

# magnalis

Magnalis Whitepaper & Documentation

# Executive Summary

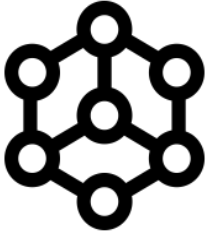
Magnalis is creating world's first widely-used decentralized blockchain based on cross-platform and cross-chain payments. We are developing the first decentralized payment gateway for merchants, individuals and traders worldwide. The Magnalis token will enable on-demand trades between BTC, ETH, USD along with hundreds of other cryptocurrencies in order to complete trades and payments while eliminating long confirmation times on the front-end.

**“Letting the world experience blockchain payments with flexibility is the key to unleashing the next wave of payment technologies.”**

Magnalis is a decentralized global payment network built on Ethereum blockchain and smart contracts. The Magnalis Platform is designed to disrupt the traditional payment gateway models by providing easy access for consumers everywhere in the world to make and receive payments without the typical long confirmation times that has plagued blockchain technology for nearly a decade.

Access to quality payment gateways have been extremely difficult due to stubbornness and the uncooperative nature of financial organizations. High transaction wait times and fees have caused alienation within the crypto-trade boom of the 2010s. Through the power of cooperation, the technology can flourish and major advancements can be made.

# Global Problems & Magnalis Solutions



## Confirmation Times: Achingly Slow

long confirmation times have plagued cryptocurrencies and blockchain technology for nearly a decade. The main reason behind these long confirmation times are the countless vulnerabilities and exploits that are slowly being discovered in the underlying tech such as double-spending and wallet-hacking. Luckily, advancements have been made where double-spending is no longer an issue and hacking/ accessing a private wallet address is much more difficult than it was 7 years ago. Sadly, despite the incredible advancements that have been made, confirmations sometimes take days or even weeks depending on miner favorability. There have been some small solutions made (such as requiring 1 confirmation for a deposit to be available) but there hasn't been any efficient fixes for this problem.

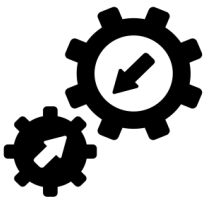
## Problem 1: Slow Transactions/Confirmations



Due to security concerns, transaction/confirmation time has been incredible slow. Blockchain tech and currencies, such as Bitcoin and its underlying protocol, have suffered harsh criticism due to these incredibly sluggish confirmation times.

### Magnalis Solution

With the MGNS token, transaction/confirmation times for other currencies can be recorded and handled on the back end. Our system handles all back-end issues and the end-user is left satisfied and at ease.



## Problem 2: Transaction Fees

Bitcoin and Ethereum fees are high & nobody has doubts about it. Adoption of blockchain tech has been stagnant and unstable due to increasing fees.

### Magnalis Solution

While we cannot control the transaction fees or times behind cryptocurrencies, we can provide a better user experience for all front-end users by crediting the user even when there hasn't been a single confirmation yet. If there is an issue with a transaction, Magnalis takes complete responsibility and the user is not affected. Transaction problems are rare and we are proud to be taking this risk to provide reliability. When it comes to controlling fees, we use smart scaling to select the type of currency to use that makes the most sense. In a single trade with Magnalis, our system, powered by A.I. at its core, trades one currency for another, makes the transfer to your local currency if needed, and eliminates bloated fees. Transfers between multiple cryptocurrencies and your local currency happen within seconds. This is true flexibility and smart scaling.

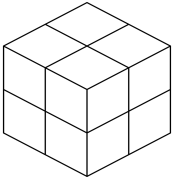


### Problem 3: Retail acceptance & Taxes

Many retailers are hesitant to accept cryptocurrencies because of how taxes are factored in. Retailers are confused and scared. They don't want to accidentally make a mistake when it comes to accepting a coin for payment just to realize they've been getting burned due to unsettled regulations.

#### Magnalis Solution

Systems like COSS and BitPay have taken care of the tax dilemma. Magnalis works with both of these systems in order to provide a fluid experience for retailers. Tax-related issues are eliminated.



### Problem 4: Keeping records of payments

Similar to the tax-related dilemma that is holding cryptocurrency back from retail acceptance, keeping proper records of records can be confusing and uncertain.

Keeping records of payments on the blockchain alone just isn't enough.

#### Magnalis Solution

While being nearly impossible to hack or leak, the Magnalis app as well as the Magnalis ecosystem makes sure all payments are recorded anonymously while all regulatory requirements remain intact. The end result is an app that forever contains sale & transaction history without the confusion of reading blockchain transactions.



## Problem 5: Fraud Concerns

Fraud is an ever-increasing problem in the world of finance. From Identity theft to credit card fraud, there are an immense amount of vulnerabilities in nearly every payment system in the world.

When it comes to the blockchain, scam artists are around every corner. For example, if you decide to buy a product, how will you know you're actually going to receive that said product? Escrow has helped this issue to a small extent but the buyer or consumer is still left exposed to becoming just another victim.

### Magnalis Solution

Magnalis blockchain proof-of-work, time stamping and location stamping of payments are key to fighting fraud and theft. Advanced forms of escrow ensure the consumer is protected.



## Problem 6: Reputation

When you need to make a payment or receive a payment, you want to buy or sell from a reputable vendor. As mentioned in Problem 6, escrow doesn't always solve the issue of fraud.

### Magnalis Solution

Within the Magnalis app, users will be ranked from 1-100 on reliability and trust with a fool-proof system that cannot be manipulated.

# Magnalis Blockchain as the Solution

The Magnalis blockchain handles records, confirmations and transactions all done with the Magnalis platform. While MGNS is its own token, each transaction contains hundreds of other transactions done with other currencies. Confirming these records ensures instant transactions between currencies like Bitcoin and Ethereum.

## Harnessing Coopetition

Instead of competing with platforms such as BitPay or COSS, we have embraced these technologies in order to ensure customer satisfaction. Coopetition is a term created when Competition and Cooperation come together. While we are our own platform with our own beliefs, Magnalis is a true team-player and reliability on the front-end is always the final goal.

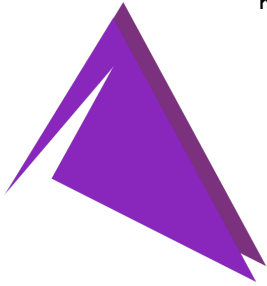
The Magnalis Team is passionate about providing a revolutionary payment platform which will spur mass adoption of blockchain-based payments and cryptocurrency trades.

With the ability and know-how of developing payment systems, the next wave of payment technology will surely rely on the blockchain to further prevent fraud and exploitation.

Multiple cryptocurrencies will be used in mass-adoption which is why our smart-scaling system is going to be the key to bringing blockchain payments to the masses.

# MGXL & MGNS Tokens

We believe in the utility of Magnalis and will work with various members of the network to utilize the use of the token.



## Key Advantages:

- Minimal friction of transactions encourages engagement and growth;
- Working product and fast growing merchant acceptance
- Ability for crypto investors to diversity their holdings to include a token that can be used to further bring mass adoption of blockchain tech.
- Global reach and multilanguage capabilities of the platform;
- Distribution of the platform and strong marketing to ensure adoption.
- Limited issuance of MGXL & MGNS tokens;
- Large variety of token usage within the system and as a consequently high demand on tokens;
- Possibility of cooperation with governmental institutions;
- Profitable business model.

## What is MGXL & MGNS?

### MGXL & MGNS: new economy and incentive to the Magnalis platform

The fundamental unit of value within Magnalis system are the Magna (MGXL) and Magnalis (MGNS) Tokens. MGXL & MGNS provide non-volatile, inflationary-resistant digital store of value within the Magnalis blockchain. from a standard Ethereum ERC20 token and will be tradable on exchanges, MGXL and MGNS will contain the value of the Magnalis network.

The MGXL token will be distributed to initial investors of the Pre-ICO & Public ICO. These tokens are to grow in value and become a powerful incentive for all of our early investors. We will carry a token-exchange program when the Magnalis testnet launches where MGXL can be traded for MGNS.

### The difference between MGXL and MGNS

As mentioned, MGXL is a token meant to reward initial investors and will be tradable on exchanges. There are a total of 10,000,000 MGXL tokens available during the Pre-ICO & Public ICO.

MGNS is the true backbone behind the Magnalis platform and network which will also be available on exchanges. There are a total of 1,000 MGNS tokens available in September 2018 where 10,000 MGXL tokens will be tradable for 1 MGNS token.

# 5G Transaction Mining

5G Transaction Mining (5GTM) allows nearly 100% of transaction fees to be eliminated. While this isn't mining in the traditional sense, 5GTM allows users on the 5G Cellular Network (launching in late 2018) to donate a small portion of their cellular data to help the Magnalis network. Your cellphone essentially becomes a small node to aid transactions. This helps users earn MGNS tokens which can be put towards all transaction fees.

## Roadmap

[Our roadmap is subject to changes when September 2018 arrives.](#)

December 2017: Private Investor Sale Completed

January 2018: Pre-ICO Begins

March 2018: Pre-ICO Ends

April 2018: Public ICO Begins. Whitepaper is Released. One-Pager, Telegram & Slack become live.

May 2018: Public ICO Ends and Tokens are Distributed. MGXL Launches on 5 exchanges.

July 2018: Testnet Launch & Announcements

September 2018: Beta App Release, Partnership Announcements, MGXL to MGNS Trade Event.

## ICO Roadmap

Private Sale: \$0.25 per MGXL

Pre-ICO: \$0.30 per MGXL

Public ICO: \$0.60 per MGXL

Estimated value at distribution: \$0.90 per MGXL



# Early Investors

In December 2017, the Private MGXL sale raised \$200,000 by selling 800,000 tokens



## Zuma Partners

Zuma Partners (<http://www.zumavp.com/>) is a venture capital firm that helps visionary entrepreneurs build great companies. Zuma focuses on artificial intelligence and finance. Investments include Next Trucking (<https://www.nexttrucking.com/>), Amplify.LA (<http://amplify.la/>), Shape Security (<https://www.shapesecurity.com/>), HelloTech (<https://www.hellotech.com/>), TwoBitCircus (<http://twobitcircus.com/>), Deep 6 AI (<https://deep6.ai/>), and many other companies.



## Skagit

Skagit Investments ([www.skagit.ru](http://www.skagit.ru)) is a venture capital firm with a global mandate. The portfolio includes Badoo, one of the largest dating players in the world, LendingClub, the largest US peer-to-peer lending website, Smarking, big data company focused on auto parking infrastructure, and many other companies in technology and internet sectors.



## IQ Ventures

Early stage investment fund. Investments include WiZR (video security AI company: <https://wizr.com/home>), ProspectWise (marketplace connecting local business with technology partners: <http://www.prospectwise.com/NWhlZ/>), Flying Yak (platform for travelers around the world: <https://flyingyak.com/>).



## Brian Hansen

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Mr. Hansen develops large-scale impact web and mobile products that fundamentally change the way people live and work. Experienced executive leader at several successful online businesses. Brian is SVP of Emerging Businesses at Ancestry (ancestryDNA, [Newspapers.com](http://Newspapers.com), Fold3, ProGenealogists, iArchives). Previous roles include COO at [Footnote.com](http://Footnote.com) (acquired by Ancestry), VP of Product Management at

Kaboodle (acquired by Hearst), COO at Infopia, VP of Business Development at [FlipDog.com](http://FlipDog.com) (acquired by Monster). Brian holds MBA from Tuck School of Business at Dartmouth and BA degrees in English and Japanese from BYU.