

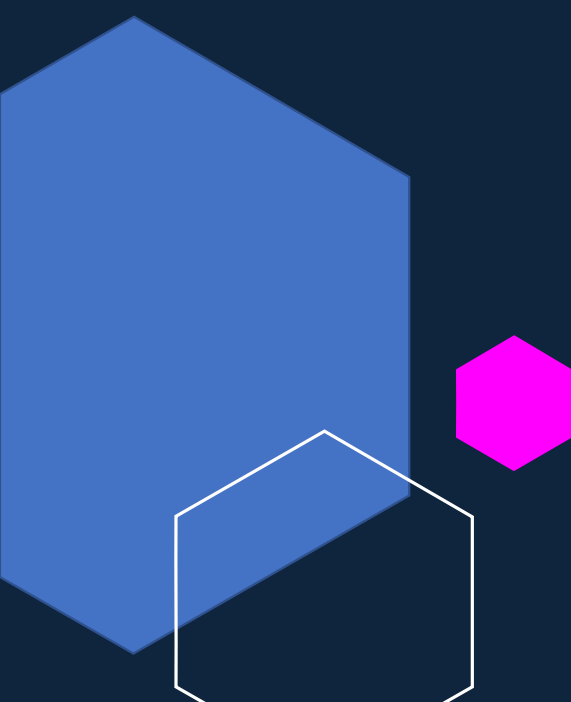


HEX

Everything you need
to know

Cryptogoose  @CryptoGoose5848
 @Cryptogoose11

Shelby350R  @CryptoR07477620
 @Shelby350R



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Topics



1. What is HEX?

2. Inflation: HEX vs Bitcoin

3. Why is HEX a superior cryptocurrency?

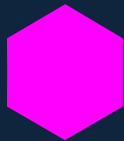
4. HEX Shares explained

5. Why HEX is not a Ponzi Scheme

1. What is HEX

HEX is a cryptocurrency built on the Ethereum network that was designed to promote and reward the most successful and important fundamental market behaviour of investing....

Buying and Holding





Investors that hold long term, delay their gratification and demonstrate their commitment to the long-term success of the product. HEX rewards investors who follow this good investment behavior (i.e. Staking their tokens for a period of time) by providing them with a substantial, above average yield.

Yield is generated “trustlessly” via the HEX smart contract and is derived from the inflation of the token supply. The token’s inflation is fixed and set in the immutable HEX code. All the inflation is then distributed, as a reward in HEX tokens, ONLY to those investors who are staked.



2. Inflation: HEX vs. Bitcoin

Bitcoin (and most other cryptocurrencies) inflates its currency by generating Bitcoins through its “mining” operation. Similarly, HEX generates inflation, except without miners, but via the immutable smart contract.

This inflation is distributed and proportionately shared amongst all the investors who stake (Stakers) their HEX. Stakers accumulate HEX every day for the entire duration of their stake. HEX not only creates wealth and value from price appreciation, but also from continuous coin accumulation for Stakers.

3. What makes HEX a superior cryptocurrency?



Finished Product -
Immutable Code – No
Admin Keys



Censorship Resistant



Dedicated, Intelligent and
Helpful Community



100% Uptime – Zero Bugs



Trustless Yield



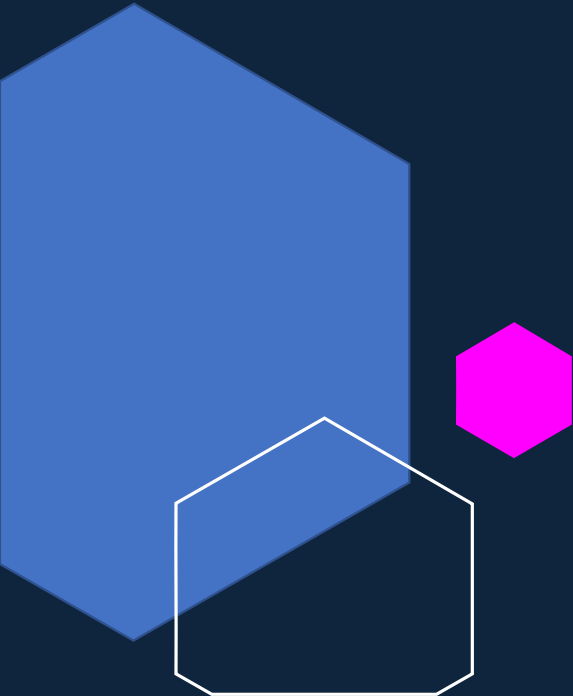
100% Decentralized
– No Counterparty
Risk



Multiple User
Interfaces



2 Security Audits
and 1 Economic
Audit





4. HEX Shares explained...

Basics / Definitions



In HEX, in order to participate in the yield distribution, you must “Stake” your liquid HEX

Staking is the act of locking up your HEX for a fixed period of time

When you stake, your HEX is converted to “Shares” (the liquid HEX is burned for newly created Shares)

Your Shares represent your respective percentage of the overall distribution of the yield... ie, “your piece of the pie”

Example:

- Total # of Shares in the staker pool = 100
- You own 2 Shares
- Therefore, You receive 2% of the total daily payout (in HEX) each day
- Yield is made up of the inflation (3.69% APY of total supply) plus penalties from Emergency End Stakes/Late End Staking
- T-Share = a Trillion shares
- B-Share = a Billion shares

HEX Shares explained...

Converting HEX to Shares



Calculation of the # of Shares you will receive:

The amount of HEX to be staked/"Share Rate"

Share Rate is the amount of HEX required to acquire a Trillion Shares (T-Share)

(ex. Share Rate (Dec 9, 2021) = 19,678 HEX/T-Share)



HEX Shares explained...

Converting HEX to Shares



To encourage people to stake longer and bigger (larger amount) there are 2 separate bonus features

1. Longer Pays Better

- You receive 20% more “Effective HEX” for each year you stake
- Effective HEX – This is used to calculate your Shares
- This bonus has a maximum of 200% additional “Effective HEX” (i.e. 10 year stake)
- The Effective HEX is then used to determine your # of Shares

2. Bigger Pays Better

- The larger the amount of HEX you stake, the more you make
- You can receive up to an additional 10% Effective HEX (capped at 150 million HEX)



HEX Shares explained...

Converting HEX to Shares



*Bonus Example:

- 100,000 HEX : 5yr Stake : Share Rate = 20,000 HEX/T-Share
- Effective HEX = Principle + (Principle*(years of Stake*20%))
- $100,000 + (100,000 * (5 * 20\%)) = 200,000$ Effective HEX
- Formula : # of Shares = Effective HEX/Share Rate
- $200,000 \text{ Effective HEX} / 20,000 = 10 \text{ T-Shares}$
- **NOTE:** the amount of T-Shares remains constant for the duration of your stake.

*Note: The Bigger Pays Better Bonus has been ignored for simplicity in this example.



HEX Shares explained...

Longer Stake outperforms multiple short Stakes



Fundamental Principle : A long Stake will outperform multiple successive short Stakes

Problem : In the development of HEX, it was realized that placing short Stakes and using the yield to compound back into a new Stake & repeating this multiple times (over months/years) would create a scenario where this compounding effect would outperform a single long Stake over the same duration.

Solution: HEX developers designed an ingenious feature that will force the Share Rate to continuously ratchet up incrementally (i.e. Share Rate will never go down).

Solution Rule : When your Stake ends, you cannot create a Stake with equal parameters (same amount of HEX and same length of stake) and receive the same # of Shares.

HEX Shares explained...

Share Rate Ratcheting: How is this done?



*Stake Start:

- # of T-Shares = # of HEX/T-Share Rate
- # of T-Shares = 100,000/20,000
- # of T-Shares = 5
- Yield (at Stake maturity of 30 days) = 5 T-Shares x 6 HEX/day x 30 days = 900 HEX

Recalculation and check of the share rate

- At Stake maturity: In order to satisfy the Rule, The contract will perform a calculation where the amount of Shares is now **FIXED** and uses the new amount of HEX (Principle plus Yield) to solve for new T-Share rate. This is expressed as follows.
 - # of T-Shares = # of HEX (Principle + Yield)/T-Share rate
 - Rearrange and solve for T-Share Rate
 - T-Share Rate = # of HEX (Principle + Yield)/# of T-Shares
 - T-Share Rate = 100,900HEX/5 T-Shares
 - T-Share Rate = 20180
 - Notice that 20,180 is incrementally greater than 20,000 (original Share Rate)
- This is your new T-Share Rate. It is then compared to the existing system global T-Share Rate. If this rate is greater, it will set the new global T-Share Rate for you and everyone else. If not, (ie: global rate is higher than your new rate), then you will need to use the global rate if/when creating a new Stake.
- This recalculation and check is performed at the conclusion of every future Stake. This is how the T-Share rate continuously ratchets up.

HEX Shares explained...

*Note: In the example, Bigger pays better was ignored for simplicity

5. Why HEX is NOT a Ponzi Scheme?



PONZI

 HEX

Generates returns for older investors by acquiring new investors, who are promised a large profit at little to no risk

Investment scheme is premised on using new investors' funds to pay the earlier investors

Returns (Yield) is generated trustlessly via the immutable smart contract

Returns (Yield) is not affected by new users. The Yield (/year) is 3.69% of the Total supply and shared amongst the Stakers

In reality, the more ppl who buy and Stake HEX, the lower the daily payout (Yield) will be for each Staker

A decorative graphic on the left side of the slide consists of a cluster of hexagons in various colors including blue, purple, pink, white, and grey, arranged in a honeycomb-like pattern.

Helpful Links

- <https://www.howtopulse.com/hex/>
- <https://hexdailystats.com/>
- <https://hexsafe.win/>
- <https://hex.com/>
- [Hexfire.io](https://hexfire.io)