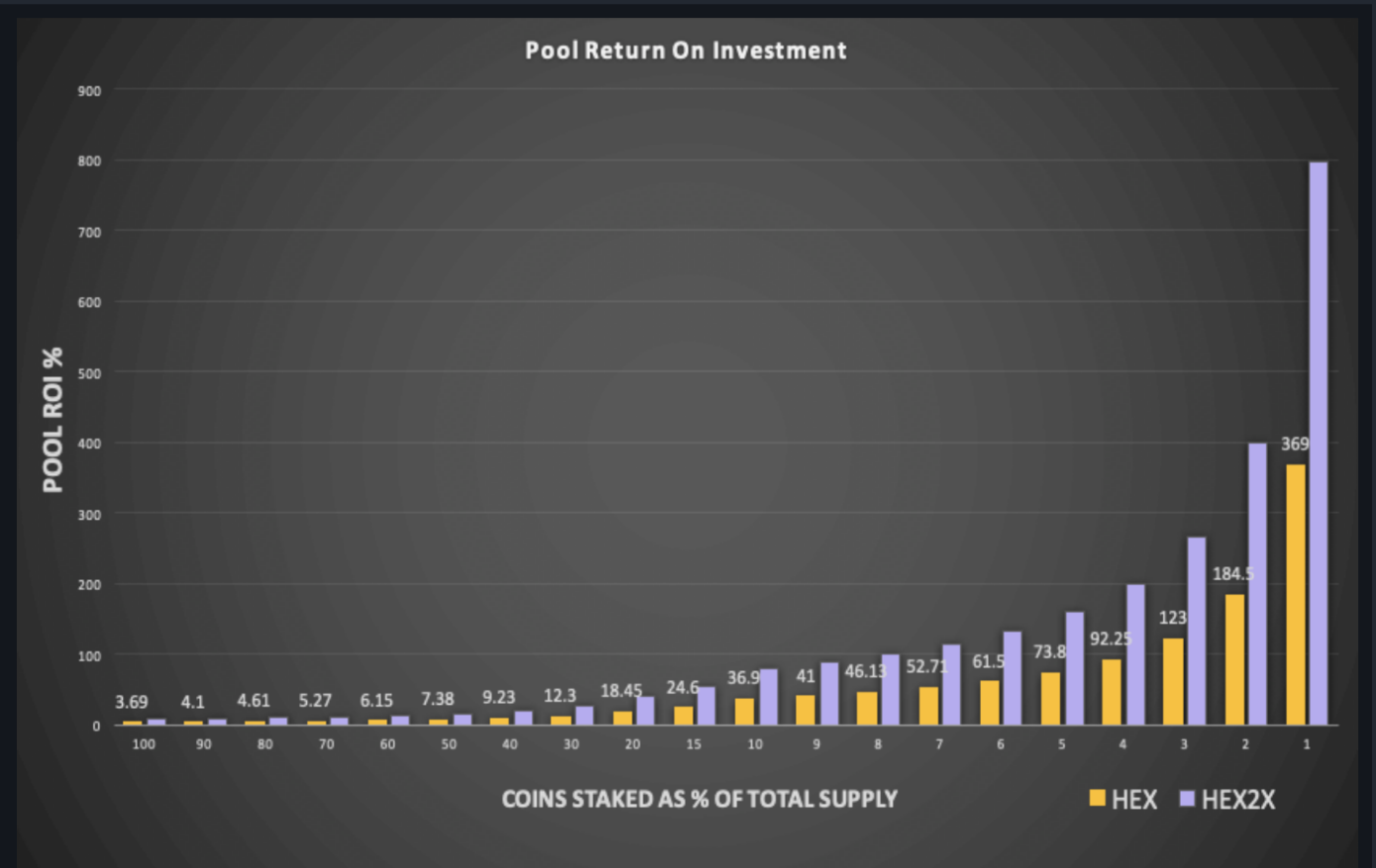
$$H(i) = \sum_{i=0}^n s(d,h,i)$$

The final formula for the expected returns can be thus given by the equation below as a function of the staking period d and the staked amount h .

$$f(d,h) = \sum_{i=0}^d \frac{P(i) * s(d, h, i)}{H(i)}$$



HEX2X Return Graph



0x1

Expected Return

One of the key differences between HEX2X and HEX is the inflation rate. With an inflation rate of 8% versus 3.69%, this leads to over twice the returns for the user. Not combining the other improvements such as the buybacks which will lead to higher prices of HEX2X, the graph above is a rough estimate of how much more incentive HEX2X provides versus HEX, based on inflation alone.



0x2

HEX2X is HEX, Optimized

Getting 25%+ of the marketcap of HEX with a strong, community-first driven model is a very attainable goal.

25% of HEX's marketcap is a \$250M marketcap. After fifteen days our marketcap is \$6M.

Hitting only 25% of HEX's marketcap is a 40x ROI from here.