



Bank of Hash Power

The Blockchain Distribute Bank Based on Mining Hash Power

Hash power is only a beginning, to realize a global financial service based on it being our further goal.

BHPC - The World's First Banking Token with Stable Mining Value

White Paper-3.1

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Legal Risk Statement

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This document is only for disseminating information, not introducing or providing any investment opportunity to trade any kind of financial securities, not to mention a contract or promise in any form for trading them. Only if you know the development of BHP and its relevant projects very well, it would not be recommended for you to invest in the BHPC exchanges. All of the potential users must understand the risk of BHP very well. Once you decide to invest in the project, it will be regarded as you have already known the risks and agree to bear all the respective consequences individually. BHP Group does not undertake any loss of assets due to the participation in the project. Investors have no right to pursue any legal responsibility to any member of BHP Group.

The BHP project will only be in its sphere of legal validity in The Cayman Islands (British Overseas Territory).

Abstract

Bank of Hash Power (BHP) is an innovative blockchain financial management platform derived from global hash power asset. Its goal is to redefine the value of the internet finance based on blockchain hash power. Bank of Hash Power Cash (BHPC) is a kind of digital currency issued by BHP and its acceptance of credit endorsement is the hash power of Bitcoin, Ethereum and other mainstream digital currency. It is aiming to achieve the connecting between the physical world and the digital world by transforming hash power to tradable efficient digital assets, and therefore redefining the credit and value of the internet blockchain. By converting the hash power assets to a medium of value, BHP is determined to build a blockchain business financial service platform providing international payment and settlement, credit vouchers, mortgage lending, financing, reinvestment of assets, etc. and a series of digital currency finance business. With the hash power of tens of thousands of mining machines in our mines as a basis, as well as the potential join of other global mines' hash power in the future, BHP platform will build a decentralized digital currency bank through the issuance of BHPC.

BHP takes the hash power of tens of thousands of mining machines in its mines as a guarantee of the value of BHPC, and plans to absorb other potential global mines' hash power to make it part of this series of value guarantee, and thus builds a firm and reliable decentralized digital currency bank.

A consensus mechanism of Proof of Power(PoP) is first proposed by BHP.

The PoP mechanism absorbs Proof of Stake (PoS) mechanism which represents the developing trend of digital currency and makes a blending of the advantages of PoW and PoS mechanisms, and thus innovatively introduces the PoP + PoS hybrid mechanism. With the powerful hash power servers as an efficient testimony for international transactions, payments and other functions, this mechanism applies other parts of its hash power to traditional PoW mining at the same time, and distributes the revenue from this operation to the users in order to ensure the value basis of BHPC.

The improved PoS mechanism on the application layer of BHP is designed to witness the users' all kinds of financial operations. The hybrid mechanism could get rid of the problems of high consumption and slow testimony of the PoW mechanism which is commonly used in Bitcoin and other existing digital currencies. Meanwhile, the new mechanism realizes the transaction speed with high concurrency which is very beneficial for micro-payments and cross-border settlement. Depending on the PoP + PoS hybrid mechanism, BHP could provide the users with more convenient and efficient financial and financial derivatives services, shorten the period for auditing and listing financial derivatives, accelerate the trading, improve the quality and

efficiency of financial services, and thus provide unprecedented efficient digital currency financial services.

BHPC is the service certificate of BHP. Users could use BHPC to get all the digital currency financial services provided by BHP, including but not limited to futures contracts, gambling agreements, digital currency trading, bank deposits, foreign exchange settlement, settlement of cross-border trade, issuance of private vouchers and other financial services. Through the services of BHP, users can easily achieve all the important operations such as investment management and assets saving on the blockchain. In fact, any user accessing to the network can enjoy the more convenience decentralized financial services provided by BHP.

Public global tokens available: 75,000,000.

Solving the problem: Digital currencies will inevitably make a full coverage of commercial applications. But in traditional business activities such as B2B, B2C and C2C, the most basic application scenarios like credit lending, mortgage guarantees, assets replacements, VISA-level settlement payments, stored values and contract, etc. which require traditional banking system's support, are lost in digital currency field. The BTC or ETH with "digital gold" value is not suitable for large-scale commercial applications due to its disadvantages of high consumption, slow testimony and high service fees. Other existing digital currencies are enjoying some kind of originality in their respective application areas. But they do not have the credit value of BTC and ETH and therefore they are difficult to be used widely. The BHP system will solve the problem of intermediary missing in digital currency bank, take both the credit value and user experiences of digital currency into account, and take the lead to meet the more diversified requirements of transactions, deposits, profits, assets replacements, re-investment, etc. from global customers.

Development goals: The goals are to issue decentralized BHPC tokens guaranteed by hash power and to build the first blockchain distributed bank based on mining hash power. The users with BHPC can join in the advanced mining financial service and other financial service and products based on BHPC. Investors purchase BHPC and deposit it in BHP account, they can receive both dividends from multiple mining revenues (BTC, ETH, LTC, etc) and global operation revenue. BHPC has native value with foundation from mining farms. BHPC will have huge circulation in cross-border e-commerce payment and settlement application. Users could also use their digital assets in BHP for mortgage, bet, exchanging, registering, and could legally convert them to other digital assets under certain rules.

I. Problems and Opportunities

In 2009, Satoshi Nakamoto's Bitcoin payment system, depending on blockchain technology, realized a decentralized digital currency payment. In fact, as the first successful digital currency payment system, Bitcoin simulated the gold function with cryptography algorithms technology which guaranteed the scarcity, fragmentation and portability of Bitcoin. Therefore Bitcoin naturally became "digital gold" on the economic point of view. However, looking back on this issue in the 9th year after the birth of Bitcoin, there are still a lot of problems in it as an international payment currency. Firstly, its encryption algorithm is not strong enough and unable to protect itself effectively from quantum computer's quantum computing. The problem enormously affects the security of Bitcoin while the existing Altcoins have solved this problem very well. Secondly, the high service charge and the low transaction speed make Bitcoin a trading media with high transaction costs. The current online single transaction cost of Bitcoin is over 0.002 Bitcoin. According to the current price of Bitcoin, the unbearable transaction cost is preventing Bitcoin from being used for commercial settlements. Considering the price increase of Bitcoin in the future, it will be more difficult for Bitcoin to enter the circulation field. In addition, Bitcoin is a natural deflationary currency and its total amount will drop to a number which is very unfit for circulation in a visible period of time. Therefore, Bitcoin will inevitably exit the circulation field in the foreseeable future. However, as the ancestor of digital currency, Bitcoin will inevitably become a kind of stored-value target, like gold.

Bitcoin is not suitable for circulation, and other digital currencies that are technically suitable for circulation may fluctuate sharply in prices like high-risk assets, resulting in the consequence that the interests of manufacturers, traders and consumers can hardly be warranted in the circulation of commodities. Therefore, most digital currencies are not mass-marketable in mass business environments. If people no longer use Bitcoin as an important transaction payment currency on the internet but as a main stored value currency, a kind of valuable currency based on Bitcoin and Bitcoin hash power will appear to be used for financial settlement, trusts investment, assets management and other kinds of financial products as technology advances and society needs develop. And therefore, based on the mainstream valuable digital currencies such as Bitcoin and Ethereum, plus the powerful mining hash power support, BHP will be able to realize a decentralized settlement system in real sense and issue a value-stable credit payment digital currency which is suitable for realistic commercial settlement - BHPC.

Meanwhile, BHP will dedicate its efforts to develop wider ranges of financial services and products, allowing its users to profit from more than simply expecting a



rise in the currency value by letting them choose more investment means (like mining income, supply chain finance income, etc.) and more assets management tools, in order to get their diversified global digital currency financial service revenue.



II. What is Bank of Hash Power (BHP)

BHP is a kind of digital assets infrastructure operating on the blockchain. It is a decentralized "bank" system which applies the blockchain technology and uses Bitcoin hash power as collateral. Through the establishment of a platform which connects mines and users, BHP uses smart contracts to achieve the supply and demand matching between mines and users. At the same time, the more ambitious target of BHP is, through the global business payment application as well as all kinds of digital currency financial investments and services based on BPHC, providing the mines and the users with more diversified investment means and more revenue chances.

The basic topology of the BHP platform is shown in the following figure:

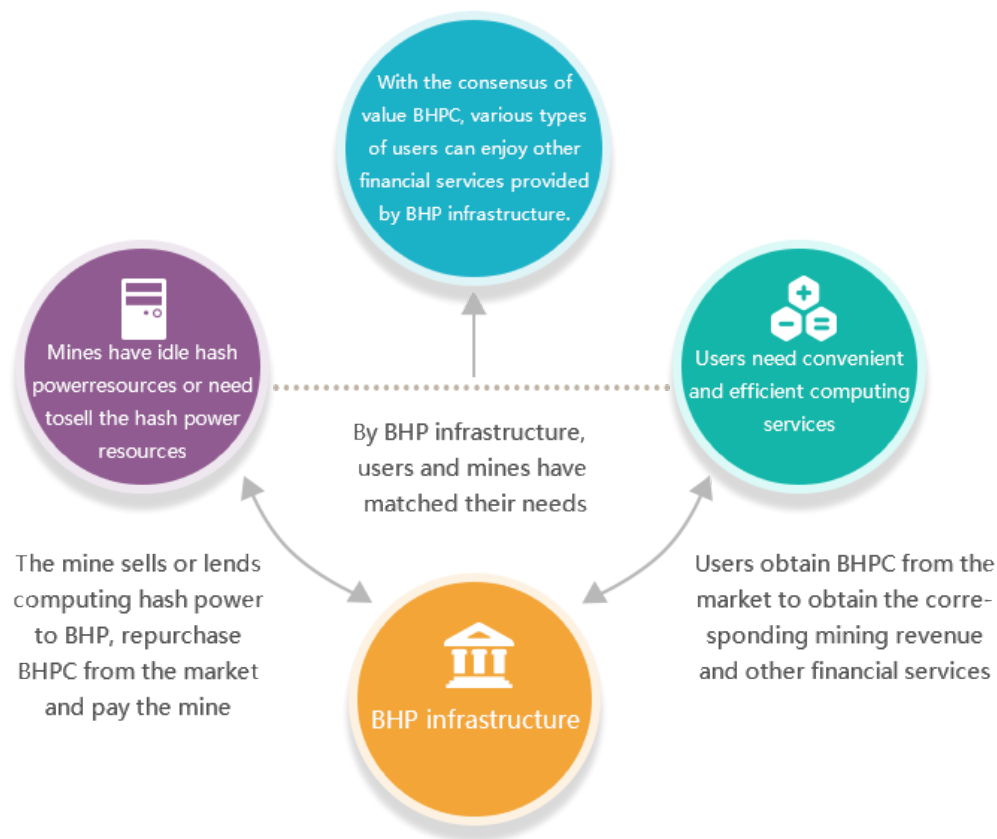


Figure 2-1 The Basic Topology of the BHP Platform

The core value of BHP is that its distribution method is completely decentralized blockchain network, and it is a set of financial system issued on smart contract by using hash power as collateral. The BHP uses BHPC to provide users with a global payment system with high efficiency and steady value. In the system, all of the users

can hold tokens, make initiate online transactions, re-invest in assets, participate in other financial activities, and achieve decentralized payment settlement as well as other internet digital assets financial applications. At the same time, users can use the digital assets in the system to conduct a series of digital currency financial operations such as mortgaging, betting, exchanging, registering and legally converting to other digital assets. BHP is a common financial platform for a set of digital assets that conform to the rules. With a bank account, users can easily manage their own assets, realize the transformation and trading of different digital assets, and carry out various valuable financial activities, and it truly is a decentralized online "bank" platform.

BHP as a decentralized autonomous platform can provide the following capabilities and services by connecting global mines and end users:



Figure 2-2 The Functions and Services Provided by BHP

III. Application and Realization of BHP

Based on the credit agreement system which is the core of hash power, BHP is committed to build a self-financed application ecosystem. Depending on the community networks and data, it supports the developers to build various self-financed applications by applying secure, multiparty distributed computing technologies. BHP will be a completely autonomous ecosystem and it will be applied in many kinds of financial systems.

Deposit Interest

BHPC is the basic token of the BHP bank system. Any user who holds the BHPC can get the long-term interest provided by BHP directly on the client. The users can deposit their BHPC in hand into their personal BHP accounts, and BHP will take professional operations with these BHPC as well as distribute interest regularly to the users. Meanwhile, after depositing BHPC into BHP's banking client, the users thus get the evidence of some real hash power in BHP, and the users can regularly review the respective hash power to their BHPC in their accounts and the interest income in a coming period of time. BHP will distribute interest into users' personal accounts in the form of BHPC. The users can use the BHPC of proceeds to purchase all kinds of valuable digital currencies (such as Bitcoin, Ethereum, Dash, etc.) as well as BPH financial products (like supply chain financial products, etc.), and they can also continue to hold the BHPC in order to obtain more interest income.

Through capitalizing the hash power on the platform to digitalize assets, the investors and financing parties are connected. And through the operation of "Business + Smart Contract" on the platform, trade efficiency of hash power digital assets will be increased and BHP will finally realize a global measurable, negotiable and visualizable hash power value.

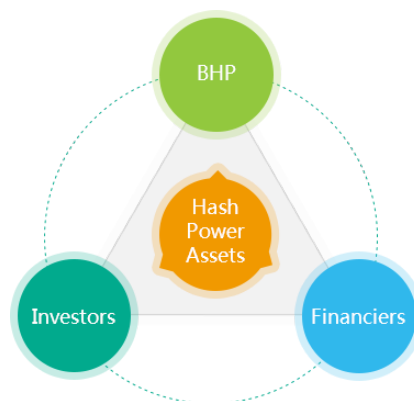


Figure 3-1 Hash Power Assets

Global Commercial Payments Application

The prerequisite of a good bank operation for BHP is to establish an effective payment system, and realize distributed online "bank" system through blockchain distribution technology. Anyone can store, publish and exchange the related assets in the distributed bank system. BHP platform issues BHPC as the basic agreement currency and takes BHP digital currency system as the basic operating mechanism. On the application layer, services and products like the BHPC encrypted wallet and the all-digital-currency treasury online leasing transaction platform will be launched to provide users with functions like digital assets secure storage, transaction payment, hash power purchasing, etc., as well as digital currency services with mainstream PoW digital currencies (like Bitcoin and Ethereum) as the main evidence. BHPC itself is designed with blockchain as the bottom layer and integrated with PoP consensus mechanism, and has realized technology applications like decentralized credit, smart contract, encryption technology and digital currency, etc.

Various Payment Applications

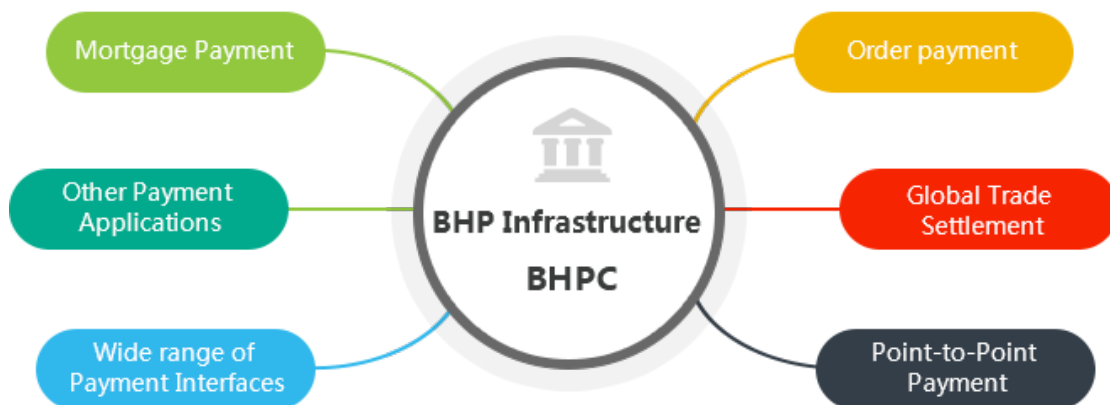


Figure 3-2 Various Payment Applications of BHP

In the future, BHP will set up a BHPC-based decentralized intelligent settlement system and build decentralized financial platforms based on this system. BHPC is available for any decentralized online payment system such as point-to-point micro-payment, large-scale global trade settlement, content payment industry and remote anonymity of gaming industry, etc. All of these payment systems are settled and traded with BHP's infrastructure. The payment usage scenarios include order payment, mortgage payment, bill payment, B2B payment and C2C payment, etc. The BHPC-based settlement system is characterized by high efficiency and low cost at the same time. And the system provides an open programming interface to facilitate access to more application scenarios. It can also be updated in real time to enhance system universality.

In view of BHPC's international transaction settlement function, BHP developed a price change feedback mechanism so that the price of BHPC will

not fall off a cliff. At the same time the following mechanisms are proposed to promote the BHPC price to a rising channel.


1. BHP's earnings (including mining revenue, financial services revenue, etc.) will be selectively invested into BHPC's market to stabilize prices when needed.
2. The profits feedback to investors and users are returned to them in the form of BHPC. By repurchasing from the market and giving back to the users, the repurchase can be carried out at an appropriate price to ensure that the price of BHPC is basically at a constant upward trend.
3. BHP can directly coordinate with bulk trading clients to stabilize BHPC price in the bulk market to prevent their volatility.
4. When necessary, BHP community will adjust by vote the incentive reward system for investors to stabilize the BHPC price from the market perspective.

Remittance Transactions

By building exchange websites and APPs, BHPC holders can quickly exchange and circulate BHPC with various mainstream digital currencies such as Bitcoin, Ethereum, etc. In the future, the BHP will first open the service of exchange between BHPC and various kinds of legal money if possible. Besides, the BHPC holders at BHP will enjoy a service fee discount on the operations such as recharging, transferring and making transaction.

Credit Mortgage

Credit mortgage lending is an important application scenario for BHP. It is mainly used when credit lending and futures contracts are required by the mines. The mine users owning hash power resources can take advantage of the BHP for hedging risk. Any trusted and authenticated mine user by BHP with a certain amount of hash power can get the BHPCs by mortgaging the hash power to BHP, paying a certain virtual currency security deposit to the smart contract fixed address, to establish hash power futures contracts. The BHPCs can be used for trading, maintaining value, cash converting and other financial operations. If the security deposit is not enough to withstand the price fluctuations of BHPC, smart contract will repurchase the released BHPC to eliminate market risk.



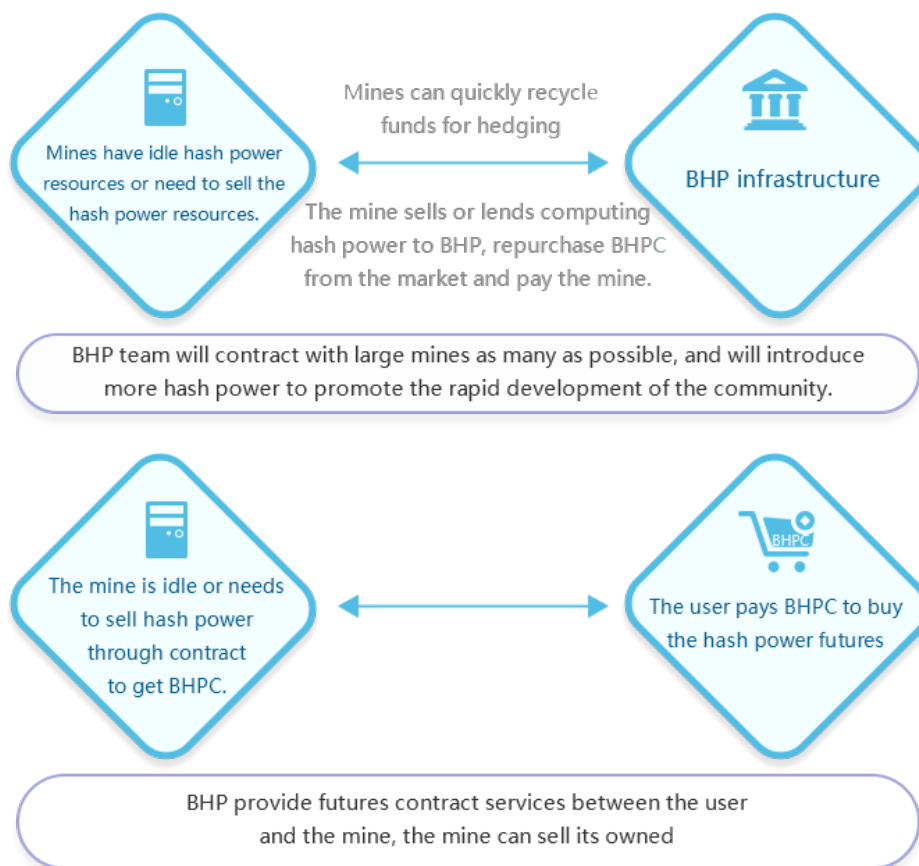


Figure3-3 Credit Mortgage Scene

In the early stages of project development, BHP Group will negotiate with more mines to sign hash power mortgage contract and put the hash power into the power pool and deliver BHPC (stock or repurchased) to the mines for rapid expansion of BHP system's power pool scale. In the later stage of project, the BHP bank's infrastructure will be used only as a middle ground to provide the hash power-delivered futures contracts services for the mines and users, maintain the stability of the bank's BHPC financial system and ensure that BHP community users will enjoy better hash power service.

Reinvestment of Assets

The BHPC, a basic currency issued by BHP, is the blood of the entire hash power financial banking system. BHPC holders can use their BHPC to conduct a series of digital currency financial operations on the internet. The users can not only store the BHPC in the "Banks" to obtain basic bank interest income, but can also buy finance products of the "hash power bank" in order to obtain higher investment returns at the higher risk. And BHP will provide more varieties of digital money service products. In the beginning, we will launch a basic mainstream currency real-time trading channel. After the accumulation of a larger number of users, we will further allow users to issue tokens by themselves and consign those tokens at BHP platforms in

order to make more complicated digital currency financial operations.

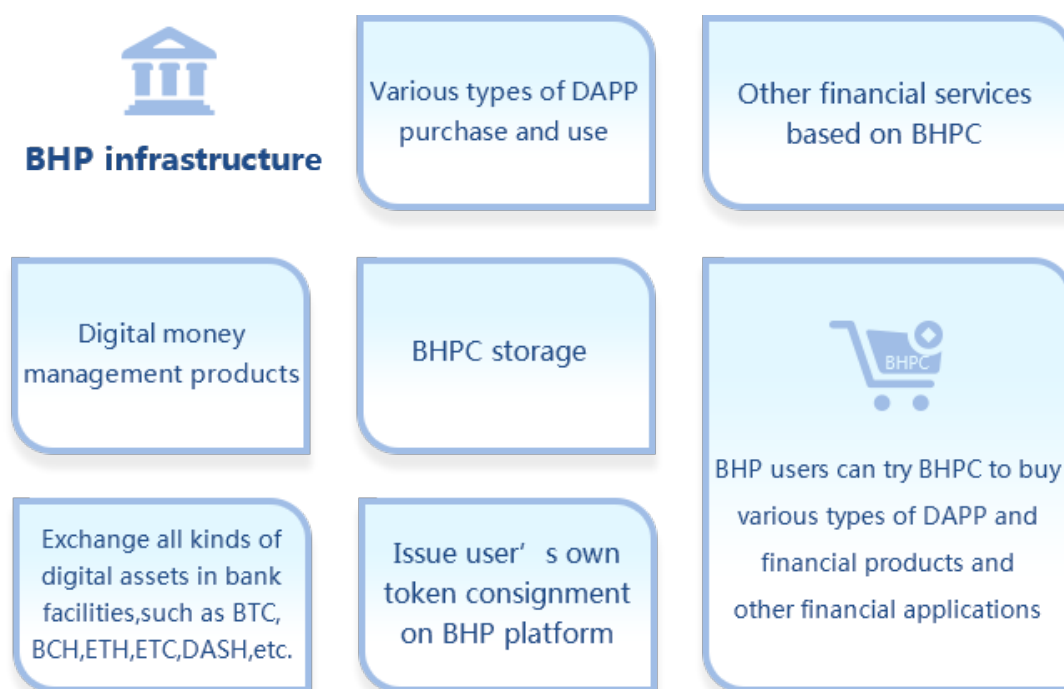


Figure 3-4 All Kinds of Financial Operations Provided by BHP

Other Financial Activities

Based on BHPC, BHP has built a broad-access and easy-to-use financial platform through smart contract. BHP users can use BHPC to complete asset-backed loans, create betting agreements, register digital assets, issue new products of digital currency investments combination. BHP, in the field of digital currency, has realized the functions of traditional stock market, bond market, futures markets, trading platforms, deposit bank, etc.

IV. The Value of BHP

BHP provides a series of emerging decentralized bank services that include hash-power-based mining supply and demand matching, payment transactions, reinvestment of assets, mortgage lending, betting, asset replacement and others. The respective characteristics and features of infrastructure of BHP are as follows:

1. Assets value of hash power

BHP's token BHPC represents a more significant asset than Bitcoin - hash power. BHPC is a kind of asset whose credit endorsement is hash power. BHPC has real trading and investment value. From the raise of the tokens at the beginning to the future, every count of the newborn BHPC is guaranteed by hash power with real value.

2. High efficiency and low cost

BHPC adopts PoP (Proof of power) consensus mechanism instead of PoW (Proof of work) mechanism which is used by the first generation of visual coin so as to witness the bank's payment transactions via hash power of the mine. At the same time, through the use of PoS (Proof of Stake) mechanism to manage all financial activities of BHP, in order to ensure both effective witness and efficient financial services.

The basic principle of PoP + PoS hybrid mechanism: Firstly, the BHP generates a large amount of increasing hash power with more and more mines joining in. As the BHP data processing performance is becoming more and more powerful in the world, BHP will be able to deal with global users' high concurrency and high efficiency requirements such as payment, transaction and transferring, etc. It can achieve VISA millisecond level of processing power. Secondly, When the hash power is overstocking the BHP will distribute the remaining hash power to the users for mining Bitcoin, ETH and other digital currencies. Thus, the basic value of BHPC may be stabilized. Thirdly, in a wider range of financial products and services, the BHP will use PoS mechanism which is featured with high efficiency and low consumption. The users store their BHPC into the BHP's infrastructure and thus provide a strong support to the witness mechanism of PoS. Then the BHP can provide better services for the users who are enjoying its financial products or services. At last, a better consensus mechanism with million-level concurrency is built by BHP to meet all the basic requirements in a financial system which is large scale, high concurrency and decentralized.

3. A wide range of application value

As a general-purpose asset issuance, trading, application platform, the payment system of BHP can be accessed in a wide range. Any platforms that can be used in

decentralize payment systems can use BHPC as a payment system for transactions. BHP contains a complete system of financial products. Users can use all the assets stored in the BHP to conduct digital monetary and financial activities on the blockchain or to complete various types of commercial operations in order to continuously add value to their assets.

4. Open expandable value

BHP is based on the hash power of the mine. It naturally has the ability to accept the hash power from the outside world. With the increasing of hash power, its scale and the number of BHPC holders, the BHP transaction speed will keep growing. It will outperform all the other existing digital currency transactions on the developmental basis. The more transactions BHP deals with, the faster it can handle them, and thus it will be more capable to meet more global transactional payment needs. Thus it will inevitably attract more hash power as its value guarantee and establish a virtuous development cycle.

At the same time, BHP also has great business scalability, and we will continue to explore new services in such areas as reinvestment of assets, mortgages, betting and assets swap contracts. One of BHP's development goals is to continually develop new products in the field of digital currency finance.

5. Creating a digital currency with "original value" - BHPC

BHPC cannot be mined through the PoW mining form. Via the form of "hash power", it applies the concept called virtual mining so as to ensure the stability of the network and the speed of the transaction. So the bank charges become very low and it can guarantee ultra-high concurrency (million level or more per second) to meet the needs of other scenarios such as global cross-border transactions.

At the same time BHPC is also a typical digital currency with original value. The holders can not only gain the hash power to get Bitcoin, but can also get the bonus of the development of the mine and community. The hash power represented by each unit of BHPC increases with the development of the mines, and the actual value of BHPC increases with the growth of trading volume (BHPC is sufficient to meet the demand) and the gradual expansion of the community's hash power.

6. Convenient digital asset allocation platform

BHP solves the practical problems of the mines and opens up the channel between the mines and the users, so that more people can directly enjoy the interest from the expansion of hash power. The services provided by BHP will enable more ordinary people to enter the digital currency world in a more convenient and lower-threshold way. More and more people can participate in the global digital currency financial system and get profit of new financial services with a small investment. Each user of BHP has his own full autonomy in the selection and management. So a truly decentralized and trust-worthy financial service platform is

established.

7. Ease of use

BHP will provide a more convenient network access of blockchain. And the user interface will be more humane. From account registration to trading and other financial services, we will provide a convenient enough interface so the users can register their own unique identification number and identification code in a decentralized way. It will be simpler, more convenient and safer for the users to transfer, trade, pay or make any other operations. BHP is committed to providing more convenient user services, so that we could attract more users.



V. The Implementation of BHP

BHP has built a series of digital currency credit system based on mortgage mainstream PoW digital currencies' (like Bitcoin, Ethereum, etc.) hash power through open source hash power system. The basic infrastructure of BHP is based on the following basic logic:

1. Give BHPC real value support

The issuance of fiat currency went from the original metallic currency into the gold standard, the gold exchange standard system, and then into the fiat system. At this stage, the issuance of new currency no longer depends on the mortgages stored in the bank. And the mainstream currency that does not use PoW technology in issuance no longer depends on credit endorsements of hash power. Especially in the field of digital currency, the lack of mortgages will inevitably cause the market to question its true credit value. The objective of BHP is to establish a group of effective and feasible methods of digital currency credit value. The BHP starts from hashing infrastructure of mine. It thus establishes a real infrastructure of digital currency value. The birth of each BHPC has respective subject matter. Therefore, when BHPC becomes a payment tool for financial transactions, it will greatly prompt all blockchain ecosystem to develop towards healthy orientation.

2. Benefit /Risk sharing between BHP, mines and users

The goal of BHP is to establish a decentralized bank payment system with the acceptance of hash power in order to give users continual feedback of benefits in the period of providing financial products based on BHPC.

The third party mine can grant the BHPC contract with its own hash power on the BHP. When the mine's hash power is connected to the bank's hash power pool and a mortgage term is set, owner of mine can get BHPC equal to its estimate hash power after paying only some bond. The mine owner can devote these BHPC to financial activities, make it easier to convert its own surplus hash power to financial investment which will greatly enhance the efficiency of the use of hash power. If the miners want retake mortgaged hash power, they will need to use BHPCs under the BHP redemption rules to redeem their hash power. If the mine breaches the contract during the contract, the BHPC smart contract will immediately find the broken contract and automatically use the bond of the aggressor to repurchase the BHPC. Then the credit stability of the financial system is ensured and the mine owners who break the contract will be held accountable.

BHP's infrastructure runs as follows:

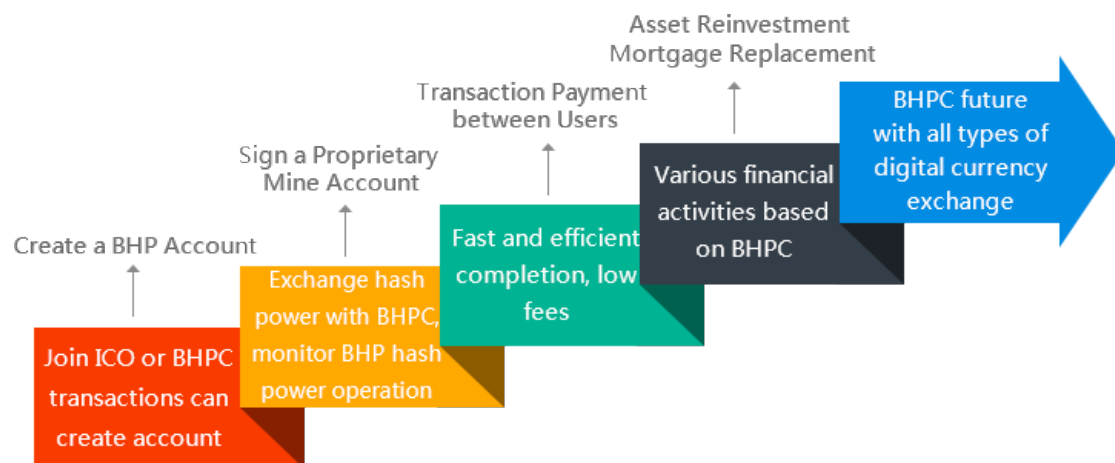


Figure 4-1 BHP Infrastructure Operation Process

Users enjoying services from BHP could supervise and inspect the situation of BHP's hash power situation as long as they have established their personal accounts. All kinds of transactions such as trading, payment, betting, assets replacements, mortgaging and other financial activities can be operated in BHP. Various types of digital assets can be exchanged between each other in the BHP.

3. User motivation and profit model of the BHP

a) User of BHP will register personal BHP account automatically during ICO. The tokens (BHPC) will enter those corresponding accounts. BHPC stored in personal BHP account of user will receive some interest regularly, the interest flows into personal account in BHPC format. The user will not get interest if he or she saves BHPC in some other addresses or exchange platforms other than his or her BHP account.

b) If you want to deposit your BHPC into your personal bank account to gain more profit, you can transfer the BHPC from the exchange agency to BHP account. The transfer fee charged by the exchange agency will be paid by BHP in the form of BHPC.

c) In the frequent trading and payment activities BHP, all of them will be charged a small fee for the service. BHP will repurchase the BHPCs by consuming some interest of these kinds of transaction payment and corresponding hash power mining activities. The repurchased BHPCs will be converted into user's BHP account as the interest of user for their saving BHPC into the bank account, in order to encourage the users to hold the assets of BHP for longer time.

d) Because BHP itself is established on the basis of huge hash power, the transaction of BHPC witness's cost will be low. When the users generate commercial transaction or personal transaction and the transactions are between accounts of BHP, the bank will consider deducting some transaction payment fee randomly in order to

pay back some interest to users with the system.

e) Users can entrust his or her assets to BHP and the bank will reinvest it. The BHP will authorize a professional digital bank financial planner for assets operations. After requesting an assets reinvestment service, users will receive professional-grade digital asset investment services.

f) Users can enjoy commercial financial service such as betting, mortgaging and assets replacement provided by BHP by consuming BHPCs directly. After providing these services, BHP will deduct service fees and give the extra profits back to the user in the form of BHPC to encourage users to carry out various types of assets operations.

g) BHP will provide direct redemption services between Bitcoin, Ethereum and other digital currencies and between BHPC for the users in need.

h) For conventional BHPC transactions, the bank will charge a small amount of transaction fee for the corresponding transaction witness according to the size of the transaction. This part of the handling fee will be returned to the user as part of the user's benefits.

i) For users of the mine investment options and futures contracts section, handling fee will not be charged. Please refer to BHP Trading Rules for the details about service fee and interest.

Note: The above return on earnings is limited to account users at BHP. BHPC holders on exchange wallet platforms do not enjoy these services.



VI. The Technical System of BHP

The construction of BHP infrastructure relies on the establishment of a new technology system.

1. Fast payment

All the BHPC of BHP support decentralized peer-to-peer payment method, which depends on cryptographic security verification. At the same time, BHP's transaction payment relies on the powerful mining capacity of the hash power pool, and by replacing the high-energy-consumption and low-efficiency Proof of Work mechanism with innovative Proof of Power mechanism, BHP makes transactions pay even more efficient and convenient. BHP develops its own code base for high-concurrency, fast-time transaction payments, reaching minute-level of testimony, and finally in the future after accumulating large enough hash power, BHP will be able to reach second-level testimony for these payments.

2. Consensus mechanism (Proof of hash power)

The consensus mechanism of BHP no longer adopts the traditional proof of work mechanism (PoW), but proposes a new consensus mechanism PoP based on hash power. And with the combination of PoS (Proof of Stake) which suits the future developing trending, BHP has introduced the PoP (Proof of Power) + PoS hybrid consensus mechanism.

Continuous hash power is a key component of BHP's infrastructure. The BHPC issued by BHP has the respective hash power, which applies PoW mechanism to complete the bottom mining work and obtain Bitcoin, Ethereum, or other valuable mainstream digital currency. The BHP will give the mining income of the respective hash power in the form of BHPC to the users who carry out virtual mining.

The specific operating mechanism is shown as below:



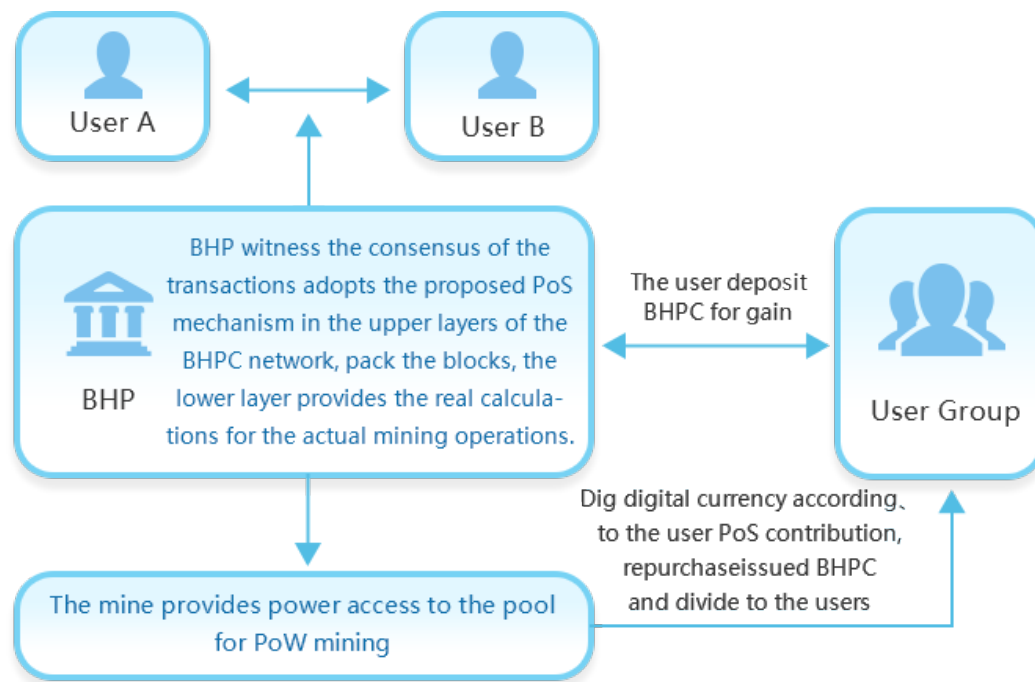


Figure 6-1 The Operating Mechanism of Hash Power Testimony

The proprietary code base designed for BHPC transactions relies on PoP mechanisms to ensure the efficiency and cost of transactions. In particular, as the flow of cross-border transactions continues to increase, this model will be particularly suitable for cross-border payment scenarios. Financial activities and services carried out between banks and users will use PoS-like mechanisms. The user converts the BHPC in the wallet into a bank account of the BHP, and the transaction witness is completed by using the PoS mechanism. The BHPC stored in the account can also obtain the corresponding profit. The BHPC, where users deposit funds in a bank account, can manage a wide range of assets and gain value-added services.

3. hash power mortgages and virtual mining

BHPC is a digital currency endorsed by the mine as the core value. It is a voucher representing the phasing power. Each BHPC represents a unit of hashing power; BHPC is notable and can be transferred.

Because BHP has a huge pool of hash power, BHPC users can earn deposit interest income. After the BHPC is issued by the mine, Bitcoin or other valuable digital currency mined in each unit of time will be represented by the unit BHPC. The BHPCs will be repurchased and be returned to the user's personal bank account. As the BHP has an enough pool of hash power, the BHP may purchase more BHPCs with mining profits. The value of BHPC is increasing with the increasing hash power of BHP. Therefore, the bank's all payment transactions and financial activities are credible, BHPC's value is therefore effectively protected.

The specific process as shown below.

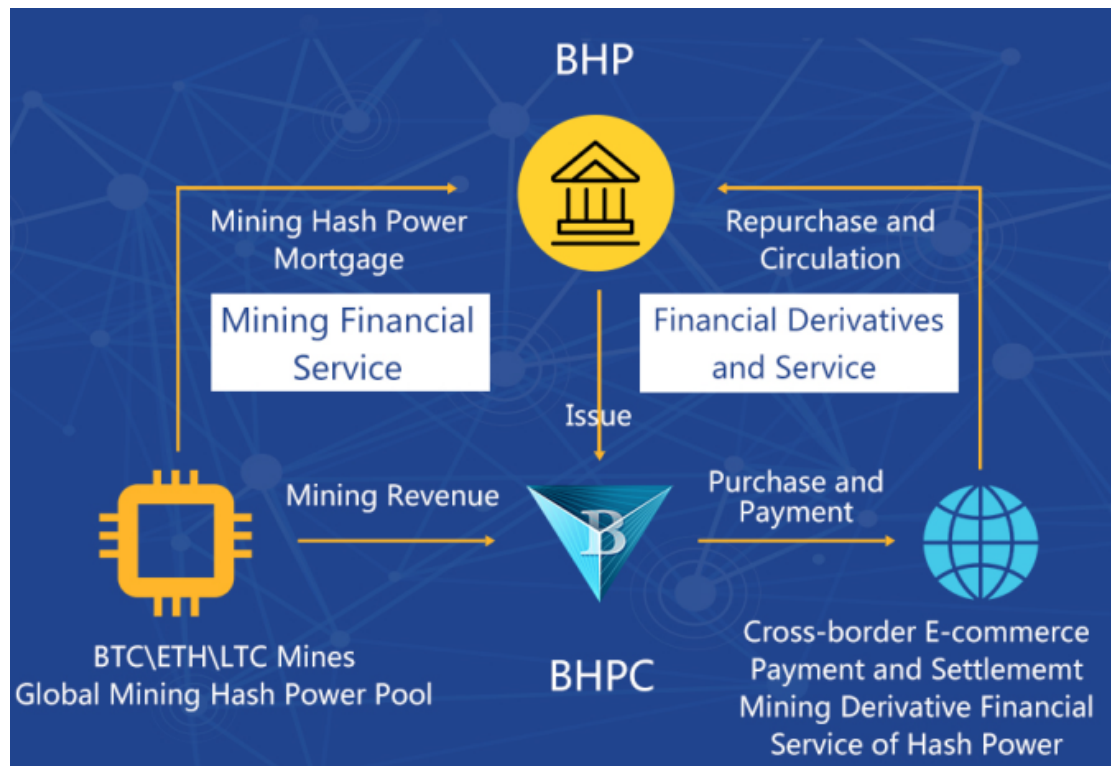


Figure 6-2 The Flow Chart of Gaining BHPC Profit

4. A bank system that really has its own code library

In order to seize the opportunities, the BHP will first choose to issue token on the platform of Ethereum, so that the supporters can join in BHP faster. In the future, BHP will focus on developing its own PoP and PoS code-base to create a self-contained and independent blockchain platform. All of BHP's applications will run on its own platform while constantly absorbing the advantages of other blockchain currencies into BHP platform. At the same time, BHP will also establish a code base to support the mines to directly mine the BHPCs so as to make our system more integrated and to reward all the supporters of BHP and BHPC.

VII. Token Issuing of BHP

The token of BHP - BHPC will be issued based on Ethereum (ETH), following the standards of ERC-20. After ICO, the development team of BHP will develop its own platform application with its own code base. BHPC is a typical assets voucher. Its holders can not only participate in the community construction of BHP, but also could get the developing bonus of BHP. The hash power represented by each unit of BHPC will increase with the mine developing. And the hash power represented by each token of BHPC will increase with the development of BHP's mines, so the value of each token will continuously increase with the development of the BHP community as well.

Arrangement of issuing

ICO of BHP has 2 stages, pre-ICO for cornerstone investors and ICO (Global private equity). The former will last 10 days and the other one will last 30 days. When it reaches the hard cap, ICO will stop at once. And every token that has not been exchanged will be destroyed after ICO. Meanwhile, participants' accounts, registered in BHP, will receive corresponding amount of tokens.

5 days before pre-ICO, the BHP will open the registration of whitelist. Users planning to participate in whitelist should store and lock an amount of digital currency that equals at least 50 ETH in their personal accounts in BHP before the ending of pre-ICO, and then they can apply for whitelist. We will give priority to ensure that whitelist investors and cornerstone investors can purchase discounted BHPC in pre-ICO stage. If whitelist investors' purchases exceed 25,000,000 coins of BHPC, they will thus afterwards be sold according to the ICO price list.

During pre-ICO and ICO, the providers of the cooperative hash power owned by BHP will reward the investors with part of Bitcoin and ETH dug by the mines. From the beginning of pre-ICO, rewards will be stored into users' accounts in BHP every 24 hours until the end of ICO.

The number of issued BHPC:

Circulation 75 million, Total of BHPC: 100 million

Cornerstone investment circulation: 35 million

Global Computing Super Nodes circulation: 40 million

Distribution of tokens:

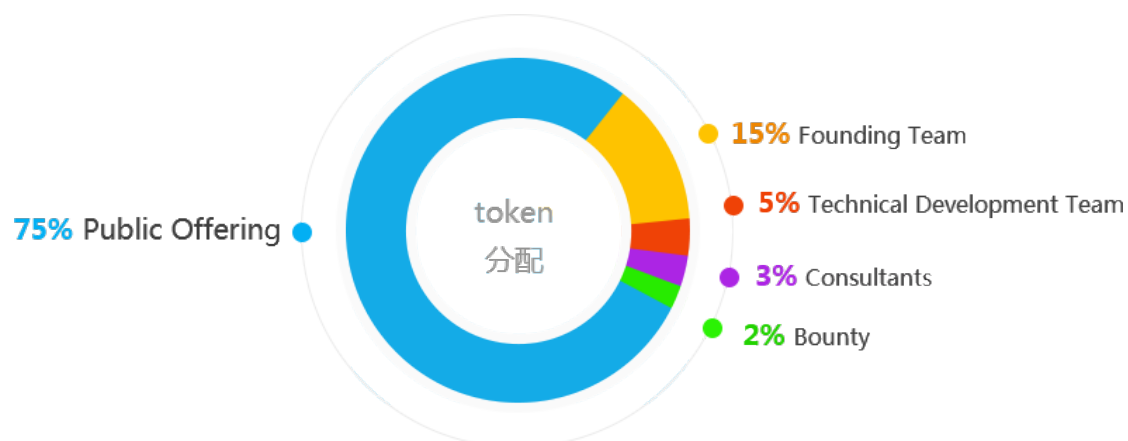
Founding team: 15%

Technical development team: 5%

Consultants: 3%

Bounty: 2%

Public offering: 75%



Use of raised funds:

Use of raised funds is shown in the figure:

For financial products of BHP and the purchase of hash power: 81%

Technical research and development of products: 10%

Construction and management of BHP community: 9%

Issuing price:

Tiered pricing in crowd-funding stage

Crowd-funding Stage	BHPC issued during Pre-ICO and ICO	USDT per BHPC rate during Pre-ICO and ICO
Pre-ICO	0 ~ 25,000,000	0.55 USDT
ICO	25,000,001 ~ 35,000,000	0.70 USDT



VIII. Community Governance of BHP

Special statement: For the protection of the interest of all our investors and the healthy growth of BHP Group as well as to guarantee that the blockchain of BHP is always developing on one main chain, BHP Group will neither allow nor admit any behavior of bifurcation of the main chain in any form.

We welcome and hope more users to join the community of BHP, use various services provided by the bank and participate in the construction of community. In order to maintain the community better, we will adjust and introduce new governance mechanisms according to the actual situation, and that is to ensure a healthy development of the BHP community.

1. Voting mechanism in community

The voting of blockchain community and self-escalation of system are of vital importance. Protocol layer's changes have to follow the longest chain. In order to guarantee an effective management, BHP allows users who hold the cash of bank - BHPC and uses the service of BHP to have the vote right to determine major events in the community. Any user holding BHPC can exercise the vote according to their amount of BHPC in hand.

1) Proxy vote

Proxy vote means that the BHP community will select a certain number of special proxies to exercise their power in a unit time.

2) Collective vote

Collective vote is suitable in the situations when it comes to the community's major development issues.

When a node issues a voting request, the main node sends the authentication message to all of the verification nodes. If all the verification nodes validate the authentication message, then the message will be broadcast to all the nodes accessed. Every accessed node has the right to decide whether to accept it or not, and the vote result is public to every accessed node. And the decision on the community's next step development plan or big issue implementation plan will be made according to this result.

2. Community promotion awards scheme

Development team of BHP will establish the BHP fund to reward the persons or teams that make contributions to community in order to promote the community's

development effectively.

The community will be in charge of the maintenance and use of the BHP fund. Meanwhile, to ensure the operation of the BHP fund comprehensively transparent and open, all the users can check the progress of projects and the use of funds through official website. We also welcome more volunteers to join in our daily operations and project development of community.



IX. Core Team Profile and Investors

1. Core Team Member

Doctor Rouger Wu—CEO



Rouger Wu, Ph.D. in artificial intelligence from University of Electronic Science and Technology of China. He has won continuous success of entrepreneurs, and has created China's leading cross-border e-commerce platform YGM, overseas parallel imports of new cars on-line retail platform Daboche and other internet companies, with its subsidiaries in the United States, Germany, the United Kingdom, Australia, New Zealand, Japan and South Korea. He has extensive experience in commercial settlement of cross-border trade and global TNC operations management.

At the same time, Dr. Rouger Wu is also an early encrypted digital currency investor and loyal follower. He owns several mines in China, Canada and the United States and is familiar with the financial and capital markets overseas and in China.

Louis J Adler—Financial Product Manager



Louis J Adler, Global Financial Product Manager, is a Wall Street analyst as well as an Executive at Wall Street top tier investment bank BoA and has advanced degree in physics. He has over 20 years of experience working in investment banks and hedge funds, especially good at the operation in equities and equity derivatives trading, portfolio management and risk management.

Shaun Wang—COO



Shaun Wang has a number of investment management operations of innovative US companies with experience in software services, digital currency and financial products. He graduated in Electrical Engineering and Software from the University of Colorado, and has extensive experience in team management. He has a solid technology base in blockchain, digital currency project distribution and management experience.

Bill Xiang—CTO



Bill Xiang is a multilingual block programming development master. He is keen on frontier technology. He can be regarded as a blockchain technology geek. He has five years of experience in developing software for medium and large financial institutions as well as three years of experience working with blockchain technology.



Anfeng Xu—CMO



Anfeng Xu, has twenty years experiences in communication technology, marketing and management experience, six years of entrepreneurial experience of mobile Internet, senior business development manager.

Doctor Steven Li—Principal Scientist



Doctor Li, has more than eight years of experience in operations and compliance for electronic and digital money exchanges. He is proficient in blockchain and digital currency algorithms. He holds a doctor's degree in data science.

Doctor Chris--Principal Analyst



Chris, the professional analyst in Deutsche, with many years' financial management capabilities, is an early encrypted digital investor and a blockchain research expert.

Amin AL Haddad— Middle-East Branch Manager



Amin ALHaddad, Senior-level Information Technology Manager, used to be promotion manager for some giant software information companies. He has 20+ years of extensive experience in program management and project management, consulting, and supporting ExO-level Executives. A blockchain believer. Developed Coinveer digital currency exchange platform.

2. Investors & Advisors



Qi Yuan, Ant Financial Vice President, Chief Scientist. Massachusetts Institute of Technology postdoctoral, Purdue University, Department of Computer Science and Lifetime Professor of Statistics.



Yang Linke, the founder of China's first Bitcoin trading platform - BTCChina, led the great development of digital assets in China, founder of Bitcoin Diamond (BCD) and ICO.



Eric, the founder of Ventech China Capital, graduated from Harvard University GMP and holds doctor degree of philosophy from University of Paris. He manages the Ventech fund which is a famous innovation investment fund in Europe in the field of TMT. He is the venture capital leader of China's internet field. He used to run professional investment institutions in cross-border e-commerce and financial services.



Gu Kai, Qifu Capital co-founder, concerned about the emerging Internet technology, finance and investment of blockchain areas. He has the experience of the management of 19 funds with the scale of funds being more than 30 billion RMB, investor of Bubi and Babit.



Jiang Hai, founder, CEO of Bubi Networks, Ph.D. of Chinese Academy of Sciences. Dr. Jiang has nearly 10 years of experience in scientific research and product development in the field of network communications and the Internet. He has extensive experience in distributed computing networks, network content security, new electronic money and P2P payment networks.



Guo Jia, the founder of Xi Jin Capital, focuses on early-stage and growth investment in areas such as TMT, consumer upgrades, financial services and big data.



Sam Bao, founder and COO of Gudong Network. CTO in Cisco China and responsible for global business management. He has more than ten years of study and operating experience in the fields of network communications, distributed networks, intelligent hardware, etc..



Ripple, the founder of Holly Capital, has invested in innovative VC projects including Himalayas, Art Po and Aunt Auditions, as well as EOS, KNC, ELA and MDS. He served in the domestic large-scale equity investment institutions - Jiangsu High-tech Investment Group. He was one of the first students at Chaos University Innovation Business School. He loves philosophy, holding a master's degree in law.

X. Project Advantages and Background

1. BHP has been working with global shared platforms of decentralized hash power. There are already 5 mines supporting it and a total of 225,000 T hash power. We can dig out about 180 pieces of Bitcoin every week. We own about 20,000 mainstream mine machines of Bitcoin and the models are as follows:

Miner Type	ANT Miner S9	Ebit E9
Hash Rate	13.5TH/s	9TH/s
Power	1350w	1300w
Annual Output BTC	0.6	0.4

2. Cooperative mines of BHP are scattered all over the world and effectively balance the risks of lack of calculation reserve caused by the policy of various countries.



Sichuan Mine



Canada Mine



Xinjiang Mine

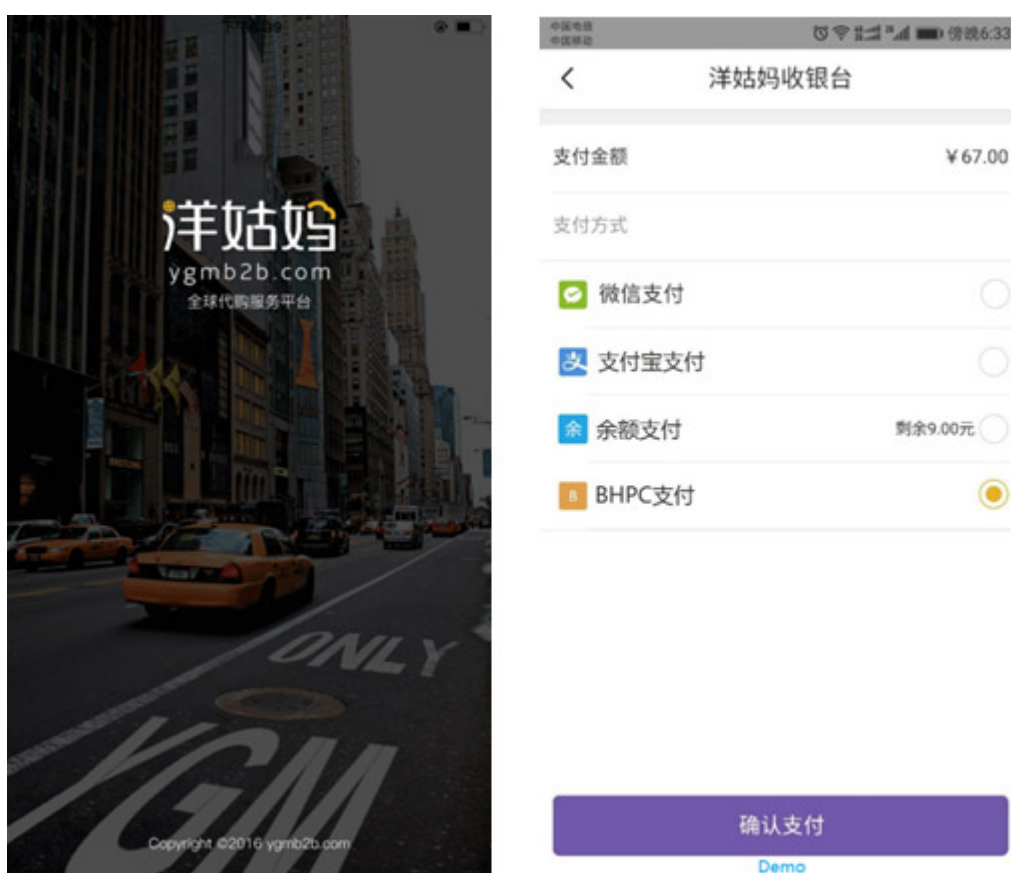


Korea Mine

3. BHP continues to accept the application of new mines and the new hash power will be added to the pool. It is expected that 40 mines with more than 1.8 million T hash power will be accessed by the end of 2018.

Number of Mines	Hash Rate(T)	Number of Mines, 2018	2018 Hash Rate(T)
5	225 thousand	40	1.8 million

4. The payment system is one of the very important businesses of BHP. There are already many international trade enterprises intending to make international payments by using the BHPC of the payment system. The most representative companies of them include the world's largest overseas Chinese community purchasing service platform YGM, the European transit company SuperB, the European cross-border e-commerce company EUBUY, Australian e-business AuBUY, etc.. And the current annual turnover is above \$30 million. The use of BHPC by BHP at this stage can shorten international transaction payments to second-level and significantly reduce unnecessary handling costs, which will attract more business partners to continuously access and use BHPC.



5. BHP has a wide range of businesses. With only a single BHP personal account, one could carry out all the required assets and financial services. At the same time, because BHP Group has a multinational background, BHP will provide legal currency and digital currency exchange services if it is allowed to be directly exchanged in the certain countries in the future.

6. In the ICO stage, the users BHPC in their personal accounts can get a profit up to 0.67% weekly yield of hash power mines' rewards. And with the increase of BHP's hash power reserve, users' profit income from BHPC will also increase.

XI. Project Schedule

Finish Pre-ICO and ICO, distribution of BHPC token to build BHP infrastructure, training and recruitment of BHP finance product service consultants.



XII. Risk Disclosure

Project participants, investors may face the following risks:

Development and technical risks: Due to that the human and material resources are not in place, the development condition is not sufficient, or in the process of implementing the coordination ability is not enough, the development of the project may not be able to keep up with the progress; Due to that market investigation is not in place, users' experience of project product might be poor; Due to that the development technology is not perfect or not strict, there might be vulnerabilities in the product function, content and other aspects.

Network security risk: Many risk factors are hidden in the virtual world of the network. For example, hacker attacks may cause system crashes, delay user's operation time. Some viruses, vulnerabilities and other attacks are possible to happen, with the lighter loss being the users' privacy leakage as well as the graver one being the users' assets loss.

Transaction risk: Just like the stock assets, when the BHP's assets enter market, they will suffer from system and non-system factor affects like the economic cycle, the market environment, the supply and demand changing, etc.. And the transaction price will rise and fall with time flow. The price change will make some people benefit, some loss.

Risk of brain drain: There has been a shortage of human resources in the field of blockchain. And BHP Group members might leave, which will affect the project's steady development.

In addition, there are other unpredictable risks. The project team will balance the needs of the project development and the interests of the users, take proactive steps in the management, try their best to avoid risks, abide by their duties, and fulfill the obligation of honesty and diligence, so that they can carry out the product development, business expansion and community maintenance very well. In the future, we will be accomplishing all kinds of the tasks with strong execution.

XIII. Conclusion

The BHP team believes that based on the digital currency based on crypto credit, “hash power” could be converted into digital asset vouchers that facilitate efficient transactions, and with the “hash power” assets as a value medium, we could establish a blockchain value platform that combines international payments and settlements, credit vouchers, mortgages, loan, financing, re-investment of assets and a series of banking financial assets operations. BHP is committed to solve the existing problems of Bitcoin, relying on the hash power of digital currencies like Bitcoin and Ethereum, BHP could realize a truly decentralized settlement system and issue a credit payment currency based on hash power which is suitable for commercial settlement environment. On this basis, BHP develops a broader range of financial services and products that allow users and mines not only to own digital currency, but also, more importantly, to have more investment and management options and to get more globalized finance income.

Hash power is only a beginning of BHP, to realize a global financial service based on it being our further goal. We invite you to join us to start an exciting exploration journey and promote the digital currency economy to a more wonderful future!



BHPC Initial Token Sales Overview

Project Introduction	BHP provides publishers and investors a blockchain financial system platform which is based on hash power guarantee.
Token code	BHPC
Token background	First to give ERC-20 standard token on Ethereum blockchain, in the future HBP will have its own independent blockchain system
Start date	25 Feb 2018
BHPS token's price	0.55USDT for cornerstone investors, and during ICO stage, the price of digital currency will be calculated in the participating-period price, please refer to Chapter VII for the price rising ladder
The proportion of tokens (crowd funding participants)	75%
The proportion of tokens (company team \ community building)	25%
Pre-ICO hard top amount	13,750,000USDT
ICO hard top amount	36,100,000USDT
Managed funds	Deposited in escrow accounts requiring multiple signatures and managed by the Fund of the BHP
Rewards for token holders	During the ICO, users who participate in the token ICO will receive a mining reward per day(every 24 hours) from the BHP Cooperative mines
Accepted encrypted digital currencies in crowd funding	ETH、BTC、BCH、ETC、DASH、ZCash、EOS

Contact us

Email : info@bhpcash.io

Website : www.bhpcash.io

