



MAGNET WHITEPAPER 1.0
2017

ABSTRACT

Magnet is a cryptocurrency based upon the principle ideas of green mining, transparency, accessibility to everyone, strong community focus and fairness. Our network has been built to harness the full power of blockchain technology and drive forward with new, innovative ideas which fully exploit the opportunity blockchain presents

INTRODUCTION

We have designed the Magnet network so all users can benefit from supporting and using it. We believe that mining plays a crucial role in decentralized networks. Miners are therefore generously rewarded for their effort. However, given the increasing concerns over the extreme energy levels being consumed by blockchain networks, we believe it is important to seek new means of cryptocurrency mining.

We are actively carrying out extensive research into renewable energies and how these might be used efficiently in the mining process. We are building a platform to offer investment into renewable energy mining. Our network is further decentralized and strengthened through masternodes, which reward users fifty percent (50%) of the generated mining rewards. Finally, all users are also rewarded through proof of staking.

DISTINGUISHING FEATURES

In 2018, our primary focus will be on enhancing and growing the Magnet network. We aim to engage users and investors with a full suite of strong progressive and advanced features as described below. We are also highly committed to operating a robust and stable network and providing strong support through user-friendly documentation and social channel engagement.

1) UNIVERSAL VOTING SYSTEM

As a community oriented network we also want to give a voice to all users. In this regards, we are introducing a Universal Voting System (Q1 2018). Other masternode-based currencies have traditionally allowed masternode owners to vote on network consensus issues.

We want to take the concept further and extend this to everyone on the network – very similar to the Proof of Stake mining which allows every holding wallet to contribute to the mining process. This feature alone will empower the entire Magnet community to shape the future of Magnet and, as described on our roadmap, everyone will be invited to vote on our next steps on the road.

2) MASTERNODES AS FIRST-CLASS ASSETS

We strongly believe that the incentivized two-tier model brought about by masternodes is the best way to create the commitment and retention needed for perennial growth.

In addition to creating a robust and highly serviceable network, we see the masternode ecosystem as a means to long-term investment. Therefore, we want to give masternode owners the tools they need to get the most out of their investment on the Magnet network.

Dedicated tools and first-class wallet features are on the roadmap to fulfill these needs.

3) MINING AND RENEWABLE ENERGY

Decentralized blockchain technology is conventionally powered by strong cryptography and high computational power ensuring the strength of the network.

Magnet is energy-aware (descendant of PPCoin) it uses a similar hybrid mining scheme based on Proof of Work and Proof of Stake (50/50) which, intrinsically, allows the mining process to remain energy efficient.

Going further, we are focusing our efforts and research on renewable energy mining and the implementation of a full-featured, scalable and fair platform offering everyone the ability to invest in green energy mining.

4) ONLINE TOOLS

We are proponents of making cryptocurrencies more accessible to everyone. For this, we are building the tools to increase the reach of Magnet both from the end-users and merchants' perspectives.

A complete web wallet service will be provided along with companion apps including a Simplified Payment Verification (SPV) wallet for Android and iOS. We are also creating a suite of tools for merchants to easily and securely transact with Magnet.

5) BUDGET VOTE

Note that this feature will only happen if the popularity vote is won.

In order to sustain the Magnet network development efforts, we would like to redirect a small percentage of the mining and masternode rewards toward a monthly budget.

If the vote passes, the monthly percentage will be reserved and its amount also voted by the community. The system will be flexible enough so that adjustments can be made every month – much similar to the difficulty adjustment in network mining consensus.

SPECIFICATIONS

Name: MAGNET

Ticker: MAG

Algorithm: x11

Type: Hybrid POS/POW (50-50)

Block Time: 90 secs per block.

Masternode Collateral: 10 000 MAG

Masternode Rewards: 50% of ALL mining rewards (POS and POW)

POS

Block Reward: $\text{coin-day} \times 7 \div 100 \div 365$

Yearly interest: 7%

Min. Staking Age: 24 hours / 960 confirms

Max. Staking Age: 48 days

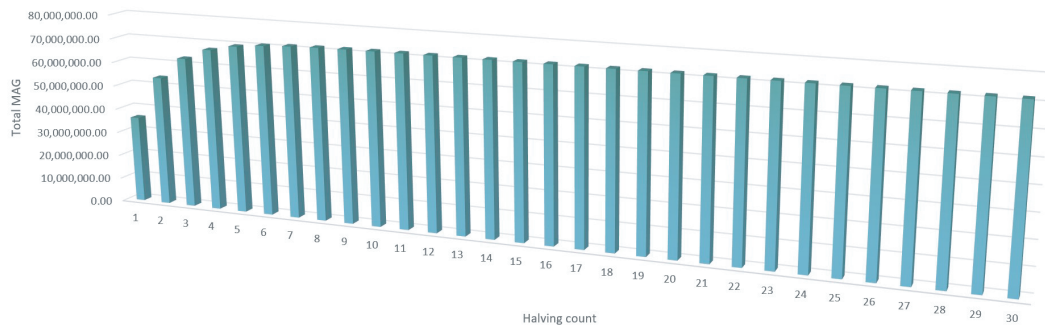
Coinbase Maturity: 80 Blocks

POW

Block Reward: 200

Block Reward Halving: every 360 000 blocks

Coinbase Maturity: 80 Blocks



Magnet Money Supply
MAG generated through Proof of Work

250 000 MAGs was extracted in first block for setting up healthy amount (25) of Masternodes before going public. This was needed for network safety and all future rewards are used to sustain the network.

CONCLUSION

MAGNET IS GROWING TO BE A TRANSPARENT AND ACCESSIBLE PAYMENT OPTION FOR USERS TO EXCHANGE VALUE SAFELY.