

# GENO COIN

Linking the standard financial model to present day technology of  
crypto currency and blockchain

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# INTRODUCTION

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# Description:

## Product:

A digital unit of value that will solve the most lingering problem in the financial and monetary systems: inflation, by applying a uniquely developed system and algorithms to stabilize investment returns to consistently provide value that counters inflation.

## Addressed industry segment:

Filling the gap in the digital currency segments between:

1. Volatile, but value providing **Unstable Coins**.
2. None volatile, but none value providing **Stable Coins**.

## Guidance & conduct:

Maintains a high level of ethics and morality in investment choices.

# Market:

## Driving force:

- ▶ Unique marketing which offers participants the opportunity to eventually become highly paid stake owner in the project (A Public Participation System)
- ▶ A unique investment product that offers:
  - ▷ Low point of entry.
  - ▷ High level of flexibility.
  - ▷ Absolute security and stability.

With the current development of local societies, and by capitalizing on continuously expanding needs of individuals.

## Market segment:

Emphasis will be on the younger generation, offering them an excellent, never-before offered product that can fill the gaps in all the current financial instruments offerings, specifically the inflexibility of the banking system and the murky value of currency offerings, and countering the most pressing issue of the financial systems: **Inflation.**

## Sources of income and returns:

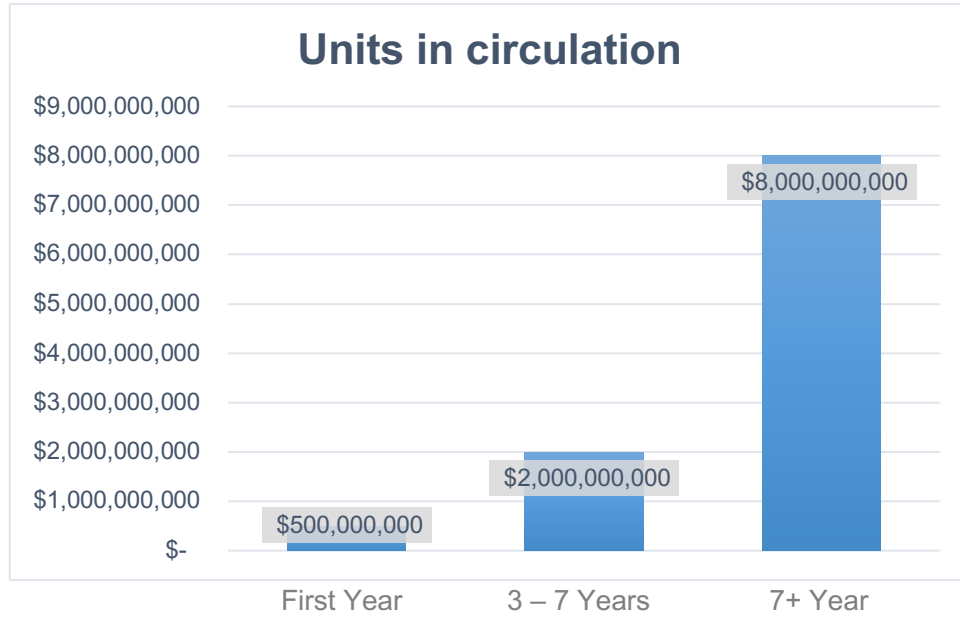
The major source of input are fees on three different axis:

- ▷ Transactional fees:  
User to user and user to business.  
Initial value: 0.04%
- ▷ Management fees:  
RIA funds management.  
Initial value: 1.6%
- ▷ Redemption fees:  
Upon disengagement of underlying assets.  
Initial value:2.5%

## Projections

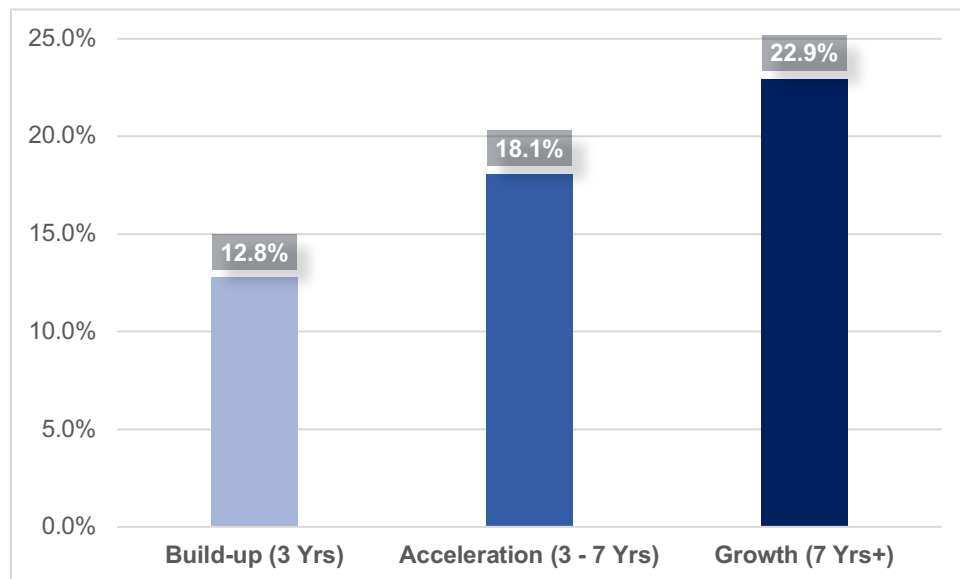
**Units in circulation growth:**

*Graph 0.2*



## ROI for Public Contributors:

Graph 0.4



\*Average per period.

## Public contributions takeaways:

Public contributors will have a once in a lifetime unparalleled opportunity.

- ▶ Security: *100% secure*
- ▶ Recursive: *High level of recursive value*
- ▶ Penalties: *None*
- ▶ Option: *Public contributor discretion termination\**

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# 0. INTRODUCTION

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urrent, prevalent money value holding options are not the most efficient or convenient.

They are either very restrictive in nature, or leave the individual to fend for himself in the wild world of financials.

The new model described herein will provide that neglected segment a value holding monetary option which, until recently, was unheard of.

It is certain that with the continued development of technology and its permeation into the investment and financial world, the ones who will apply it in a unique manner and utilize its efficiency will lead the future of investment, and open unfathomable doors of opportunity.

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# **1. DUAL COIN SYSTEM.**

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# One System. Two Coins. One Solutions.

## Dual Coin System

Linking two coins so that each solves the deficiency in the other, creating the ultimate form of a stable coin and a new type of coin not based on instability, but rather on justified growth.

A situation where the outcome is greater than the sum of the parts.

Geno is the ultra-high growth coin. It is Always profit distributing. Always highly appreciative in value. And always justified in value

Stable Growth Coin is the stable growth coin. It is not an ordinary stable coin. It is Always with underlying backing. Always verified, and always consistently increasing in value.

## Perfect Synergy.

### Growth, Value, & Stability

A uniquely linked system of two coins where by ① issuing Geno the growth coin that will be sold on the global exchanges ② raising capital, which will be used to ③ increase pre-backing to ④ issue new Stable Growth Coin to cover the increased demand leading to ⑤ more transactions being performed between the holders of Stable Growth Coin.

As our system is based on transactional fees, the more transactions there is, the more the fees, which generates ⑥ more profits, that will be transferred to the growth coin and ⑦ profits are paid out to holders of Geno in the 1st system ever capable of this on the coin level leading to a justified ⑧ Increase in value.

# Exponential value Increase. Next level Usability. Hand in Hand.

Capable of having an unlimited source of backing for Stable Growth Coin. Developed a completely innovative Public Participation System, in which we utilize the public's financial resources for backing every time there is an increase in demand and there is a need to issue new Stable Growth Coin, in exchange for a share in the profits produced by the system through their ownership of Geno Coin.

## Stable Growth Coin

Transactions per second	Ethereum Chain Based
Controlled Fungible	✓
Upgradable	✓
Commercially ready	✓
Controlled Value Increase	✓
Total Supply	∞

## Geno Coin.

Rights Centric	✓
Fungible	✓
Upgradable	✓
Commercially ready	✓
Value Appreciation	Yes
Total Supply	∞

## Fully Compliance Friendly

Outperforming alternatives in features and specs, and bypassing all their misgivings, making Stable Growth Coin the most desirable public choice.

Being completely decentralized by opening the standard for 3rd parties to develop the wallets, so we do not produce a company centric centralized wallet, and as such We Are Always Legally Indemnifiable and are Never Accountable for The Movement of the Coin and we are Alleviating all the Burdens Of KYC, and always being Governmentally Compliant Globally.

# Stable Growth Coin.

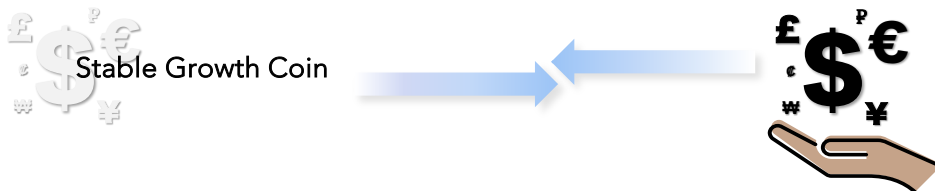
## True value. Beginning to end

### 1 Presale. Backed & Secure.



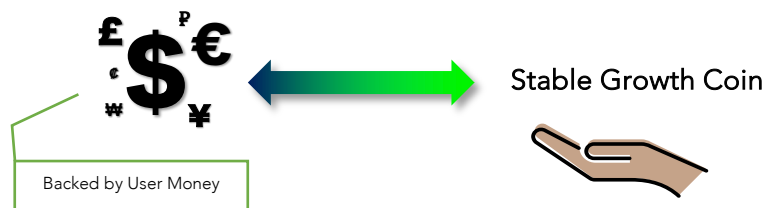
Stable Growth Coin is issued in relative ratio to already preexisting backing. It is always issued based on the value of the underlying backing.

### 2 Sale. Value & Price Stable.



Once purchase of Stable Growth Coin by an end user is complete, the end user paid amount is then used to back up Stable Growth Coin.

### 3 Post-sale. Backed & Secure.



Every Step of the way, Stable Growth Coin value is maintained, secure, increasing, and guaranteed.

# Model Validity

The Office of the Comptroller of the Currency (OCC) is an independent bureau within the United States Department of the Treasury and serves to charter, regulate, and supervise all national banks and thrift institutions and the federally licensed branches and agencies of foreign banks in the United States.

- Through the OCC Interpretive Letters 1170, 1172, and 1174, issued in 2020 and 2021, the OCC has opened the door for banks to engage in custodial services of Cryptocurrencies and Digital Assets.
- In their report “Chartering the Fintech Future”, December 2020, they set the outlook for a meaningful Digital Currency system based on three criteria:
  - Based on a sound business model.
  - Offers a stable value coin.
  - Based on decentralized blockchain network.

Such a system would provide the following benefits:

- + Reduce transaction costs.
- + Increase payment speed.
- + Reduce hacking risks.
- + Raise interest paid on accounts.
- + Lower systemic risk
- + Reduce criminal activity
- In their Joint Statement titled “Crypto-Asset Policy Sprint Initiative and Next Steps”, Published November 23, 2021, they reaffirmed what was set forth in the earlier mentioned Interpretive Letters, which reaffirms that Digital Currencies are here to stay if implemented correctly.

The landscape of the Crypto and Digital Currency market is devoid of any structure or system that fulfills the OCC criteria, until now.

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## **2. VALUE HOLDING AND TRANSFERENCE**

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# Established and contender

## Holding and transferring value:

Currency is the number one holder of value for the majority of the population without a close alternative. Holdings of the public in banks exceed \$80 Trillion. The general public hold more cash and cash equivalent than any other type of asset to preserve value. The number one holder of value and the tool of transference of value is fiat currencies, with cryptos posing a very small alternative, with a total value of less than a \$2000 Billion dollars.

### ► Pros and Cons:

## 1. Stable Coins

### Pros:

- ▲ Stable.
- ▲ Fiat backed.
- ▲ Universally accepted.

### Cons:

- ▼ *Fiat backed.*
- ▼ No true assets backing.
- ▼ Politically influenced.
- ▼ Intrinsically inflatable.
- ▼ Relative value.
- ▼ Value degrades with time.

## 2. Unstable Coins

### Pros:

- ▲ Increases in value.
- ▲ Not affected by politics.
- ▲ Easily transferable.

### Cons:

- ▼ No true underlying value.
- ▼ Value based on goodwill.
- ▼ No true assets backing.
- ▼ Value dependent on traders.
- ▼ Policy affected.
- ▼ Volatile.
- ▼ Relative value.
- ▼ Prone to lose all value.

# New Model

## Solving the value problem:

The integration of several businesses to funnel into one operation, where every entity plays to its strengths, while involving the public into sharing the load, the responsibility, and the benefits.

The role of the public will transcend being at the receiving end of the efforts and services provided to them by institutions.

### Pros

- ▲ Stable.
- ▲ Assets backed.
- ▲ Value appreciative.
- ▲ Secure.
- ▲ Inflation resistant.
- ▲ Instantaneous transferability.
- ▲ Flexible redemption ability.
- ▲ Transparent.
- ▲ Hybrid decentralized / focal.
- ▲ Politically agnostic.
- ▲ Community driven.
- ▲ Cutting edge technology.

# Comparison to cryptos

## The prospects:

Current offerings to fiat currencies are by large crypto currencies. Based on a sound technological basis in general (blockchain), they have the potential to disrupt the current status quo, if it were not for a number of deal-breaking shortcomings.

## Types of available cryptos:

In terms of relative value and volatility:

### 1. Value based:

- ▶ Coins meant to hold and increase in value.
- ▶ Dominant unit: *BitCoin*.
- ▶ Market share: > 50%

### 2. Stable coins:

- ▶ Coins meant to maintain value.
- ▶ Dominant unit: *Tether*.
- ▶ Market share: < %2

Each of the two major types of cryptos have its own set of advantages. But none the less, they also encompass a relatively large number of disadvantages that renders it unfeasible to be used as an alternative to fiat.

A more advanced system has to emerge that would fulfill the spectrum of requirements to achieve a satisfactory reactional acceptable adoption rate, unfolding it to capitalize on the void presented currently in the market.

## Advantages to dominant units

	<i>New Model</i>	<i>BitCoin</i>	<i>Tether</i>
<i>Utility</i>			
Stable	✓	✗	✓
Appreciative	✓	✓	✗
Commercial	✓	✓	✗
Asset backing	✓	✗	✓
<i>Technology</i>			
Transaction /s	100 000	7	7
Upgradable	✓	✗	✗
Auto fungable	✓	✓	✗
Decentralized	✓	✓	✗
Total supply	∞	21 Million	Undetermined

# Stable Coins

## The future:

As units of commerce and trade, anything that is unstable with no guaranteed underlying value, if it is backed up by assets, will fail to dominate the entirety of the financial markets, as the number one concern when it comes to commerce is the ability to balance the input with the output on a stable unit foundation.

## Comparison to stable coins

	<i>Our Model</i>	<i>Others</i>
Counter inflation	✓	✗
Accountable	✓	mixed
Virifiable	✓	✗
Unpegged to fiat	✓	✗

## Differentiator:

Most of the popular stable coins maintain their price because they are backed with reserves of fiat currency. In other words, the entity that is creating the stable coin guarantees 1:1 redemption of the stable coin in exchange for the underlying currency, although this process usually comes with a fee. In effect, they are all fiat currencies with an overlying blockchain layer.

Our model will utilize fiats to benchmark the value, but not to stabilize it. This makes it possible to function like an asset, but in a stable and secure manner.

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# **3. RESERVES MANAGEMENT MODELS COMPARISON**

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# Current Models:

## 1. Investment Funds

### Pros:

- ▲ Professionally managed
- ▲ Well diversified.

### Cons:

- ▼ Complex fees structure
- ▼ High and diverse fees.
- ▼ Lack of transparency.
- ▼ Lack continuous follow up.
- ▼ Commitment period.
- ▼ Inflexible.
- ▼ Penalties.
- ▼ Chance for mismanagement.



## 2. Self-management

### Pros:

- ▲ Flexible deposit & withdrawal.
- ▲ Full transparency.

### Cons:

- ▼ High risk due to Lack of experience in investing.
- ▼ No professional management.
- ▼ Transaction fees.
- ▼ High minimum account requirement.
- ▼ Time & effort required.
- ▼ Limited diversification.

# New Model:

## Process outcome:

- ▶ Maintains previous model's Pro's.
- ▶ Eliminates previous model's Con's.
- ▶ Adds more value and benefits.

## Pros

- ▲ Professional management.
- ▲ Defined fees.
- ▲ Limited management fees.
- ▲ Full transparency.
- ▲ Unlimited ability to monitor.
- ▲ No commitment period.
- ▲ Flexible redemption ability.
- ▲ No penalties.
- ▲ No chance of mismanagement or fraud.
- ▲ Low risk.
- ▲ No dedication required.
- ▲ Well diversified.

# Competitive analysis:

## Competitors' dis-advantages:

- ▼ Archaic systems.
- ▼ Huge overhead.
- ▼ Entangled internal processes.
- ▼ Overlapping businesses.
- ▼ Local / Domestic focus.
- ▼ Difficulty to globally expand.
- ▼ Lack of focus.

## Our Advantages:

- ▲ **Superior Integrity:**  
By complete separation of every process tasks.
- ▲ **Ethical:**  
Ethical compliant investing.
- ▲ **Expandable:**  
Phenomenal Room for upgrade to higher level services.
- ▲ **Advanced:**  
Technological infrastructure that is built to be ever expand.
- ▲ **Future proof:**  
Plans already in place to provide the next level of service.
- ▲ **Unique Marketing:**  
A unique (patent pending) marketing system will drive unprecedented growth.

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# **5. MECHANISIM. COUNTER INFLATION.**

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# Basic Counter inflation

## **Backed initially prerelease:**

Currency issued after backing secured. Return to original modality of money.

The rift between money and currency is the initial precursor to inflation, as currency will be valued as its supply increases and the pool of availability expands relative to the fixed value of goods and services it can be exchanged for after issuance.

Pegging currency to an initial held asset, even if the asset held is another fiat, fixes the pool of availability relative to the goods and services value at later exchange, and maintains the value of the newly issued currency at the current value of available currency, therefore inhibiting the dilution of value.

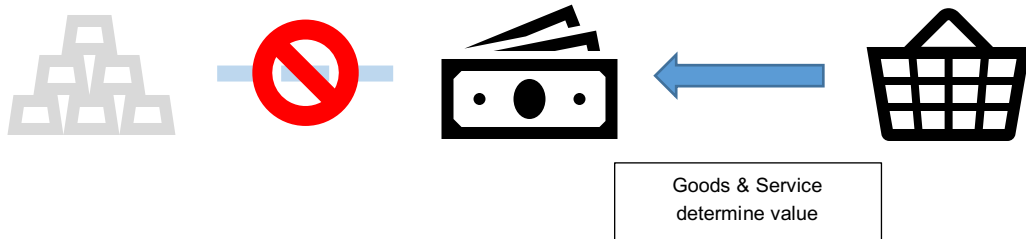
Money and currency synchronization is resorted, since currency is once again a medium of transference of true underlying value of equilibrium maintaining assets.

## **Outcome:**

- Eliminates the rift between money and currency.
- Currency equals money from the initial point.
- Reverses the flow of the relation between currency and goods and services.
- Inhibits the valuation process of currency.
- Sets a true value process for currency.
- Stabilizes the value of currency at later stages of increased supply.

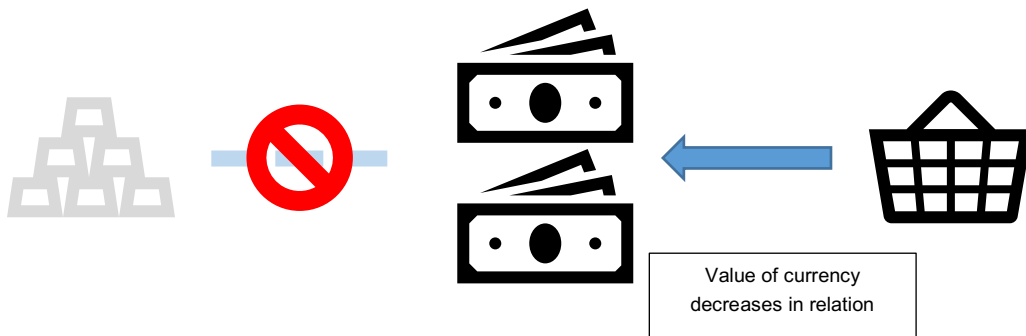
### Valuation

With no initial backing, goods and services determine the value of issued currency.



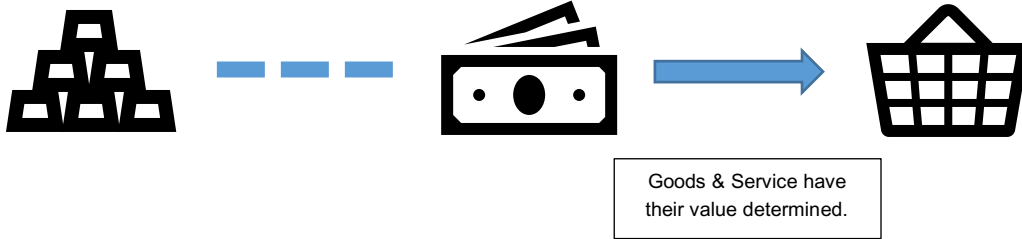
### Increased Money Supply

As discrepancy occurs due to increased currency availability, the value of money drops.



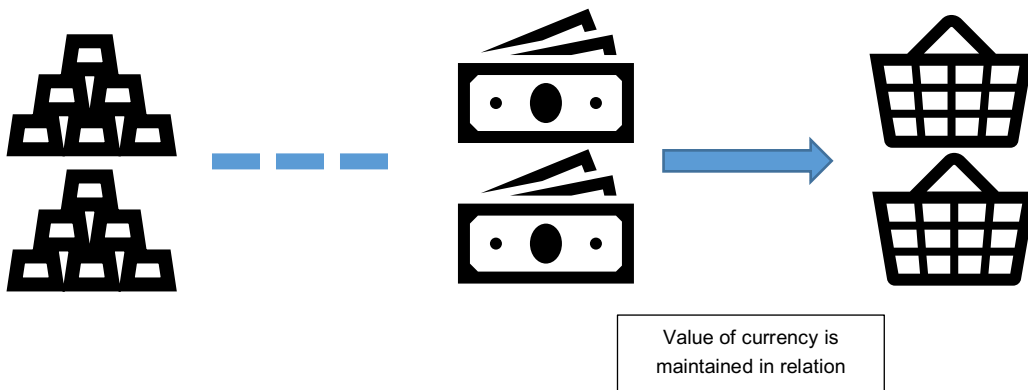
### True Value

With initial backing, currency becomes a medium of exchange and determines the value of goods and services determine the value of issued currency.



### Increased Money Supply

Backing is always less abundant than goods and services, no discrepancy occurs.



# Globality

## **Benchmark economies:**

Backing holdings to be held in the most stable economies, with the strongest currencies.  
Reserve currency economies.

**Outcome:** stabilizes the valuation process and cross currency comparison.

## **Asset based holdings:**

Assets by virtue are the modes which are affected by inflation positively. Cross referencing any and all currencies against assets using a benchmark currency.

**Outcome:** Cross currency base global counter inflation.

## **Reduced results investing based on previously described model:**

By emphasizing stability and deemphasizing maximum results, achieving continuous counter inflation investment results. A stop trigger as uncertainty over overvaluation of the markets occurs.

**Outcome:** Consistent results that satisfy global counter inflation as it is required at the rate of the benchmark economies.



# Potential

## Growth driving factors in Local Markets:

### ► Present cash surplus.

Un-invested liquid assets of:

- ▷ Wealthy.
- ▷ Middle class.
- ▷ Lower-mid class.

Which will reach an approximate value of 1.4 Trillion USD. (Table 1.1).

### ► Increased need for investing.

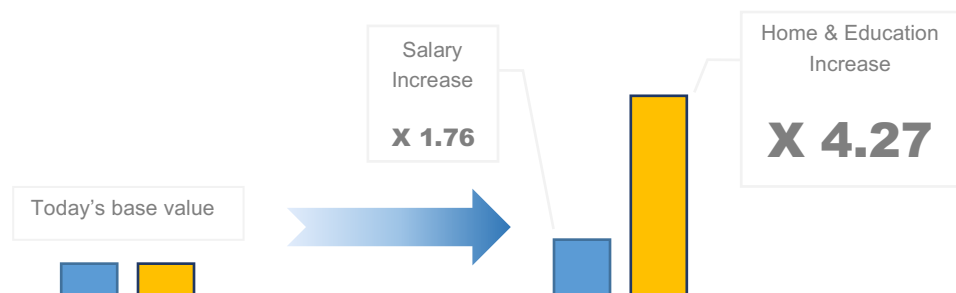
Rising costs of:

- ▷ Housing:  
Increased by a factor of 20% annually the last decade.
- ▷ Education:  
Increased by a factor of 9% annually the last three decades.
- ▷ Living expenses:  
Increased by a factor of 4% annually on average.

Stated factors will drive people to find better ways to cover expenses, as they realize that saving alone won't meet their future demands.

Diagram 4.1

Home ownership & child education cost increase vs Salary increase in the coming decade:



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# **8. NON- INSTITUTIONAL ROLES & STREAMS**

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# Involved parties & roles

## Other parties (non-institutional):

Other than the entities previously allocated their roles and established, other parties, in a non-institutional capacity will have the opportunity to contribute and receive overwhelmingly generous compensation for their participation.

## The parties:

- 1. Processors:**  
The significant public role to the system.  
Role: carry the backend of the computational requirements.  
Risks involved: NONE  
Weight: 50%
- 2. Public Contributors / Private Contributors:**  
Significant role to the system.  
Role: Provide the backend liquidity required to facilitate the redemption process.  
Risks involved: NONE  
Weight: 40%
- 3. Backend & Initiators:**  
Significant role to the system.  
Role: The party in charge of maintaining the system and its delivery.  
Risks involved: Effort, Time  
Weight: 10%

# Return Streams

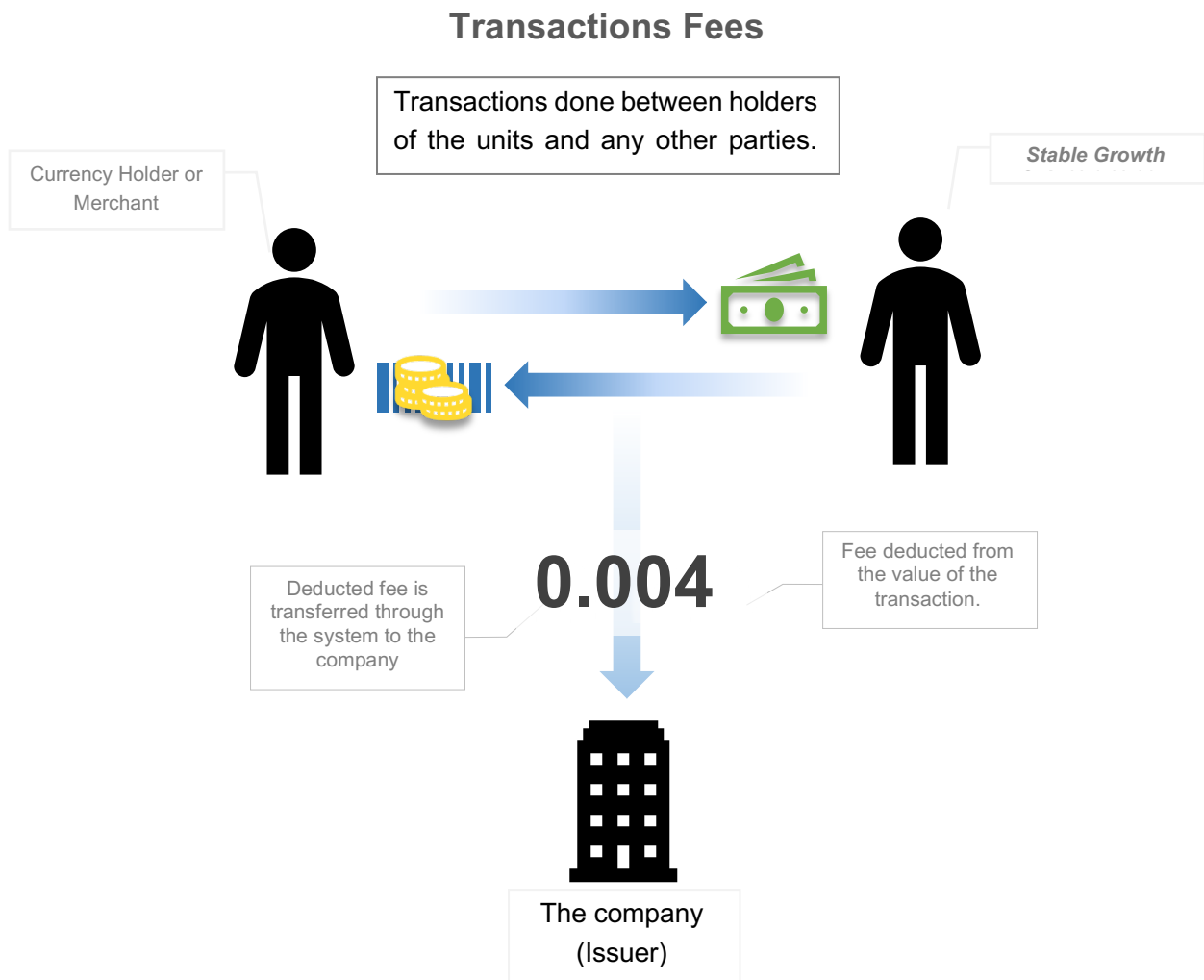
## 1. Transaction fees:

A minimum fee levied upon selling the unit.

Benefactors:

- Processors.
- Public Contributors/ Major Contributors.
- Backend & Initiators.

Value: Decreasing from 0.04%



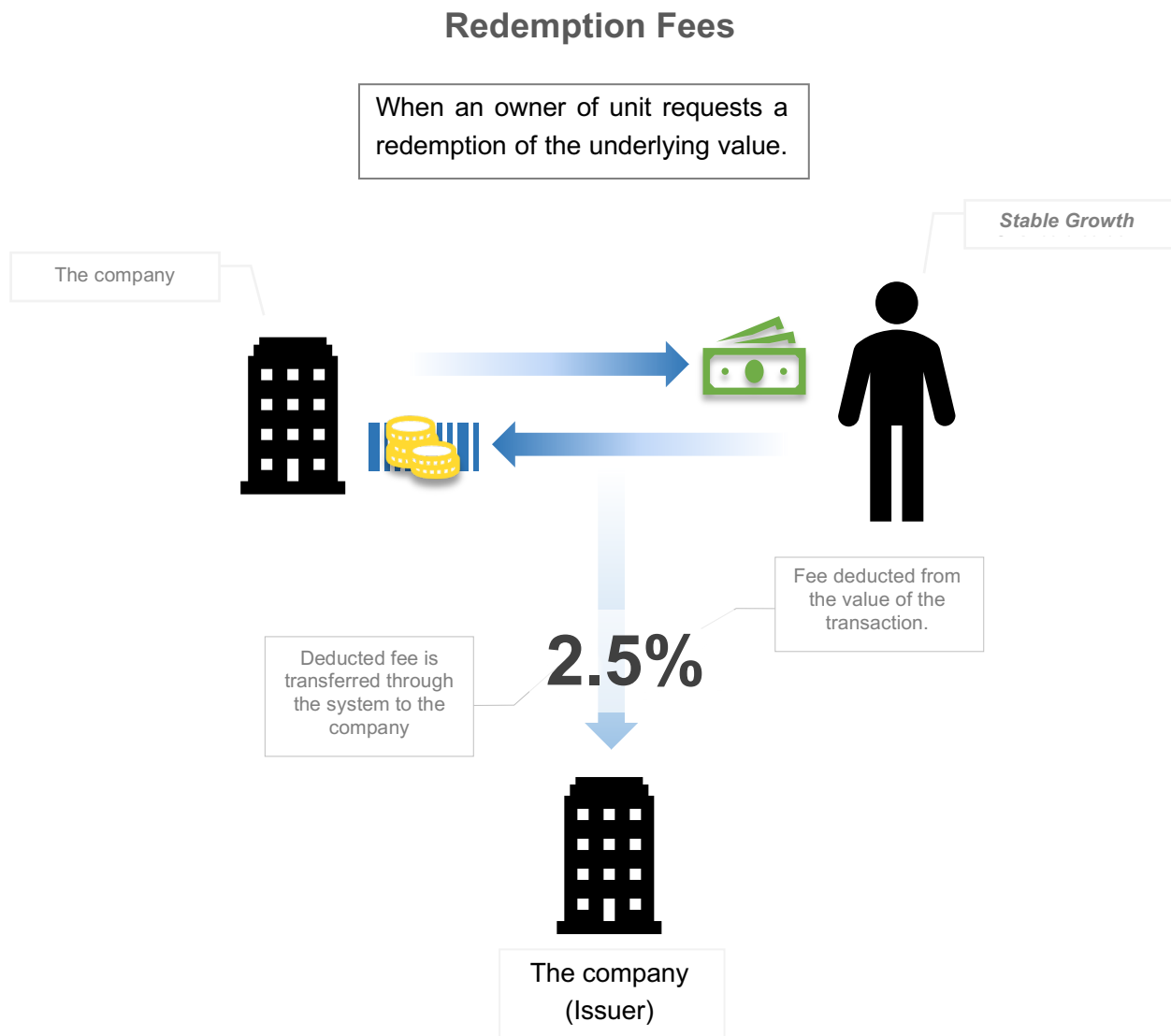
## 2. Redemption fees:

A small fee levied upon liquidation and redemption.

Benefactors:

- Processors.
- Public Contributors/ Major Contributors.
- Backend & Initiators.

Value: Decreasing from 2.5%



**3. Maintenance fees:**

Fees levied by the backend companies and initiators to maintain the services and the underlying value, stability, etc.

Benefactors: Backend & Initiators.

Value: 1.6%

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# **9. ESSENTIAL PRESENCE OF FIAT**

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# Value

## **Fiat:**

Countries issue their currency backed by governments commitment to honor that the currency is accepted in its country and is exchangeable for goods and services.

The value of the currency then is linked to the total value of goods and services that the country can provide; essentially the GDP.

A currency will basically reflect that, and the total supply of currency will determine the value of a single unit of currency, unless a currency is pegged.

Any currency is basically an I.O.U, and every accepts it based on the credibility of the government issuing it.

No other entity other than a government can issue such an I.O.U unless that entity owns a backing asset or the issuing party can generate future value to honor the I.O.U.

## **Crypto:**

Has no meaningful value at all, and is backed by nothing.

They don't even represent an I.O.U, and there is no entity to honor its value or acceptance.

It all depends on the willingness of people to use it as a mechanism of transfer of value, according to their determination, which is the most dangerous thing that can ever exist.

## **Stable Growth Coin, Our System:**

Depends on the existence of underlying, preestablished, deliverable value.

Works heavily in conjunction with fiat currencies, as fiats are the precursors of value, based on the obligations of the governments, and on which our system of Stable Growth Coin units further enhances the value obtained by the people and issued by the governments.



# Enhancing

## **Stability:**

As all capital is invested, and usable at the same time, then all holders of the Stable Growth Coin units don't have a need to liquidate under almost all situations.

This will obliterate the economy threatening bank rushes, in which banks are in danger of going bankrupt, and which forces governments to intervene, and the people lose the ability to access what is rightfully theirs.

Financial meltdowns can further be avoided by limiting the access of the public to decision making in terms of trading in the financial markets, which will mostly avoid selloffs in times of financial panic.

## **Economic Growth:**

Having almost the entirety of the capital held and received by the public invested will further enhance the economic growth of the economies of the governments who will eventually would like to onboard and support the system.

The presence of competing organizations implementing the same system in their countries will validate and solidify the system as the de facto acceptable block chain implementation in the monetary and financial markets and systems.

## **Security:**

Foreign investments and investors can participate in the growth of the economy without posing a threat in case of mass withdrawals, as their only option for withdrawal is to sell the units they own in the exchanges, which will not affect the value of the underlying assets, since the units act a buffer zone, and a security zone, that mitigates completely the impact of a sell off.

A mass withdrawal of foreign investments would only benefit other potential holders, especially the local community, as the underlying assets will not change in value, and our promise to always provide the value we make available and public as the support point of the units means that the only loser in a mass selloff are the withdrawing foreign party, with no impact on the economy.

# Fiats: our irreplaceable essential partner

## **Fiats are our establishment and input system:**

We still need governments to issue fiat based on the valuations and metrics of the economy of the country, which when converted to established value holdings can be utilized for our system.

To be able to obtain the underlying assets that will support and maintain the value of the Stable Growth Coin units, we have to provide something of value to the current holder of the assets, which can only be achieved through the use of fiat and its mandatory existence.

To further expand our system and the availability of the Stable Growth Coin units, the fungibility of Stable Growth Coin units depends on continuously supplying the underlying assets base with new assets that will require fiats.

## **Fiats are our dynamic and final outlet system:**

To dynamically change and manage the underlying assets, we will continuously need a medium of value to convert to and then reinvest, which cannot be anything but fiat.

Expanding or moving the investment strategy partially or proportionally to another country's market will require us to first establish our value exchange position using a stable value vehicle, which can only be fiat.

When we want to withdraw from a certain financial market in a specific country, we still need to liquidate the assets using that country's local currency.

## **Fiats are our measurement and valuation system:**

To determine the value of the underlying assets that back up our digital units, we need fiat, with which we can measure the value, as we cannot value our underlying assets using the units that depend on our underlying assets for value.

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# **10. MARKET IMMEDIATE NEED**

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# Crypto Market

## Imbalance:

The bulk of the crypto market value is from true crypto currencies; units that are mineable and derive their value from their expanded user base. The larger the user base of a crypto currency, the greater the capitalization value.

These true crypto currencies comprise more than 95% of the total capitalization of the market.

The other side of the coin of the crypto market are the stable coins. They barely represent 5% of the capitalization value of the crypto markets.

To achieve a balance in the value of the market, a lot more stable coins will be required to be issued to cover the increase in demand, especially as cryptos become more and more adopted by the mainstream. This becomes even more important once cryptos gain more widespread acceptance among merchants.

## Volatility:

The plague of the current crypto market.

As there is no underlying value to almost all of the available cryptos, the price is determined based on speculation, and acceptance of the trading community of the price of any particular unit.

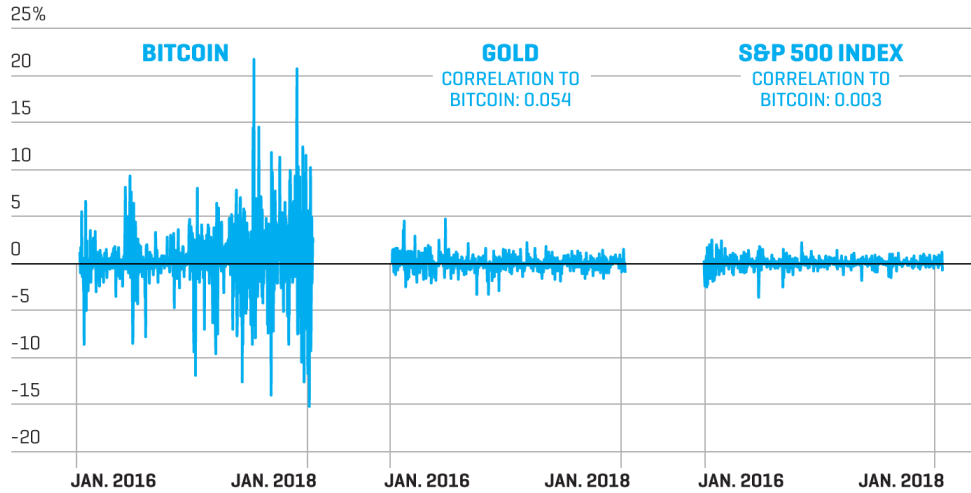
This leads to huge fluctuations in price in a very short period of time, much closer to bursts of fluctuations that are almost impossible to capture.

The adverse effect of this on traders is that they might not have enough time to execute their trading strategy. The main facilitators for quick transactions are the very limited in availability stable coins, as they don't require the complete cycle of the backend processing that the exchanges have to go through in order to go back and forth between crypto currencies and fiat currencies.

As almost all of the current entities and individuals involved in the crypto market are traders and investors, it is of the utmost paramount importance for them to be able to execute their trading orders in a timely manner or there are billions to be lost. To achieve that, an amount of stable coins must be made available in the crypto market that would almost equal the value of the traded crypto units.

This is an immediate persistent need that needs to be addressed, and it is worth billions, left there for the taking.

### DAILY PERCENT CHANGE IN PRICE OF BITCOIN, GOLD AND S&P 500



SOURCES: S&P GLOBAL; CITI PRIVATE BANK; BITCOINCHARTS

# Hyper Inflation

## Plight of the people:

People around the world work hard to make a living, maintain the livelihood of their dependents, and maybe save something for their future and the future of their offspring.

Everyone expects and understands that the price of goods will increase with time, and they fully accept it as they have little to no options on how to counter it, let alone that they understand why prices increase, and what are the underlying financial and economic systems at work that result in “price increases”.

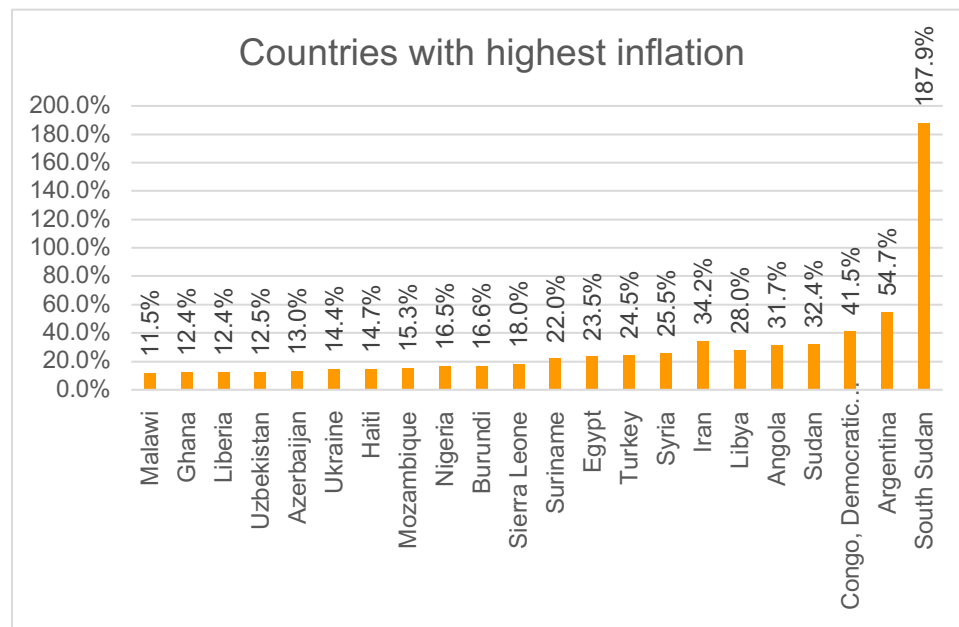
But in many countries around the world, this is no laughing matter.

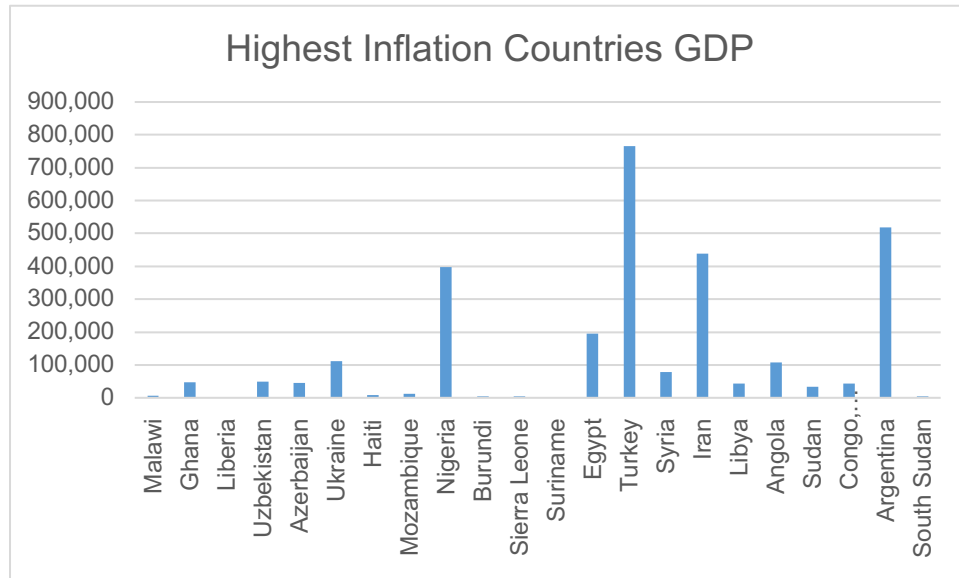
Every year, a great many countries will suffer from an inflation rate so high, that people will be jolted into waking up to the harsh reality that their money, their currency, is the one that is losing value, not that prices are increasing on goods.

Many reasons will cause the dreaded “Hyper Inflation”, which will obliterate the value of the money of the people and put the whole country into turmoil.

This is a never-ending cycle that is like a roller deck, as one country exits from the cycle, another will enter. And no country is spared, as sooner or later something wrong is going to happen for some reason, and things are going to pop.

People are in desperate need for a stable safe haven for the labors of their lives, and nothing currently available can plug the gap present.





The combined GDP of the countries suffering from the highest levels of inflation amounts to **\$2,920,665 Billion.**

The people in these countries are in an immediate need of an alternative to what is on offer to them, so much so that the ones with the highest inflation levels have opted to move to crypto currencies even though they are well aware of the volatility involved, but at least they can have some solace in knowing that it might someday recoup any value it loses due to volatility and uncertainty, which is in stark contrast to what they can expect from their fiats.

# Tokenomics

## Transparency and modulation and management of economical factors and quantity measurements

One of the most important benefits, if not arguably the most important, that Blockchain brings to the table currently to the world of economics and finance is the absolute transparency and full data availability. With the advent of blockchain, dApps, and DeFi, no longer is there a need to conduct censuses and surveys and depend on estimates or third party data research firms to gather approximate information in what relates to the movement of money, and as more of the world's data and transactions migrates to WEB 3 modulating economics at a fine level down to the single digit of the smallest fraction of unit of value to the extent that one day maybe it would be down to the femto and even the atto level, and reacting to changes in economics instantaneously at those levels would be feasible, while being autonomous and automated and influenced by those affected by the changes.

Estimating and speculating on what would affect the economical and financial factors which has always led to intervention and modulation that caused an overshooting in either direction whether to expand or to contract certain aspects and which later would require correction to bring back indicators back on track to as close as possible a desired target to the most desirable and beneficial levels would become slowly a thing of the past as Blockchain, dApps, WEB 3, and Defi play a greater role in everyone's daily life, and as it seeps into more facets of life.



## Establishment of initial supply of appreciative stable coin

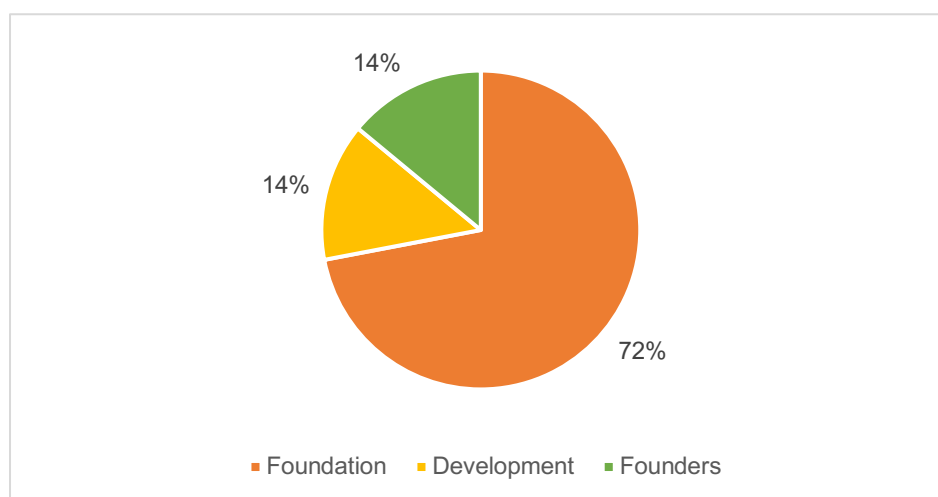
Sale of first offered issuance GENO COIN will be sold at market price to raise capital and is to be distributed as:

14% for project development first and 72% for foundation. Founders are to receive their distribution of 14% of tokens after sale for the purposes of development and foundation are fulfilled.

The expected time for this phase is 12 months after deployment of the first STABLE GROWTH COIN. The sale at market price continues until the amount sold of GENO COIN achieves the Targeted Cap.

Once it is reached and if available GENO COIN is depleted, then increases in GENO COIN offered is initiated in a second patch. The sale value of GENO COIN is to be sold at the market price and all funds to be distributed as previous patch percentages: 28% for project development and founders and 72% for foundation.

As development needs subside and recursive fragmentation increases flow, less and less of capital raised through coins sold will be utilized for development purposes.



## Maintaining maximum utilization

Maximum utilization of a unit of spendable value depends on the maximum that the unit of spendable value can change hands in system.

This change of hands is classically calculated by Money Velocity, which according to the quantity theory of money relates the general price level, the total goods and services produced in a given period, the total money supply and the speed (velocity) at which money circulates in the economy in facilitating transactions according to the following equation:

$$MV = PQ$$

Where M stands for money, V stands for the velocity of money (or the rate at which people spend money), P stands for the general price level, and Q stands for the quantity of goods and services produced.

Calculating for the velocity the equation would give the following equation:

$$V=(PQ)/M$$

PQ are determining factors of nominal GDP, which means that velocity could be calculated as follows:

$$V=GDP/M$$

This could be calculated using either M1 or M2 money supply to give a more focused or a more board perspective on the movement of money and thus the economic activity. The constant challenge when outside of the blockchain system and the absolute unequivocal transparency it provides is that the components of these equations depend on censuses and data collection and sampling, which are prone to be

in need of adjustment and revision once more data is gathered and results have been observed to verify the accuracy of the prior data used.

For a blockchain based system that is based on demand and supply, which is in reality another way of describing utilization, that is essentially velocity of the token of such an aforementioned system. Precise accurate data can be obtained as the data is inherently available and precisely accurate on the blockchain. A Token velocity could be calculated using the following equation:

$$V = Vo/Mc$$

Where V stands for velocity, Mc stands for market cap, which is in essence the supply, and Vo stands for volume.

As is in economical modulation systems, and as an example of how targets are established, the targeted inflation level is determined based on maintaining a safety margin to prevent deflation by targeting an inflation of 2%. A system that would like to maintain maximum utilization is would also be about maintaining a difference between the levels of utilization of consecutive periods of measurement so as to establish that maximum utilization has been achieved and maintain an appropriate buffer zone to react if demand and utilization starts to show signs of expansion and growth that would require an increase in supply.

For the purposes of our system in its initial stages a buffer of 10% would presumably give adequate time to respond, as changes on the initial smaller scale could happen rapidly, so a rather reasonable buffer must be maintained, and it would also provide a rapid exponential target for growing supply. Once maturity and equilibrium is achieved between supply and demand the buffer could be lowered as big rapid changes are not to be expected.

For maximum utilization there should be a maintained delta of 10% between two consecutive average velocity measurements represented by the following equation:

$$\Delta\bar{X} = 0.1$$

In which  $\bar{X}$  is the mean velocity. This would breakdown into the following equation:

$$1/n * ((\sum Vo_1/Mc_1) - (\sum Vo_2/Mc_2)) = 0.1$$

Where  $Mc_2$  and  $Vo_2$  stands for daily market cap and volume for t-2 length of time period,  $Mc_1$  and  $Vo_1$  is daily market cap and volume for t-1 length of time period, and n stands for the number of values.

## Demand determined supply measured according to targeted objectives for recursion

Here the main objective is to provide beneficial returns to either side of the system based on their objective from a holder and user perspective of each token.

Here our main objective is that for the GENO COIN owners appreciation in value in a justified manner. The targeted beneficial objective is to maintain an annual fractional recursion rate equal to  $3\pi$  at the lowest tier level.

The fractional recursion rate is calculated per unit STABLE GROWTH COIN in circulation, i.e., the total amount of fractional fragmentation divided by the total amount of STABLE GROWTH COIN in circulation, i.e., the STABLE GROWTH COIN market cap (Mc).

Since the fractional recursion is determined by the fractional fragmentation related to STABLE GROWTH COIN, which in turn is determined by the size of the transactions occurring on the STABLE GROWTH COIN side; i.e. , volume, which we would make the assumption of the 24h volume (dVo) multiplied by the predetermined fractional fragmentation rate (P).

Since measurement of the fractional recursion is done on a daily basis the data is extrapolated to an annual basis, which leads to a targeted fractional recursion of assuming the desired rate of recursion to be  $R_r$ :

$$R_r/365.$$

This produces the following equation:

$$(dVo*P)/Mc =Rr/365$$

Which in turn produces the equation to determine the amount to be maintained of STABLE GROWTH COIN according to the following equation:

$$Mc = (365*dVo*P)/Rr$$

## Ownership distribution of backing providing high appreciative variable value coin

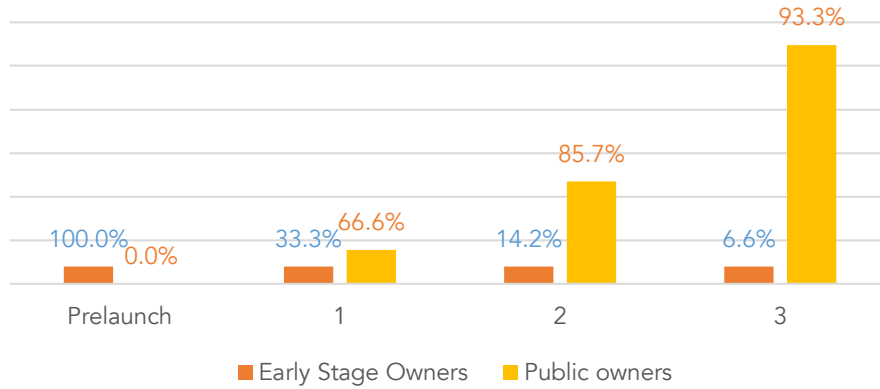
Exponential growth of the use of the stable appreciative value coin is as discussed prior is the main determining factor of the issuance of the backing providing high appreciative variable value coin, and thus the supply of both is not capped, as market factors will determine the total to be available.

The backing providing high appreciative variable value coin ownership will transition through phases, as with any gradual increasing availability coin, even those with a capped upper limit as Bitcoin. It should be noted that increased availability does not constitute a dilution in value as long as the value increase outpaces that of the increase of the availability.

As an example, the initial phase of Bitcoin release was almost exclusively owned by the project progenitors, which almost amounted to 100% ownership as they exclusively held a monopoly on mining, then later it was released to the public and a gradual proportional reduction of the progenitors' ownership of the total available coin occurred.

The initial phase will see a similar pattern as ownership will be to a large extent in the progenitors and initial supporters hands. The differentiating factor here is that minting of the new variable value coin is solely dependent on an increase in demand that would follow the criteria and equations outlined earlier, so an outpace of increase in value relative to available coin is assured and, as is the case with all gradual increase of availability coins, not speculative.

Coin ownership distribution change by the 3rd phase of increased exponential issuance (6 months estimate)



Coin ownership distribution change by 8th phase of increased exponential issuance (18 months period estimate)

