



HEX2X

<https://hex2x.org>



Official Litepaper

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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HEX2X 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 AA Auctions runs through an automated smart contract and is immediately used to purchase HEX2X tokens. These tokens are then distributed trustlessly to stakers. This increases staking rewards and increases the value of HEX2X
- In HEX, a large portion 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
- 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

Primary

SOMISH

EST. 2006

Blockchain Projects:

- Nexus Mutual
- DigitalEx
- Govblocks
- Certy

Other Projects:

- Kryptotrack (Mobile App)
- E-DISTRICT (e-Governance)
- KILORETAIL (Online Retail)
- End-to-End Loan Automation

Secondary

On-Boarding In Progress

Blockchain Projects:

-
-
-
-

Other Projects:

-
-
-
-

HEX2X Features



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Better Staking

HEX2X inflation rate is 8% per year, roughly double that of HEX.

100% of inflation is paid out to stakers.

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



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AA Lobby + Buybacks

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 claimed 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 AA 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

Adoption Amplifier 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 Dollar today is backed by nothing but trust in the U.S. economic system. As we have seen over the last few months of corona virus 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 for 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.

HEX2X Deep Dive Cont.



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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 four basic principles.

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

HEX2X was inspired from the success of HEX having eclipsed a \$1 Billion market cap within four months. HEX2X sits at a \$1 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 make a community first coin. At the end of the day, HEX2X could be a system where you can park your money and have it grow your retirement money.



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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 amount** that is used to stake HEX2X is used to buyback HEX2X tokens from exchanges and are distributed proportionally to stakers. 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.

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

To accelerate the adoption of HEX2X and bring HEX holders over to this better system for them we are giving every HEX holder a **1:1 ratio of HEX2X to HEX** that can be claimed by them (capping at 250M HEX2X per HEX holder). Every week that these coins go unclaimed, the amount of coins that an individual can claim goes down 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 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 Mathematics



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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.

In our early phases, we very conservatively estimate to reach 25% of the HEX marketcap.

This marks the HEX2X token price at \$0.0006, meaning \$65,000 of rewards will be distributed **through inflation alone.**

This number does not account for the 80% of tokens that are bought back through the auction pool, OR the tokens from late claim.



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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.
1/500.

This does not account for the 50% of tokens that Richard keeps for himself

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

This is 2 Billion tokens worth \$1.2 Million Dollars



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Buyback Stats

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

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

HEX2X Mathematics Cont.



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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 come up for the daily payout rate demoted 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 $T(i)$ below where n represents the total number of individuals in the staking pool.

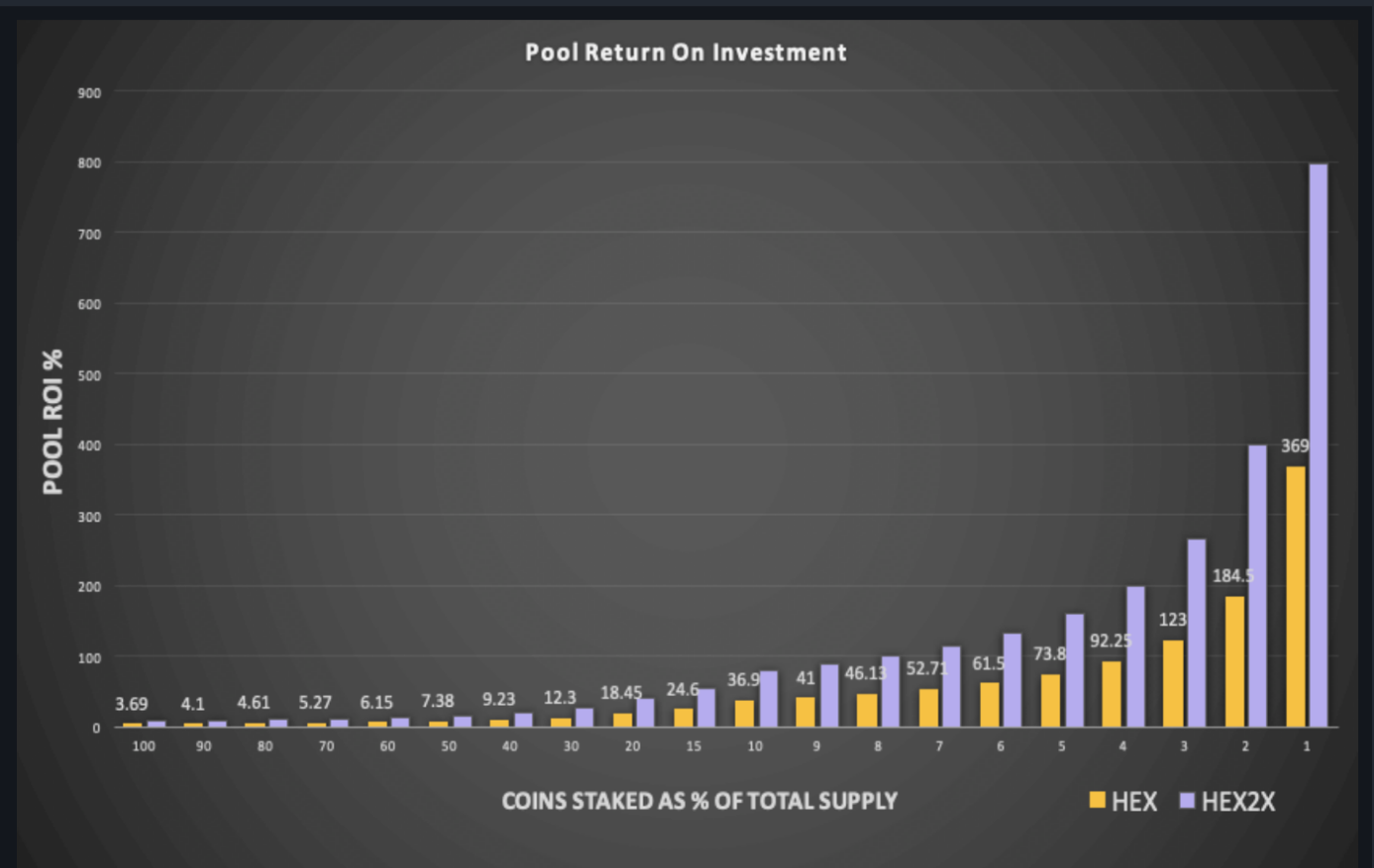
$$T(i) = \sum_{i=0}^n s(d,h,i)$$

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 .

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



HEX2X Return Graph



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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 below is a rough estimate of how much more incentives HEX2X provides versus HEX.



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HEX2X is HEX, Optimized

Getting 10%+ of the marketcap of HEX with a strong, community-first driven model is a very attainable goal.

10% of HEX's marketcap is a \$100M marketcap. After six days our marketcap is \$1M.

Hitting only 10% of HEX's marketcap is a 100x ROI from here.