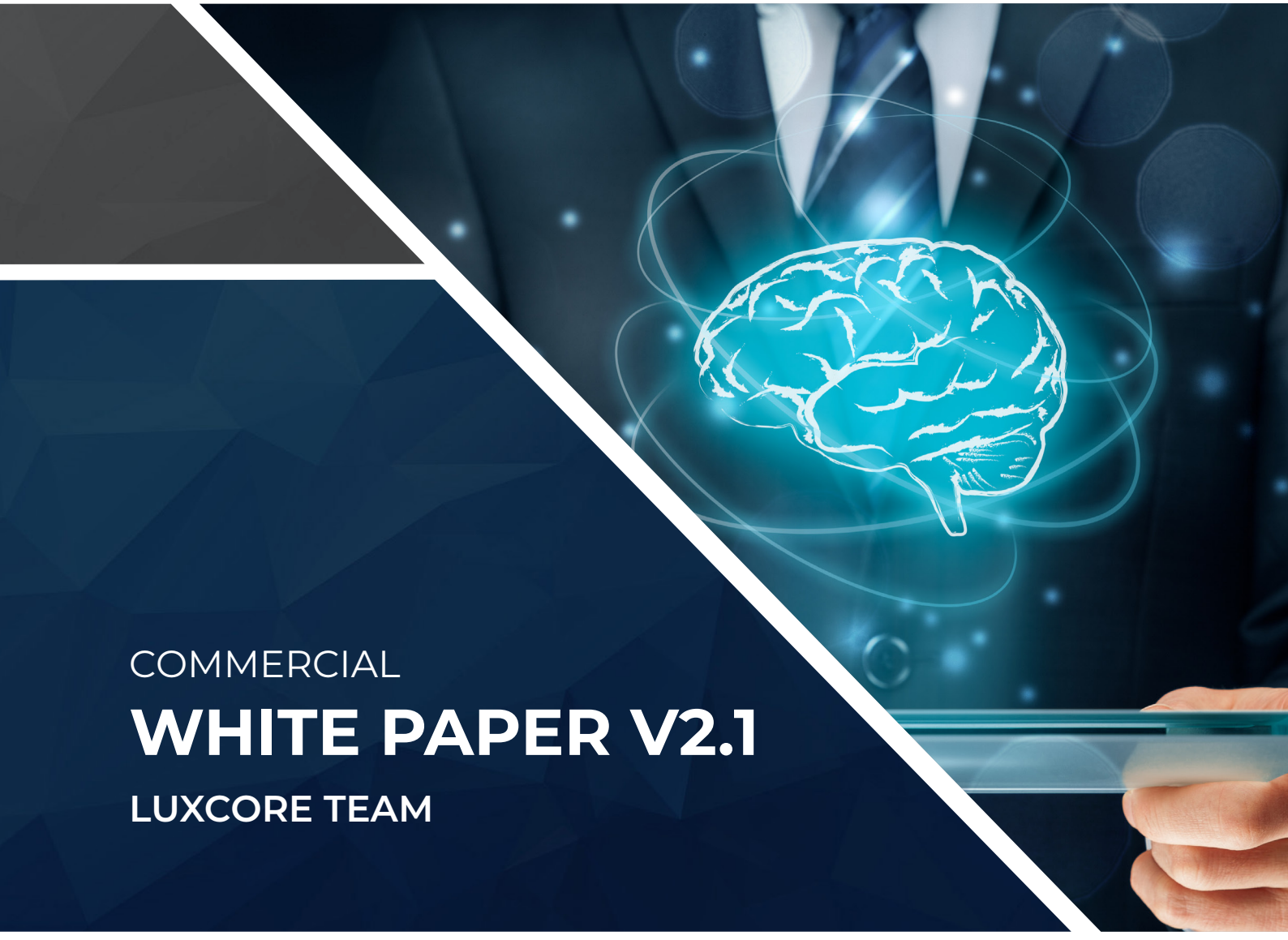
LUXCORE



COMMERCIAL

WHITE PAPER V2.1

LUXCORE TEAM

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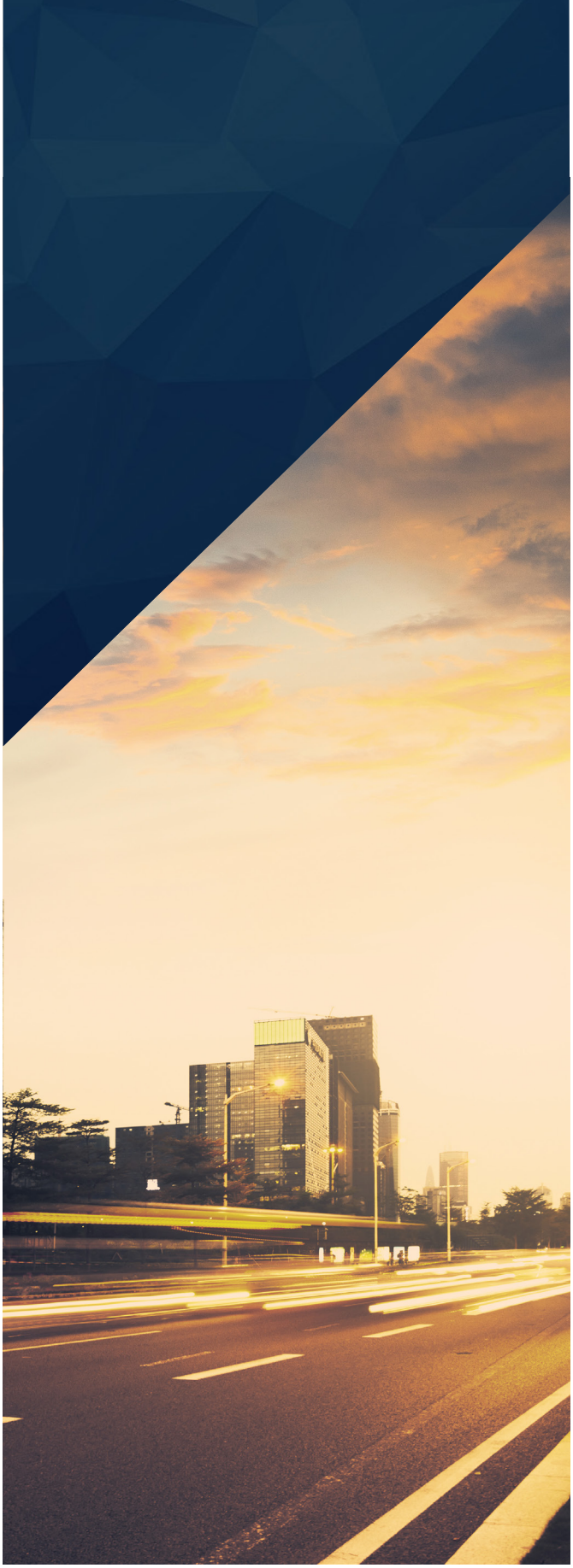


Executive Summary

This commercial white paper provides a detailed overview of LUXCORE Ecosystem and an insight to the commercial aspects of the business as well as the public blockchain commodity, LUXCoin.

This aims to provide information about LUXCORE's value proposition, the blockchain's features, products and the revenue streams.

It further looks at the roadmap, the organization and key drivers of the business.

WHAT IS LUXCORE & WHY?

Underlying technologies of applications we use and how enterprises carry out their businesses are already being transformed by the advent of blockchain technology. Along with smart contracts, the world is in the process of moving to a trustless, paperless and secure economy, be it the transfer of data, assets, legal contracts or even for entertainment. While Bitcoin led us on this revolutionary path, the landscape of blockchain technology has seen tremendous technological advancement in the past few years with the help of many innovative blockchain projects.

We have already seen the power of distributed ledgers as a single source of truth: in financial transactions, improvement in network stability and consensus rules, decentralized treasury systems, secure anonymous and private transactions of data, significant increase of transaction speeds, digital contracts, DAOs, DApps and even cross blockchain communication systems.

But very few companies offer customizable and bespoke blockchain solutions for end users, enterprise and institutions that incorporate the best features of the current blockchains while being industry agnostic.

LUXCORE's open-source blockchain includes the ground-breaking, energy-efficient, ASIC resistant algorithm PHI1612; the tradeable commodity, Lux Coin; Masternodes that act as a network security and rewarding system; Smart Contracts; and SegWit for improved transaction size and malleability.

The closed-source products, focused on service providers, enterprises and institutions, include Parallel Masternodes (PMN), LuxGate, PoS Enabled Web Wallet, DApps and blockchain implementation and consulting services.

LUXCORE will provide a set of unique protocols and tools for easy integration across businesses that requires secure intra-organizational blockchain or permissioned blockchain networks. With its upcoming consulting arm, the company aims to set up, maintain, and improve such networks for organizations and institutions.

Other blockchain solutions take an Us vs. Big Business or Us vs. Governments approach. LUXCORE's blockchain solution and IT Services are built to help all three parties by allowing various levels of features and security for the user as required.

FIRST OF ITS KIND

SMART CONTRACTS | SEGWIT | PARALLEL MASTERNODES | LUXGATE

LUXCORE'S VALUE PROPOSITION

Privacy & Security

While many of the blockchain solutions focus on individual user privacy and security through cloaking or different forms of coin mixing, LUXCORE extends a superior private network approach to security through LuxGate and PMN which is encrypted via **SAM protocol & i2pd technology**. These products offer clients a secure blockchain-based channel for data and functional transactions.

Cherry-Picked Solutions

Each of the major blockchains in existence today has championed one or the other feature, be it Masternodes, anonymous transactions, Smart Contracts, or SegWit to expand their use case. LUXCORE has cherry picked some of these significant attributes and brought them together under one ecosystem.

Enterprise-Ready Architecture

Apart from the security of private networks running its own chain, by using LuxGate, enterprises and institutions will be able to access and run domain specific DApps or customized applications on their private networks. These can be deployed on location or on the cloud as per requirement.

Scalable Ecosystem

The number of private networks or permissioned blockchains that can be integrated through LuxGate and PMN are unlimited. Each of these chains could run a specific application or have a specific functionality embedded.

LUXCORE BLOCKCHAIN

LUXCORE BLOCKCHAIN

The word LUX is LIGHT in Latin. By offering a faster, more efficient, more secure and private transaction solution for individuals, institutions, and governments, LUXCORE sheds a new light on the mainstream usability of blockchains.

LUXCORE's PHI1612 presents the most efficient ASIC-resistant GPU mining algorithm, with faster hash rates and reduction of power and heat consumption by 10%. This is scientifically verifiable the details of which will be made available in the technical paper.

LUXCORE blockchain features are available to end users at no extra cost. Anyone who uses the commodity LUX Coin can access the blockchain using LUXCORE wallets or mine to support the network and earn rewards. The security features of the blockchain are also available for everyone. As a hybrid chain that supports both Proof-of-Work and Proof-of-Stake, the chain is more secure than traditional ones. The seed nodes, full nodes, and wallets that are unlocked for staking, also provide further network stability.

Specifics and Rewards

There are three distinct ways for miners and commodity owners to be rewarded: **Proof-of-Work (PoW)**, **Proof-of-Stake (PoS)**, and **Masternodes**.

PROOF-OF-WORK (POW)

Conceptualized by Cynthia Dwork and Moni Naor and coined by Markus Jakobsson and Ari Juels, PoW was essentially a way to deter cyber-attacks. The ever-ingenious Satoshi used this approach to create a distributed trustless consensus network by performing computations (mining) to facilitate transactions on the blockchain. The computational difficulty in performing these tasks has an impact on the effort and time required, and the "miners" performing the computational tasks are rewarded for their effort.

LUXCORE uses PoW as a method for establishing the distributed trustless consensus network and to ensure seamless transactions

Total Blocks: 6M
Block Size: 4MB
Instamine Protection: 500 blocks
Block Rewards: 10 LUX
Block Time: 60 seconds
Transaction Confirmations: 10 blocks

Minimum Transaction Fee: 0.0001

PROOF-OF-STAKE (POS)

Proof-of-Stake (PoS) is another form of achieving distributed consensus and validating transactions where the creator of a new block is chosen in a deterministic way, depending on the weight and time of their holdings.

LUXCORE's PoS 2.0 is a static reward system, not a dynamic one. PoS system gives a static reward to all individuals staking, regardless of the amount of coins held in the wallet. Those who hold more coins are rewarded more often. This means having your wallet open and staking is a great way to increase your coins.

A Lux Coin achieves maturity for PoS after being in an online unlocked wallet for 36 hours.

PoS 2.0 Static Reward:
- From block 1 to 100,000: 2 LUX
- After block 100,000: 1 LUX
60% of the reward is for staking (0.6). 40% of the reward is paid to the Masternode (0.4).

Minimum stake age 36 hours
No maximum PoS age

LUXCORE
FEATURES

LUX MASTERNODES

Any computer mining LUX or staking LUX is considered a node or connection to the blockchain network. The more nodes, the stronger the network. A Masternode is a 24/7/365 dedicated server connected to the blockchain network that further enhances the network stability and supports the LuxSend functionality. To run a Masternode, a user is required to have 16,120 LUX in a wallet.

Masternode owners earn rewards for supporting the network and providing the additional services. These rewards are called Proof-of-Service rewards. The Proof-of-Service payment comes from 40% of the Proof-of-Stake and are randomly paid to the Masternode owners. Currently the Masternode system is being rewarded 0.4 LUX and the PoS is being rewarded 0.6 LUX for every PoS block found.

SEGWIT

Through the introduction of SegWit, LUX will separate transaction signatures. This is achieved by stripping the signature from within the input and structuring it to the end of a transaction. This ensures higher security as it prevents the receiver from intercepting and modifying the sender's transaction ID in a bid to get more coins from the sender as the data is "detached" from the transaction.

With a current block size of 4MB and block time of 60 seconds, the addition of SegWit will effectively increase transaction size and address transaction malleability issues currently plaguing blockchains. This will prove critical in the scalability of the LUXCORE blockchain. This paves the way for the introduction of Lightning Network in the future.

SMART CONTRACTS

Enable the unification of blockchains through LuxGate and PMN. These Smart Contracts can be deployed directly from the wallet and can trigger cross-network transactions and tasks based on pre-defined conditions.

This enables the technical scaling of the network to build Enterprise DApps on the LUXCORE chain. Smart Contract transactions will benefit from other features like improved scalability, privacy, low fees, and security.

TRADING WALLET

LUXCORE's trading enabled wallet will let you stake your coins and trade them too! Exchanges are not the safest place for your LUX, and when your LUX coins are on the exchange, you will not receive any PoS reward. The trading wallet allows you to trade your coins directly from your wallet.

LUXSEND

is a form of coin-mixing that provides an additional layer of privacy. The coin-mixing service provided by the LUX Masternode Network will ensure trustless mixing of coins to obfuscate their origin, wallet details, and addresses. LuxSend also enables **instant transactions**.

MULTI-SIGNATURES

With a view on security in mind, LUX will have **Multi-Signatures** enabled. No longer will funds be under a single point of control or failure. This gives users yet another level of security while using LUX Coin.

Here are some use cases of Multi-Signature Transactions:

1-of-2 Signatures can authorize the transaction. A couple may share a joint LUX account and have two separate signatures. Either of the two is sufficient to authorize a transaction.

2-of-2 Signatures A couple share a joint account, but both parties' signatures are required to authorize a transaction, thus preventing one party from moving the LUX without the approval of the other.
The number of Signatures can be as large as needed to protect the account and allow for sufficient oversight.
For example, LUX development and business funds will be held in multi-signature accounts requiring 2-5 or 3-5 signatures.

LUXCORE

PRODUCTS

LUXCORE's core products are closed source and will typically follow a licensing or subscription-based model. Core products along with blockchain features, such as Smart Contracts and SegWit, enable customers to create a single private sustainable ecosystem for their business needs.

POS ENABLED WEB WALLET

LUXCORE's Web Wallet is the first and only PoS Enabled Web Wallet in the blockchain space that does not pool coins for staking. This product is now live and enables staking at 0% energy usage for the end user who does not have to leave their computer open.

Our unique web wallet will remain free for LUX users and is available here: http://lux.poswallet.io/

PoS Enabled Web Wallet-as-a-Service will be licensed to other blockchain assets and providers in the market with customizations and service add-ons. The Licenses and Service options for the PoS Web Wallet-as-a-Service will be available for purchase using LUXCoin, thus adding value to the LUXCoin economy.

LUXGATE

is nothing short of a technological marvel in the blockchain space. LuxGate will allow communication between validated blockchains with the ability to perform advanced functions and tasks.

In simple layman terms, LuxGate, with the help of Parallel Masternodes, acts as a cross-blockchain unifying bond between two different ecosystems.

For example, the Bitcoin blockchain can engage with Ethereum blockchain or Monero blockchain or Zcash blockchain.

PARALLEL MASTERNODES

The enablement of this private network aims to address reliable and secure needs of enterprises and institutions.

This feature is built on the revolutionary i2pd Technology and SAM Protocol thus enhancing LUX's security capability. The Parallel Masternodes will only be available to verified and vetted business and government institutions and will act as a secure information gateway on the blockchain.

Any function, wallet, or transaction on the Parallel Masternode will be encrypted with the ip addresses auto-changed. These wallets and transactions are invisible to prying eyes to meet institutional security prerequisites.

PERMISSIONED BLOCKCHAIN DEVELOPMENT & CONSULTING SERVICES:

LUXCORE will provide bespoke permissioned blockchain creation and customization services.

With the help of LuxGate and PMN, these private networks will be able to communicate with similar chains and could have their own specific features, for example, a different transaction throughput or even a completely different protocol.

This will follow the specific requirements of the customer and can have different features from the LUXCORE public blockchain. This will also provide flexibility to enterprise users and may be maintained and managed by the LUXCORE operational team as required.

DAPPS

LUXCORE will develop and deploy both free and freemium model DApps for the end users. These may be used in conjunction with the Smart Contract feature.

Business DApps will also be developed considering possible requirements and needs of the enterprise users. These may be exclusive for a specific business and deployed directly on the private network.

Custom DApp solutions and business application integration through PMN and LuxGate will enable cross network usage.

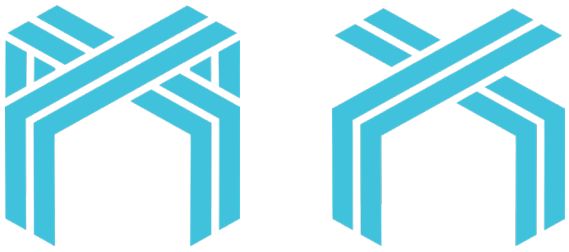
LUXCORE

PRODUCTS

LUXGATE & PARALLEL MASTERNODES FUNCTIONALITY & HIGH LEVEL USE CASES

LuxGate will be able to interact with centralized functions (e.g. banking institutions) along with the PMN private network, which will act as an autonomous system on behalf of the function. LUXCORE will provide the required technology assistance and consultancy services to set up PMN and will support the deployment of the private network for private institutions. These networks will be centralized trustworthy environments and will be verifiable by the customer to validate legitimacy of the transactions.

With the help of this functionality LUXCORE aims to disrupt the traditional banking transactional systems. LuxGate and PMN can work cross algorithm and will be system agnostic compared to other blockchain competitors in this space. A specific feature from a security perspective is the ability of LuxGate and PMN to strengthen two layers of differing safety algorithms to be unified at a combined strength level. LuxGate and PMN, together, enable the deployment of Permissioned Blockchains and support the interoperability between networks and chains. Permissioned blockchains are key to the creation of private networks for organizations with different features from the main LUXCORE blockchain.



LUXCORE'S
REVENUE STREAMS

REVENUE GENERATION FOR LUXCORE FROM A PRODUCT PERSPECTIVE IS FROM THE FOLLOWING SEGMENTS.

LUXGATE & PMN SETUP AND LICENSING

LUXCORE plans to follow a licensing model for the setup of LuxGate and Parallel Masternodes. Banks, businesses, and governments will be vetted before they can purchase a Parallel Masternode and LuxGate solution. Licensing cost will include setup and maintenance costs which will be carried out by the LUXCORE operational team.

PERMISSIONED BLOCKCHAIN CREATION AND CUSTOMIZATION

LUXCORE will provide bespoke permissioned blockchain creation and customization services. These will follow the specific requirements of the customer and can have more features than the LUXCORE public blockchain. This will also provide flexibility to the end user and may be maintained and managed by LUXCORE operational team as required.

E-DAPPS

Another key offering from LUXCORE are consulting services to improve the efficiency, features, or modification of a blockchain solutions. This scope covers all segments, and pricing will be based on the complexity, scope, and requirements of the customer.

SOLUTIONS AND SERVICES CONSULTING

Application development on the LUXCORE blockchain will follow both free and freemium model. Custom DApps for enterprise customers will be another key revenue stream. These may be built on the permissioned blockchains or will follow a feature-based pricing.

POS WEB WALLET MONETIZATION

LUXCORE's PoS Enabled Web Wallet will be licensed and monetized as a PoS enabled Web Wallet-as-a-Service to other blockchain assets and providers in the market with customizations and service add-ons. The Licenses and Service options for the PoS Web Wallet-as-a-Service will be available for purchase using the LUXCoin commodity.

TARGET MARKETS AND SEGMENTS

Key markets for LUXCORE products depend on use cases of the core offerings. LuxGate and PMN solutions are primarily positioned to meet the demands of private enterprises, public institutions, local government bodies, and banks. The map below represents the key target geographies.

Consulting services focus on similar areas while special attention will be given to bringing small and medium businesses and projects in emerging economies under the blockchain ecosystem

.

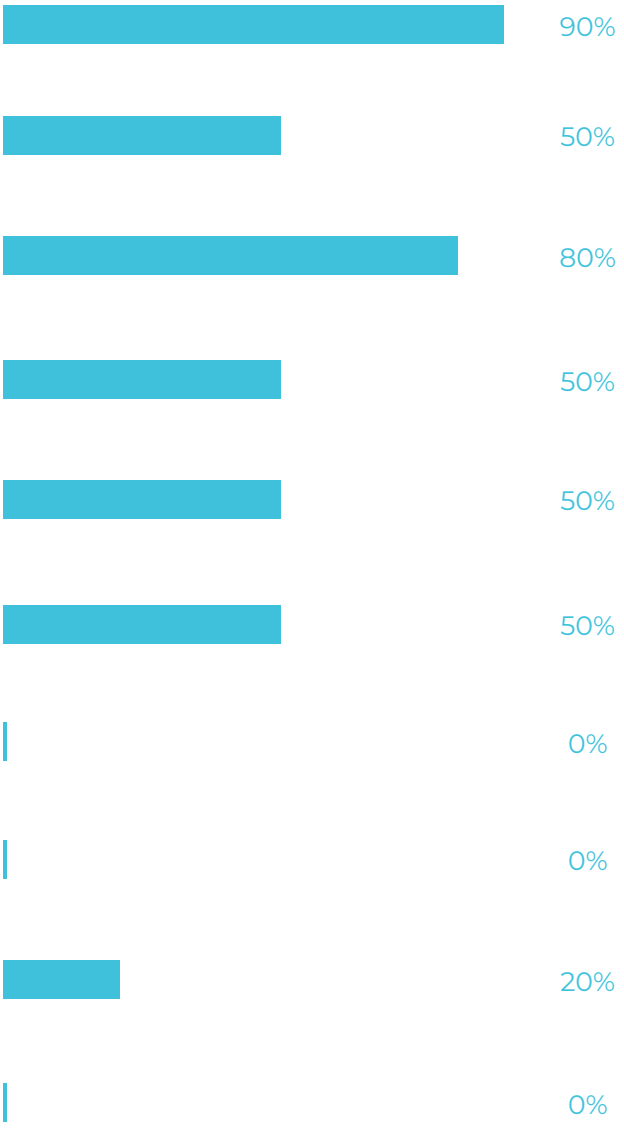
In 2018, the global blockchain technology market is predicted to reach $548.2 million USD in size and is forecast to grow to $2.3 billion USD by 2021. LUXCORE is uniquely positioned to take advantage of this growth.

WE ARE WORKING HARD

TAKE A GLANCE AT 2018

COMPLETED

IN PROGRESS



LUXCORE

HIGH-LEVEL FINANCIALS

LUXCORE did not have an ICO and is funded by the initial pre-mine, which was 5% of total supply, at 3m LUXCoin. This is expected to fund the project for 2 years until the revenue streams are active, after taking into account a proposed burn.

Key expenditures from a budget perspective are Research and Development, Human Resources, Marketing and Listings, and Regional setup costs apart from reserve funds.

RESEARCH AND DEVELOPMENT

REGIONAL SETUP

HUMAN RESOURCES

MARKETING AND LISTINGS

CONTINGENCY & RESERVE FUNDS

MEET THE
TEAM

A truly virtual team, LUXCORE as a business, is currently registered in Australia. Following the creation of a legal entity, the central organization will move to a different location (TBD). The organization will have regional offices in Australia, EU, and the US to address regional requirements and business needs.

LUXCORE Team is comprised of a core team for strategic decision making. The core team is supported by an outstanding pool of talent, which forms the backbone of our organization - the operations team for both development and business.

JOHN MCAFEE

CEO

216K155

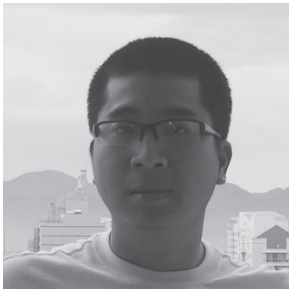
CHIEF PRODUCT OFFICER
CORE DEVELOPER
LUXCORE CO-FOUNDER

GUILLAUME HUOT

CHIEF OFFICER
OPERATION

COSMIN TUDOR

GROWTH OFFICER
PRODUCT
DEVELOPMENT



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CORE
DEVELOPER

MAXIM DZEKELEV

DEVELOPER
LUXGATE & PMN

MEET THE
TEAM

JOHN KIM

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WALLET/IOS/ANDROID
WALLET

LUXCORE.IO

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