



Let's help introduce digital currency technology to the professional community of tomorrow.

WE INTRODUCE INDIVIDUALS AND BUSINESSES TO DIGITAL CURRENCY TECHNOLOGY AND THE FUTURE OF THE BLOCKCHAIN. WE ADVISE ON THE TECHNOLOGY, MARKET REALITIES, CURRENCY AND WALLET SECURITY, LEGAL, REGULATORY & COMPLIANCE ISSUES, BUSINESS & SYSTEM DEVELOPMENT, AND THE CHALLENGES FACING DIGITAL CURRENCIES AS THEY MATURE.

WE THINK, WE CONSULT, WE GROW.

DIGITAL CURRENCY IS AN EVOLUTION. NOT A REVOLUTION.



NOBLE

- CONSULTANCY
- EDUCATION
- INFORMATION
- COMPLIANCE

0478.019.088 ON CALL ANY TIME

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CANBERRA, ACT & SYDNEY, NSW, AUSTRALIA

Consultancy, information, publications, white papers, system conceptualization



“THIS IS A FAST-GROWING AND REVOLUTIONARY SPACE. THERE IS GOING TO BE ROOM FOR A LOT MORE THAN DECENTRALIZED CURRENCIES. WE’RE TALKING DISTRIBUTED FINANCIAL NETWORKS BACKED BY CORPORATE POWER STRUCTURES. WE WANT IN.”

WHAT IS NOBLE?

Noble is a registered Australian business (ABN: 92 119 945 303, ACN Pending) with a focus on digital currency consultancy, publications and information services.

WHAT IS NOBL?

NobleCoin (NOBL) is a decentralized cryptocurrency with a focus on transparency, philanthropy and digital currency education.

WHAT IS NOXT?

NobleNXT (NOXT) is a crowd funded colored coin rewarded to digital currency participants who are helping make our 2015 vision for *Noble* a success.

THE ROLE OF NOBLE IN 2015

Noble is being crowd funded and established to build real-world value and uses for a growing range of digital currencies. By targeting corporate clients and partnerships in the ‘real world’, we extend our reach outside the closed alternative cryptocurrency community.

We will be developing a traditional business with a focus on integrating and using digital currencies both internally and between clients.

This will require legal work, licensing, regulatory clarification, industry memberships, and business development.

Noble: Applying blockchain technology to traditional business structures as an experimental step towards distributed autonomous corporations (DACs).

“Our passion for digital currencies merged with traditional business.”

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AREAS OF FOCUS:

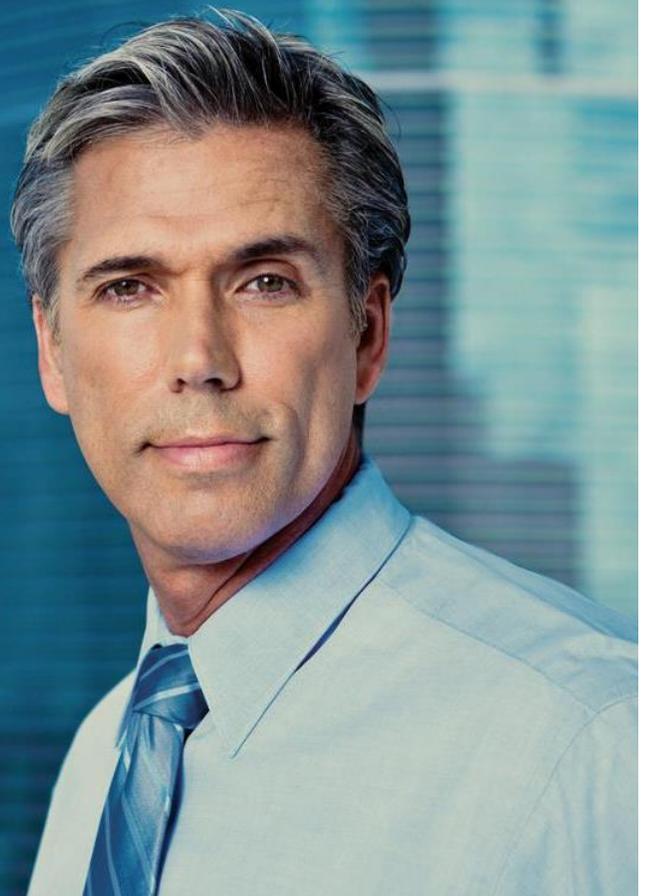
Platform Agnosticism

We believe all networks and platforms have potential. As this industry matures, independent technologies will evolve to become increasingly inter-linked, allowing for greater flexibility and choice.

Publications

We are thinkers and writers at heart. We’re turning our passion into books and papers aimed at a professional audience. These will be available to supporters or for purchase using our colored coins.

NOBLE



THE ECO-SYSTEM: Payments for utilities, publications and services rendered will *always* be preferred and discounted for in our own digital currencies. This is how we reward our supporters for a successful crowd fund.

Utility

We are providing marketplaces, payment gateways, bill and tax payments, and precious metal trades.

Participation Incentive

Utilities and services are designed to increase scarcity the more they are used. Actively participating in our growing crypto-economy is rewarded.

“Changing traditional top-down procedures is costly and prohibitively disruptive. Starting from the bottom and growing along the way, not nearly so much.”

Exclusivity

Communities deserve rewards for crowd funding the foundations we are building. Discounts, perks, free access to publications, and free postage & handling are just a few of the exclusive benefits of kick starting this project.

Stability

Our systems are developed with stability in mind, with initiatives from guaranteed exchange rates and increasing scarcity to precious metals trade. Longer-term, theoretical precious metal ‘pegging’ is under careful consideration.

“WHAT STARTED OFF AS A GRASS-ROOTS MOVEMENT IN AN UNREGULATED ENVIRONMENT IS GROWING INTO A DESIRE TO TAKE THE IDEALS AND TECHNOLOGY MAINSTREAM”

Noble: Taking Digital Currencies Further

Thought Leadership

Our goal is to establish ourselves within the industry as thought leaders, supported by journal articles, publications, white papers, market contacts and hands-on experience.

Consultancy

Noble will market itself as an early-mover consulting firm advising on the digital currency industry and marketplace to both government and corporate clients.

Transparency & Accountability

Every account we use is tied directly to real world business and personal accounts that have been verified by ID. There is no anonymity in either financial or personal details.

Crypto-Governance

We are exploring novel and revolutionary ways of using blockchain technology for corporate use including accounting, voting, shareholder/director portfolio transparency, and auditing. Our vision is to transform these unregulated digital 'tokens' into integrated and legal corporate tools. We are uniquely positioned to provide blockchain services and consultancy to a changing financial world.

Industry Representation

Noble will pursue full industry representation and membership with national regulatory, legal, social and professional cryptocurrency bodies. This includes forming relationships with like-minded businesses and attending industry-specific government and business conferences.

Legalities & Regulation

A legal and regulatory framework is growing around blockchain technology. Ponzi-schemes, managed investments, financial services, anti-money laundering (AML), know your customer (KYC), e-currency and taxation are becoming hot topics. We continue to work on these issues, and our research, contacts and hands-on experience is becoming increasingly valuable.

Key elements to success

- Core planning & documentation
- Licensing and registrations
- Utility and deliverables
- Regulatory and legal
- Institutional investment, relationships & partnerships
- Publications, consultancies & thought leadership
- Recognition, refinement & cycle progression



1. Remove emission schedules that create downward pressure on the value of the network.

2. Focus on real world relationships and partnerships over anonymous and counter-productive online profiles.

3. Provide business services to increase both the demand and scarcity of digital currencies.

4. Acquire licensing and regulatory recognition as a legitimate digital currency focused business.



Understanding 'cycles' and why we focus on increasing 'scarcity'

Our system and supply 'policy' revolves around cycles and scarcity in order to reward NOBL/NOXT supporters, crowd funders, consumers and the *Noble* community at large.

Increasing Scarcity

Every time NOXT is used for a utility or service a percentage is taken out of circulation. What this means is that the more you use it day to day, the rarer it becomes. Ultimately, all NOXT are removed from circulation and we propose a new *cycle*.

How Cycles Work

Cycles (or life cycles) are the methods in which we distribute NOXT for use in our eco-system. The first cycle is being done through a BTC crowd fund and NOBL burn. A cycle ends when all NOXT return to *Noble* through fees, utilities and services rendered.

Working towards a positive and legitimized digital currency future

Our **Goal** is to drive demand for our coins by delivering real-world business services and partnerships.



Change in atmosphere

The alternative cryptocurrency community is waking up to the games being played by market manipulators and scammers. It's time to get serious and find unique but legitimate niches to increase the exposure and value of these new financial networks.

Thank you!

Conceptualizing how we may merge corporations and digital currencies is no small feat and is being explored by many people around the world. It can be challenging figuring out the why and the how, and we know there are risks. These are complex and experimental concepts that we hope to streamline and simplify together over time.

So thank you for coming along for the ride with us!



Noble: Corporate Colored Coins

Applying Blockchain Technology to Traditional Business Structures as an Experimental Step
towards Distributed Autonomous Corporations (DACs)

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www.noblemovement.com/noxt

Work in progress, and will remain so for quite some time.

Abstract

Cryptocurrency is nuclear energy. We have very intelligent and talented technical minds working on a new financial paradigm. However, from their ivory tower they often downplay something that is painfully obvious from the trenches: the human variable. While all financial interaction may one day be based purely on cryptographic rules, code does not so easily replace how communities, leaders, oracles and intermediaries interact. Without accommodating the human equation, we're fueling financial bombs rather than financial power.

We propose crowd funding a new approach that is the antithesis of what we have presented so far. In essence, we are merging much of our core philosophy, work ethic, brand and infrastructure with market expectations, industry thought-leadership and a legal and regulatory framework. The result is a *colored coin* that can be used for exclusive services, rewards and e-commerce. While developers and idealists often focus on the possibilities of decentralization and distributed autonomous corporations, we intend to focus on *information* and corporate systems running on top of blockchain technology.

This paper lays out the framework for which a complete crypto-centric ecosystem, linked services and industry standards might be established for the sole purpose of increasing real-world demand, exposure and utility of its associated colored coin. It also theoretically examines how a more traditional *crypto-centric corporation* may be established while navigating the legal and regulatory complexities coming as blockchain technology matures into 2015.

1. Introduction

Satoshi Nakamoto changed how we see currency by creating peer-to-peer electronic 'cash' that allows direct online transfers without the need for intermediaries or financial institutions.¹ However, the social and political implications of this technology are far more profound. Mr. Andreas M. Antonopoulos describes this paradigm best as 'the ability for global communities to form around a common consensus of politics through the choice of currency'.² Now that the ability to create currency is shifting away from traditional

¹ Satoshi Nakamoto, "Bitcoin: A Peer-to-Peer Electronic Cash System", <https://bitcoin.org/bitcoin.pdf>, 2008.

² Andreas M. Antonopoulos, "Andreas Antonopoulos on the Future of Bitcoin", <https://www.youtube.com/watch?v=jw28y81s7Wo>, Toronto Bitcoin Expo, 2014.

government and financial monopolies, the world has been presented with a unique opportunity: the ability to *choose* the currency we use based on our individual expectations and world view.

When it comes to personal choice, factors such as the community, direction, preference, ideals, people or approach play just as important a role as centralization, protocol, platform, mining or price. As we enter 2015 we are presenting choices, and in the process burning NobleCoin (NOBL) rather than forcing a transition into one particular platform, approach or specification. The first of these choices is a crowd funded *colored coin* that aims to incorporate many centralized market-expected features and develop a colored coin framework for an increasingly regulated and accountable space.

Colored coins run on top of current networks and can be used to represent anything from financial instruments like bonds and securities to smart property, precious metals, commodity certificates and even alternative currencies.³ They can be multinational and frictionless *pseudo-currencies* with unique real-world use-cases or tokens that represent a single tradable commodity; supported by the authority responsible for their issuance. They allow the transference of value and information without the *need* for financial institutions or counterparties all while enjoying the security benefits of their more established host networks. As the infrastructure behind colored coins grows more individuals are experimenting with the technology for business and financial purposes.

We separate this paper into distinct sections theoretically outlining the core components of a colored coin system that works in a class of its own: merging currency, commodity, cryptography, community, corporate and security aspects. These sections are outlined below:

1. *Introduction*
2. *Distribution* outlines common issues with distribution and our proposed strategy of crowd funding innovative projects and burning a traditional cryptocurrency in the process.
3. *Platform Agnosticism* outlines a system that allows authorities behind colored coins to distribute, support and enable transfers between multiple cryptocurrency 2.0 platforms.
4. *Utility* describes how infrastructure, products and services are designed to run in a self-sufficient manner, including marketplaces, journals, articles, advertisements, advisory and personnel services.
5. *Exclusivity* outlines how colored coins can act as rewards for exclusive services, perks, discounts, packages, group buys and general access to proposed utility features.
6. *Incentive to Participate* outlines how increasing scarcity and community-based promotion of services promotes real-world use and directly contributes to the growth of projects in a mutually beneficial way.
7. *Stability* explores current misrepresentations of stability and proposes methods of enabling price support, including guaranteed service-acceptance rates, a ‘scarcity via activity’ plan, bullion trade and theoretical bullion ‘pegging’.

³ Meni Rosenfeld, “Overview of Colored Coins”, <https://bitcoil.co.il/BitcoinX.pdf>, 2012.

8. *Thought Leadership* outlines how current industry knowledge and contacts are used to publish journalistic articles, form an Australian-based cryptocurrency think tank, establish industry and government contacts and advise on the social and technical implications of cryptocurrency across the nation.
9. *Transparency and Accountability* presents all personal and business-related information that would support such a proposal, amounting to disclosure and accountability that extends beyond ‘Proof of Developer’ (PoD). This includes required registrations, licensing and verified accounts.
10. *Industry Representation* examines how a successful funding will allow for nationwide industry representation and membership with national regulatory, legal, social and professional cryptocurrency bodies. This includes attracting interested parties and professional aid, attending industry-specific government and business conferences, and soliciting external donations that further progress what is being attempted. Australia is an extremely cryptocurrency-progressive country, and we intend to be at the forefront of its evolution.
11. *Crypto-Governance* theoretically examines how colored coins and blockchain technology may be used for voting rights; to establish transparent portfolios of major shareholders and directors; to improve auditing and accounting processes; and to represent legal and regulated ‘shares’ in corporations allowing holders to partake in dividends and profit-sharing. It explores how colored coins may evolve from currently unregulated and often illegal speculative assets to integrated corporate tools as the technology matures. (*Pending*)
12. *Legalities* explores the current legal and regulatory framework evolving around cryptocurrencies in Australia. It examines the definitions, structure and laws of crowd funding, crypto-equity, Ponzi-schemes, managed investments, financial services, anti-money laundering (AML), know your customer (KYC), e-currency, taxation and misrepresentation when applied to cryptocurrency and related technology. As the technology matures into mainstream consciousness and financial systems, investors and users alike will demand greater accountability, transparency, assurances, licensing and compliance. (*Pending – may be individual paper at 30+ pages*)

2. Distribution

In June, Mr. Andresen recognized that Bitcoin mining has been too centralized for years, with just a handful of pool operators controlling well over 50% of hashing power.⁴ Mining, from a technical perspective, performs the important task of processing transactions in a secure manner. Idealistically, mining should distribute the power of wealth creation into the hands of the global community in a decentralized manner. In reality it is a ‘feature’ used by profiteers and often centralized entities for the sole purpose of funneling value out of the cryptocurrency ecosystem and back into fiat. While advocates of the blockchain highlight the near-zero fees necessary to transact, they ignore the fact that it the emission

⁴ Gavin Andresen, “Centralized Mining”, <https://bitcoinfoundation.org/2014/06/centralized-mining>, 2014.

schedule and its associated energy-use that acts as the ‘hidden’ fee (or tax) of maintaining and security the network.

In the alternative cryptocurrency space, this year has also seen mining morph more into a ‘weapon’ used by often malicious and sometimes quite public cheerleaders of *Proof of Stake* (PoS) coins who wreak havoc via multi-pools on traditional *Proof of Work* (PoW) coins. While 51% attacks are nothing new, we are seeing communities proud to not only promote but publicly attack PoW coins with their new-found concentrated mining power. Not only does this depress the price of PoW coins and effectively ‘kills’ them, it distorts the often whimsical public perception of particular systems. With PoS coins and multi-pools continuously being pushed the ‘value’ of PoW coins is slowly but surely being stripped bare.

We have decided to approach distribution from a different angle: we are issuing a predetermined and fixed number of *colored coins*, removing the need for constant re-evaluation and demand for ‘tweaking’ of numbers, variables, rate of issuance and total supply as emotional and industry trends are shifted by financial manipulators. There is no mining, staking or independent wallet, with focus being put squarely on corporate and financial use-cases of the colored coins themselves. The value of the underlying network may be affected by emission pressure but this does not have to apply to colored coins distributed on top.

2.2: *Fair Distribution Fallacy*

If a cryptocurrency is widely distributed the public perception is generally that it is fairer and there is less individual financial risk due to manipulation (albeit less potential reward also). Conversely, if we’re evaluating colored coins as if they were ‘investments’ and in the hands of smart money and strong hands, a concentrated distribution may appear more attractive. The problem so far has been distribution can and is easily ‘faked’ using many wallets, sock puppet accounts and ‘bots’.

There have been plenty of cases where two to five people have controlled 80% or more of a coin spread across hundreds of wallets in order to promote ‘fair distribution’. Full control can easily be achieved when a market is low and ignored under the guise of ‘no premine, no ICO’ through short mining periods, ‘insta-mines’ or by patient low market buys. In short, the best one can do is make a rough estimate of distribution knowing it is an educated guess in a game that is mostly smoke and mirrors. It is for this reason there will be no argument for or against the fairness of distributing in the manner described: it is up to individuals to weigh the risks and realities.

2.3: *Community-Driven Fair ‘Experiments’*

Assume an individual, organization or government attempts a voluntary and experimental ‘fair’ cryptocurrency to introduce its citizens or users to the concept. A method for determining the ideal entry price might be as simple as $(\text{proposed initial market cap} / \text{number of participants}) = \text{entry price}$. If a cryptocurrency project aims to achieve an initial market capitalization of \$50,000,000 and is expecting to distribute colored coins fairly at one-hundred (100) dollars per participant, it will require five-hundred

thousand (500,000) participants to achieve equal distribution. This method would require participant identity checks – effectively eliminating anonymity - to rule out sock puppets taking advantage of the system. This may or may not be taken favorably if attempted today. With such a small demographic currently involved in cryptocurrency, it would require an extremely well-marketed and/or funded campaign by a government or brand to pull off such an idea. These goals are not considered feasible in this small and immature market, and are better attempted in the years to come as the idea hits mainstream consciousness.

2.4: Proposed Distribution

Determining the set BTC exchange rate of colored coins is difficult because of the volatility of BTC. Speculators need to accept that their ‘value’ may fluctuate dramatically during ‘maturity’ stage. Bull and bear cycles or fear, uncertainty and doubt (‘FUD’) play an exacerbated role on the valuation of coins in this market. To reduce the risks of overvaluation, the market capitalization of the total crowd funded distribution should not exceed \$150,000 (approximately 428 BTC at current price). With a zero emission schedule, real-world utility, public identities, a long-term roadmap, and infrastructure from day one, this is considered a conservative initial amount in the current environment. We wanted to raise enough to fund new core deliverables (improved infrastructure, licensing/registrations, industry representation, business planning and development, legal and regulatory clarifications and core development), while not being overly greedy in an environment that already demands too much as it is.

These types of colored coins make no false impression of being a currency alongside the decentralized Bitcoin (BTC), although they can well be used as one. Nor is there a desire to disguise initial distribution as fair: the number of coins received is proportional to the level of support given. In our particular early crowdfunding, 1,000,000 NOXT may be issued on the NXT Asset Exchange (AE) or 1,000,000 NOCC may be issued as a colored coin on the BTC blockchain. Historical distribution patterns will see the colored coin distributed in amounts between .2%-7% and between 200-400 initial funders.

To solve the problem of the issued colored coin being tied to the price of its master via trading pair exclusivity (as would be the case with NXT/NOXT) it will have an exchange pair with BTC and potentially fiat. This removes the trading pair ‘monopoly’ a master platform may initially have, and allows the colored coin to either be traded on a decentralized 2.0 platform (in the case of NXT) or for BTC on any number of centralized/decentralized exchanges. By removing the initial peg to a single trading pair, we reduce the reliance a colored coin has on the price of its platforms native currency.

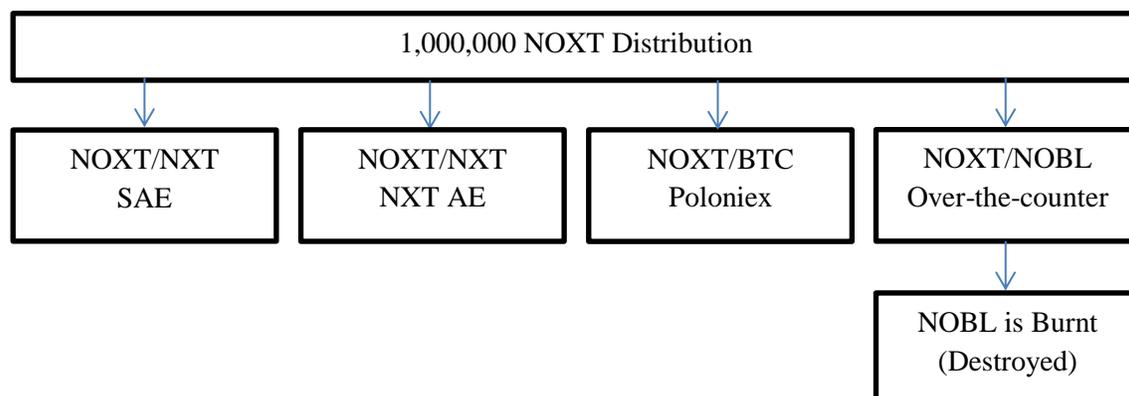


Figure 2.1: Initial Distribution of the First ‘Cycle’

2.5: Distribution ‘Cycles’

This proposed system works slightly different when compared to long-term emission cryptocurrencies. Due to their increasing *scarcity* (see section 7: *Stability*), and having an expected life of approximately one (1) to two (2) years before returning to the hands of the issuer, NOXT are re-distributed in *cycles* (with this cycle being the first; the second is not estimated necessary for at least eighteen (18) months). In summary, colored coins are distributed (via crowd funding) for perks, rewards and exclusivity on sponsored services for the cryptocurrency community. Every time these coins are used for perks and services they helped crowd fund (coin listings, free shipping, group buys, discounts, advertising, articles, cryptocurrency services) they are taken off-market and kept in transparent wallets (the *chest*).

Elements of these cycles promote community engagement and use of the colored coin (see section 6: *Incentive to Participate*,) as an increase in its scarcity is a direct result of its continued utility and real-world use. It is envisioned that once the off-market colored coins approach the 90% mark (meaning only 10% remain for use – which may either be kept for use or transferred) a new cycle is proposed with a refined plan, products, services and goals for the future. It is important to clearly demonstrate a difference with our proposed perk/service-oriented colored coins from something resembling a traditional and illegal *Ponzi-scheme* (see 15: *Legalities*). Services crowd funded must be expected to reach at minimum a level of self-sufficiency to ensure that they do not require constant funding, draining the entire ecosystem rather than reinforcing it (see section 4: *Utility*).



Figure 2.2: Long-term Lifecycle of Colored Coins

2.6: Determining NobleCoin Burn Exchange Rate

How to determine a fair and transparent burn/crowd fund rate of two coins (NOBL & BTC) is a sensitive subject requiring thought from multiple angles. On one hand, it is important to raise necessary funds to grow the project; on the other hand it is important to ensure the exchange rate and burning proposal rewards NOBL supporters while leaving as little room as possible for abuse and manipulation. There were a number of approaches considered:

- a) Offer a fixed exchange rate for NOBL crowd funding,
- b) Offer an exchange rate equal to the *current* satoshi price of NOBL, *or*
- c) Offer a fixed exchange rate for NOBL crowdfunding that adjusted upwards over time.

The key issue with approach *a* is that if a fixed exchange rate is too low (15 satoshi) it does not attract enough interest. If it is too high (30 satoshi) it encourages speculators who bought low to immediately exchange to NOXT and ‘cash out’ at a likely profit, harming early momentum. Approach *b* is susceptible to

large market moves created to ensure the best possible deal (buy at 12 satoshi, pump to 35 satoshi and exchange at a more attractive rate). With approach *c*, an increasingly higher exchange rate stifles and punishes early support. After much discussion and in an attempt to balance these concerns we propose the following approach:

- a) Offer five-hundred thousand (500,000) NOXT at crowd funding rate of 0.00042 per for a potential total of 210BTC;
- b) Using the BTC amount raised as a baseline, determine the NOBL equivalent exchange rate offered;
- c) 100 BTC is the minimum for the crowd fund to be considered a success, with all NOXT not distributed permanently taken out of circulation.

| Bitcoin Raised | NOXT Sold | Rate Offered | Potential NOBL Burnt |
|-----------------------|------------------|---------------------|-----------------------------|
| 1 | 2,381 | 0.00000011 | 9,090,909.09 |
| 10 | 23,810 | 0.00000012 | 83,333,333.33 |
| 25 | 59,523 | 0.00000013 | 192,307,692.31 |
| 50 | 119,048 | 0.00000015 | 333,333,333.33 |
| 100 | 238,095 | 0.00000017 | 588,235,294.18 |
| 125 | 297,619 | 0.00000018 | 694,444,444.44 |
| 150 | 357,143 | 0.00000019 | 789,473,684.21 |
| 175 | 416,666 | 0.00000020 | 875,000,000.00 |
| 210 | 500,000 | 0.00000022 | 954,545,454.55 |

Figure 2.3: Proposed Exchange Rate Depending on Crowd Fund Success

By tying the potential rate offered with a variable somewhat out of our control (amount of BTC raised) we better ensure that the rate offered is not one pre-planned in private or proposed ‘on a whim’ to benefit early accumulators with insider knowledge. While there is no true protection from such market forces, by publicly listing the amount of NOXT crowd funded and potential exchange rate beforehand the community has the opportunity to trade and prepare their NOBL accordingly. For example, should 100BTC worth of NOXT be crowd funded holders will know before we begin the ‘burning’ round that the exchange rate will be 17 satoshi per NOBL with the aim of removing approximately five-hundred and eighty-eight million (588,235,294) NOBL from circulation.

Building Blocks of Noble

2014

| NOCC/NOXT | NOBL |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Centralized Colored Coin | Decentralized Crypto. NobleCoin (NOBL) |
| 2.0 Supportive Exchanges | Platform 2.0 Supportive Exchanges |
| Noble Marketplace & Noble Steps | Noble Marketplace & Noble Steps |
| Traditional Cryptocurrency Exchanges | eCommerce Payment Processors |
| Centralized Distribution | Traditional Cryptocurrency Exchanges |
| Australian Bullion Trade | Merchant & Charity Network |
| Decentralized P2P Asset Exchange (AE) <i>or</i> Coinprism Web Wallet/Android Wallet | Australian Bullion Trade |
| | Decentralized Distribution Proof of Stake/Proof of Work (Merge-Mining) |

2015-2016

| NOCC/NOXT | NOBL |
|-------------------------------------------------------------------------------------------|----------------------------------------------|
| Thought Leadership/Cryptocurrency Journal | Protocol & Wallet Evolution |
| Industry Representation | Thought Leadership/Cryptocurrency Journal |
| Legal/Compliance & Regulatory Recognition | Industry Representation |
| Incorporations & Registrations | Decentralized Marketplace(s) |
| Membership Registry | Decentralized P2P Cryptocurrency Exchange(s) |
| Escrow, Oracle & Insurance | |
| Necessary Platform/Coin Adaptation | |
| Crypto-centric Corporation | |
| Pegging (or Indirect Backing) (Theoretical Pending Regulation – Not Implied) | |
| Crypto-security & Crypto-equity Platforms (Theoretical – No Rights Implied/Guaranteed) | |

3. Platform Agnosticism

3.1: Introduction

Platform agnostic is a term traditionally used in information technology and implies a product runs equally well across multiple platforms. In the case of blockchain technology and our proposal, platform agnosticism implies that all infrastructure and services crowd funded (‘fueled’) under the Noble brand accepts and/or runs on colored coins from multiple platforms. Think of it as similar to e-commerce stores able to accept Paypal, Visa, or Mastercard, but in our case the store may accept NobleNXT (NXT), NobleCC (NOCC - Colored Coins on BTC blockchain), NOBL (NobleCoin), NobleHouse (ClearingHouse issued coin) and/or NobleParty (CounterParty issued coin). It is also similar to a video game being released and compatible on both Windows and Max OS. Note that only one of these (NOBL) is considered a ‘fuel’ allowing entry into colored coins enabled on other platforms – ensuring the decentralized cryptocurrency NobleCoin remains an important part of all future cycles and projects.

In this instance, it is not the platform that matters (they all have their pros and cons), but rather the crypto-centric infrastructure, coins and services crowd funded on top that leverage blockchain technologies. By accommodating participants with their platform of choice, we expand the potential user base and form relationships with a variety of communities and core developers. While the platforms themselves allow for decentralized trading and rule enforcement without the need for intermediaries, colored coins representing anything from stocks to backed assets require a central authority to uphold contractual arrangements in the ‘real world’. It is these authorities that will most likely embrace platform agnosticism and accommodate multi-platform issuance/transfers as their user-base grows.

3.2: Choice

Imagine you are relatively experienced and planning on providing an exclusive service which appeals to the broadest possible market. Traditionally, if you’re not presenting your own cryptocurrency and are happy with the relative lack of liquidity in certain markets, this is done by accepting multiple cryptocurrencies and giving your potential customers a choice. If an issuer restricts an idea to a single platform, they potentially alienate communities who want to get involved. One particular individual may prefer CoinPrism’s web wallet and to store their colored coins on the BTC network. Another may prefer the decentralized AE offered by the NXT platform. Crypto-centric services, businesses and corporations restricting their user-base to a single platform is similar to restricting website access to Internet Explorer users only. By concentrating on a platform agnostic approach, we are giving the community not only *choice* but flexibility to move platforms through *gatekeepers* as circumstances change.

3.3: Identified Platforms

2.0 platforms are divided into those that run on top of the BTC blockchain and those that run on their own separate blockchain (or network). While there are a number currently not included in this list, the following platforms are identified for possible use:

- a) *NXT Asset Exchange* – The NXT Asset Exchange (AE) is the decentralized marketplace that runs on the NXT network. It allows peer-to-peer trading of colored coins without the need for a centralized third party or intermediaries. Colored coins issued on top of NXT are gaining traction and support on more traditional cryptocurrency exchanges. NXT is the native currency.
- b) *CounterParty* – Built on top of the BTC network, CounterParty allows users to trade and engage in advanced financial contracts without third-party intermediation. Thanks to colored coins gaining traction and the announcement of ‘Medici’, it is currently enjoying the spotlight. XCP is the native currency.
- c) *ClearingHouse* – ClearingHouse is based on the CounterParty protocol and therefore is very similar. Rather than run on the BTC blockchain it runs on top of ViaCoin (VIA), which is being developed to ensure faster speeds and guarantees greater compatibility with the underlying network. XCH is the native currency.
- d) *Ripple* – Is a distributed and powerful open-source payments system that is gaining traction in professional financial institutions and banks. The native currency is XRP.
- e) *Open Assets Protocol* – Open Assets is an implementation of colored coins on top of the BTC blockchain. Tiny amounts of BTC are taken and ‘colored’ with information defined by an issuer to represent ‘assets’. These can be transferred through the BTC blockchain securely and without friction. It currently primarily runs on a web and Android wallet called ‘CoinPrism’.
- f) *Open Transactions Protocol (OTX)* – Open Transactions is a cryptographic and transaction library that supports a large variety of financial instruments, markets, cash, unforgeable account balances, Ricardian contracts, and smart contracts. It is currently under development.

3.4: Cross-Platform Transfers

While initial distribution will only be available on the NXT platform, the system will ultimately support a number of platforms during the first cycle. Those who are less inclined to actively trade and would prefer to move their holdings to their favorite network (including BTC – perhaps for longer term cold storage) will be able to do so. Alternative platforms will not initially have the same type of exchange presence and would require a trusted *gatekeeper* (an independent escrow or Noble) or *middleware* to handle both sides of the transfer(s).

For example, a member may prefer not to use a NXT wallet and decides to move their ten-thousand (10,000) NOXT over to a Coinprism web wallet account on the BTC block chain. That member initiates a *transfer*, exchanging their NOXT for NOCC (Noble Colored Coin), which may be used as an alternative for any Noble product or service or exchanged in the future for ten-thousand (10,000) NOXT. The positive

side of this arrangement is it allows members to store their crowd funded colored coins on a platform of choice; the negative is that it requires an element of centralization and trust.

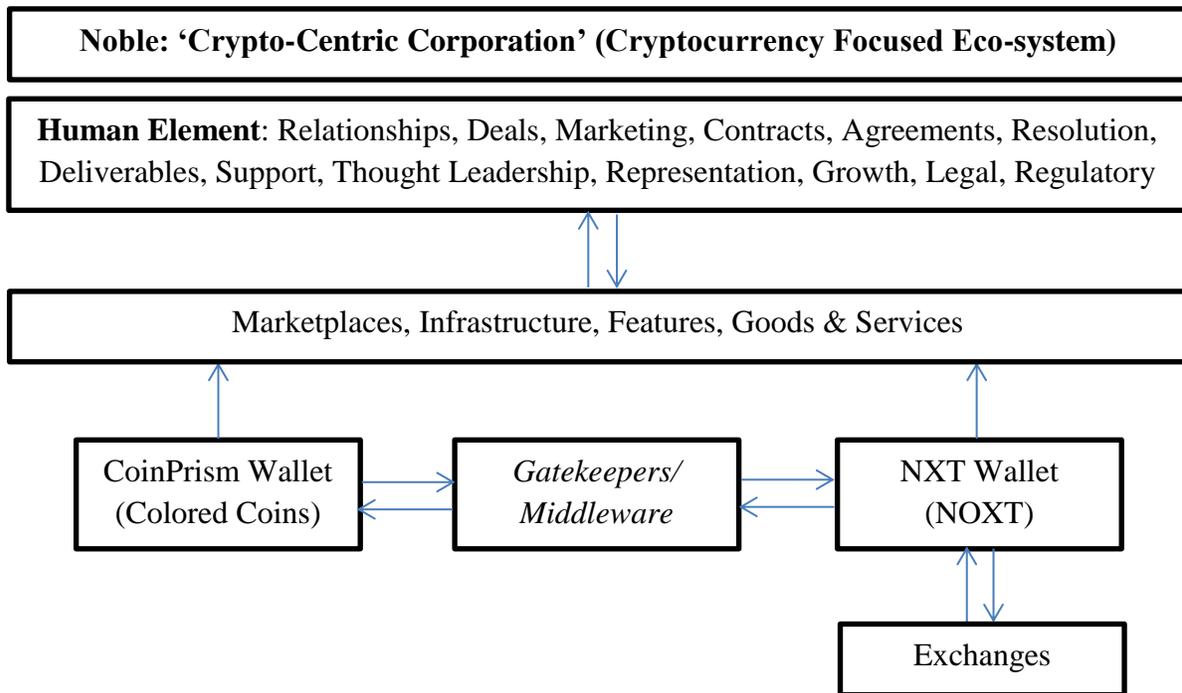


Image 3.1: Early Cross-Platform Gatekeeping (Months)

Initially, Noble or trusted third-party escrow would be the primary gatekeepers. As the system is developed and adopted, online services (referred to as middleware) facilitating smaller hot wallet (minimized risk of theft and hacks being prime concern) transfers across platforms are developed. Exchange services may also be purchased, allowing direct trading pairs between platforms. The biggest concern with multiple platforms spread across multiple exchanges is lack of liquidity due to a relatively new idea and market. However, by adopting a longer-term philosophy of platform agnosticism, we can focus on the infrastructure, brand, information and services while allowing the underlying financial networks to change as preferences and technology evolves.

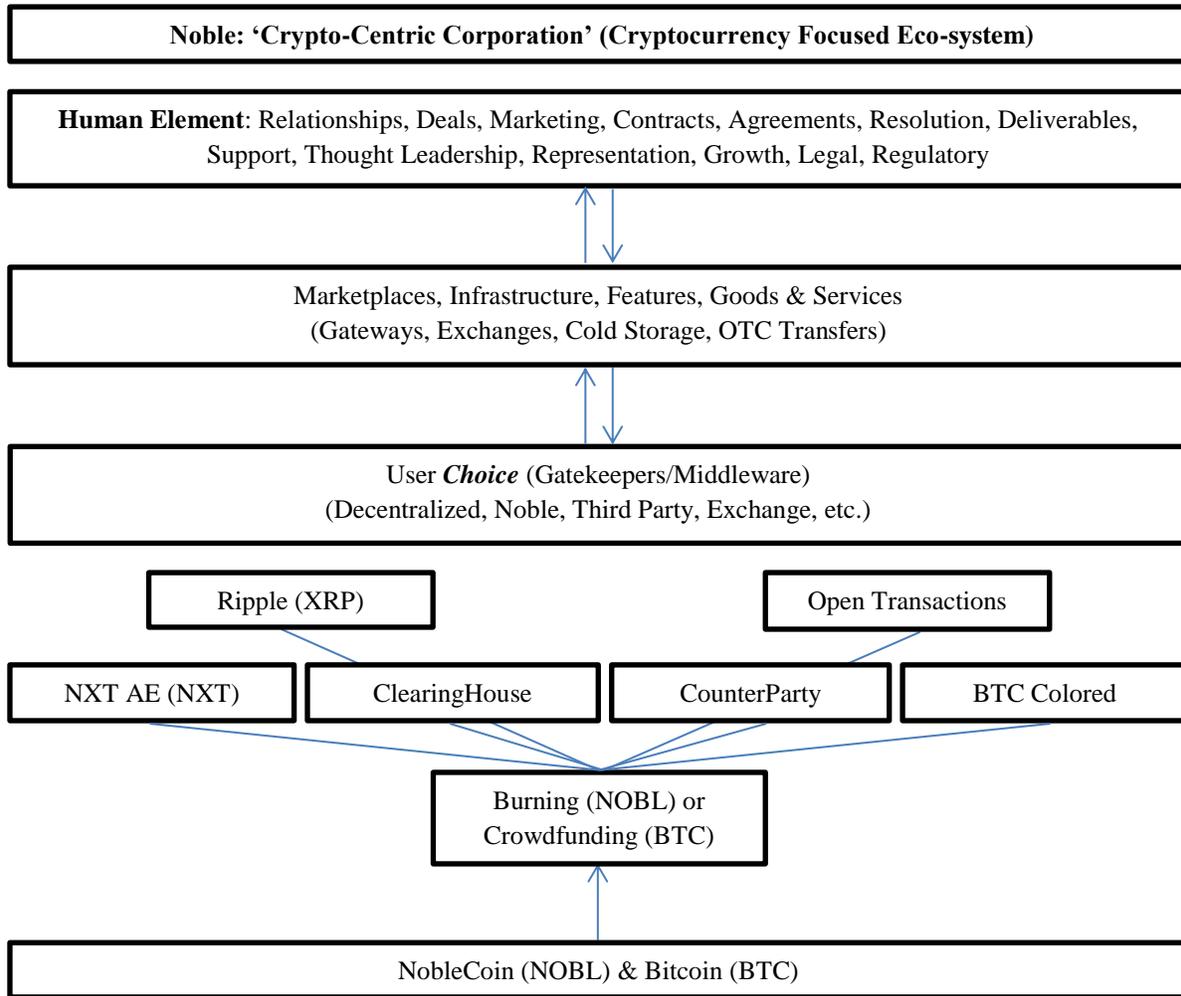


Image 3.2: Mature Distribution & Cross-Platform Gatekeeping System (Years)

4. Utility

4.1: Introduction

Utility is the perceived ability of something to satisfy needs or wants. While the utility of a cryptocurrency is an important feature, it's surprising (or not, depending on how you look at things) how little they are used to satisfy any need or want beyond speculation and trading. Giving your cryptocurrency utility beyond this is the easy part; convincing the community to take advantage of that utility is much more difficult. There has to be a reason beyond speculation (or 'gambling') that encourages more users to enter the system than leave over time. Our utility approach focuses on legitimately increasing demand for colored coins particularly within the 'late adopter' demographic. More importantly, we promote utility in a powerful way by intertwining it with both scarcity and an incentive to participate (*see Section 6: Inceptive to Participate and Section 7: Stability*).

4.2: Addressing 'Utility Pressure'

Our focus is to remove the necessity for any relationship with fiat after it's entered the system: an obvious but particularly longer-term approach. If users can purchase anything they need without using fiat: buy dinner, furniture and groceries, pay their rent, their utility bills, their taxes, the need (and appeal) for that user to exit into the fiat system greatly diminishes. While this is a sound strategy for increasing utility in a closed system, such an approach does not prevent third parties and external merchants cashing out to meet their own obligations. An increase in utility for a number of coins, including both NobleCoin (NOBL) and Bitcoin (BTC), has been blamed for causing increasing downward price pressure as that utility at some point means an exit to fiat. So, there are a few questions and underlying problems we must attempt to answer:

- a) How do we improve demand while accommodating any necessary fiat *exits* (increased *utility pressure*), and
- b) Is there a medium-long term way to eliminate utility pressure from third parties entirely?

To improve demand while accommodating generated utility pressure we focus on infrastructure and services that are not only self-sufficient but that receive more colored coins than it costs to 'run' them. This is easier said than done and requires a three-pronged approach:

1. First, build and support infrastructure/services to give the colored coin utility beyond mere exchange speculation,
2. Second, develop or acquire a network of providers that accommodate the service/product requirements of one another using the colored coin as an exclusive payment option (replace third parties that immediately exit to fiat), *and*
3. Third, focus on advocacy, research, engagement and relationship-building with industry leaders, institutional investors and service providers that commit to deal with products and services paid for with the colored coin (*see Section 8: Thought Leadership and Section 10: Industry Representation*).

Alongside improving demand, we focus on increasing scarcity of such a colored coin over time in section 6: *Stability*. We aim to promote a positive feedback loop by completely removing emission, focusing on demand, and using products/services to permanently remove coins from circulation.

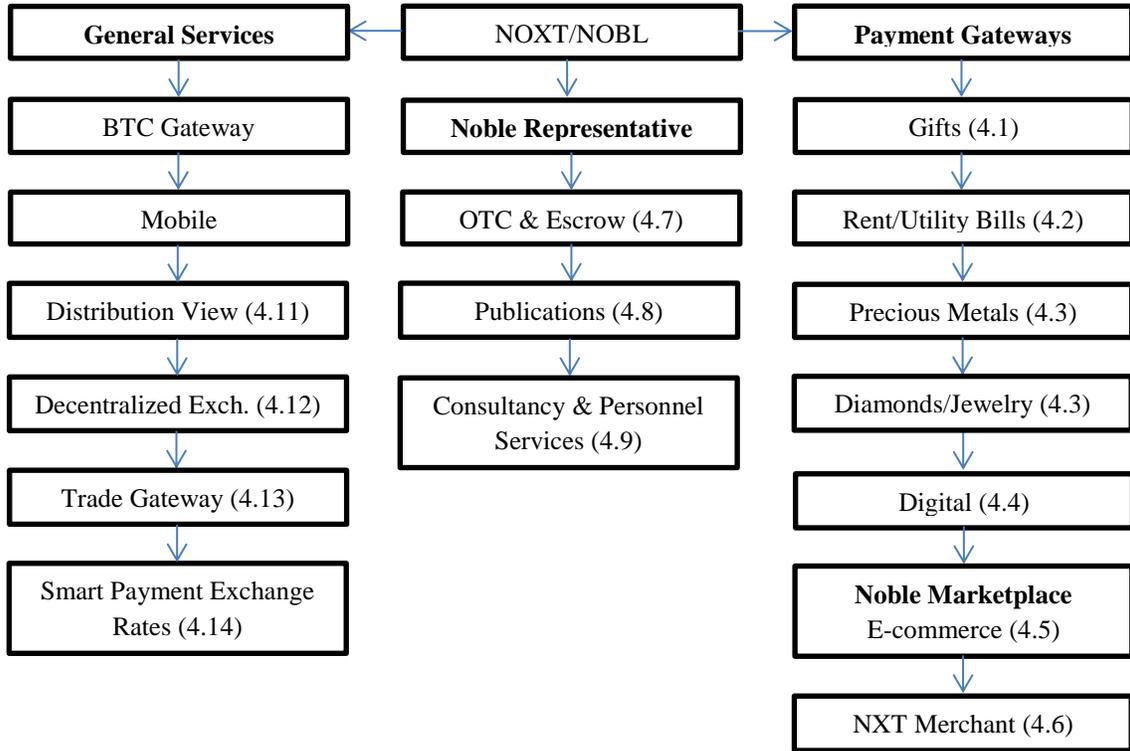


Figure 4.1: Digital and Personal Utility of NOBL/NOXT

4.1: Gifts (NobleGift)



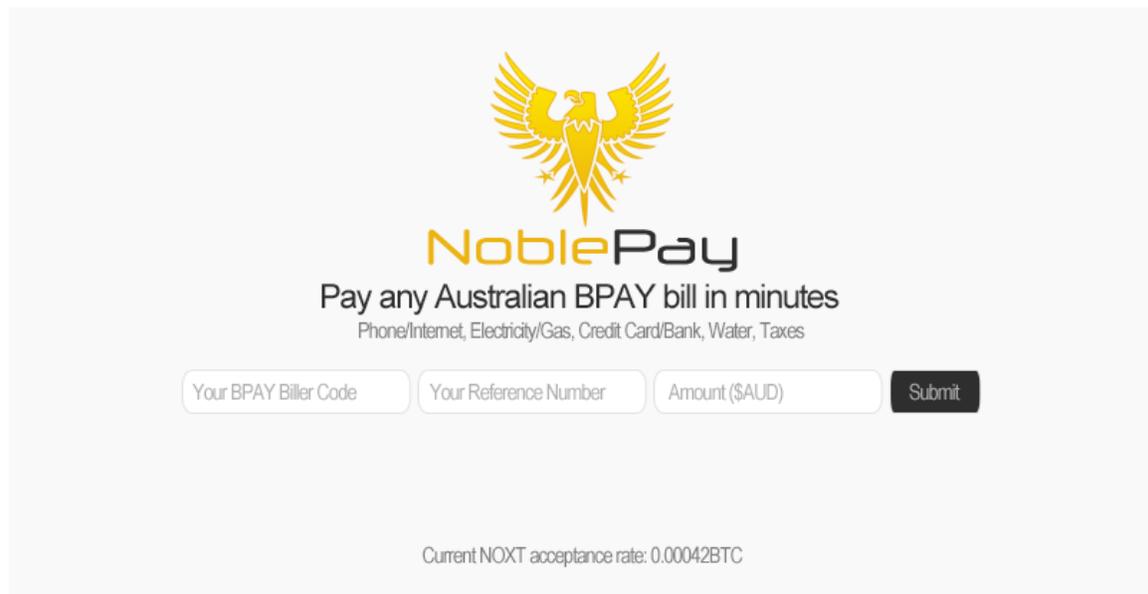
Figure 4.2: NobleGift Gift Card Only Web & Mobile

For eleven (11) months the Noble marketplace has offered gift cards from Amazon (every branch), Newegg, Dell, Microsoft, Overstock, Tiger Direct and others at the most attractive cryptocurrency rate in the world.⁵ This range is being increased weekly to include all vendors who currently accept third-party payments for gift cards in either BTC or fiat. It is estimated that approximately three-hundred (300) gift cards from the largest retailers around the globe will be available by 2015 for NOXT at the ‘stabilized’ rate (see Section 7: Stability). This includes all retailers currently available on more mainstream gift card services such as Gyft or eGifter.⁶

This range will be transferred on to its own subdomain (*gift.noblemovement.com*) designed to offer a more exclusive, professional and streamlined purchase process for gift cards. *NobleGift* will better manage the display, choice, and amount by focusing only on gift card products. Because funding removes the need for manual market trades and bank transfers we can automate the process and remove the delays in orders.

4.2: Rent/Utility Bill (Australian NoblePay)

In Australia there is a single bill payment service called BPAY which is accepted across the banking system and enables payments to be made for over forty-four thousand (44,000) types of bills from over nineteen thousand (19,000) businesses.⁷ It is important to note that *NoblePay* is in no way affiliated with nor endorsed by BPAY.



The image shows a screenshot of the NoblePay web payment gateway. At the top center is a yellow eagle logo with spread wings. Below the logo, the text reads "NoblePay" in a large, bold, yellow font. Underneath that, it says "Pay any Australian BPAY bill in minutes" in a smaller black font, followed by "Phone/Internet, Electricity/Gas, Credit Card/Bank, Water, Taxes" in an even smaller font. Below this text are three input fields: "Your BPAY Biller Code", "Your Reference Number", and "Amount (\$AUD)". To the right of these fields is a dark grey "Submit" button. At the bottom of the page, there is a small line of text: "Current NOXT acceptance rate: 0.00042BTC".

Figure 4.3: NoblePay Web Payment Gateway

⁵ Noble Marketplace, <https://marketplace.noblemovement.com/>

⁶ For a full list of potential gift cards see Gyft (<http://www.gyft.com/buy-gift-cards/>) or eGifter (<https://www.egifter.com/giftcards/>).

⁷ BPAY, “Overview”, <http://www.bpay.com.au/Personal/Overview.aspx>

Living Room of Satoshi, a business that focused on enabling BTC payments through BPAY, recently closed its doors due to a taxation issue that has arisen as Australia develops its cryptocurrency laws and regulation.⁸ In 2014, the Australian government issued its first guidance on cryptocurrency and taxation that caused an industry-wide backlash.⁹ It effectively resulted in a ‘double taxation’ problem because cryptocurrency users may have to pay 10% GST to buy a coin and 10% GST when paying for an Australian product or service. For every one-thousand dollars (\$1000) used on their service, *Living Room of Satoshi* has to either add one-hundred dollars (\$100) in fees or cover that amount themselves. Despite being well-intentioned, this is unsustainable. We expect this issue resolves itself in the coming six (6) to twelve (12) months, as young industries often experience conflicting laws that require time to mature.

A service similar to *Living Room of Satoshi* will be established as a core utility feature of the Noble ecosystem (*NoblePay*). Because BPAY requires only a biller and reference code in order to process bill payments, *NoblePay* does not require personal identifiable information such as real name, telephone numbers or address (guaranteeing customer privacy). The process is relatively automated with *NoblePay* acting as *middleware* facilitating everyday bill payments in colored coins:

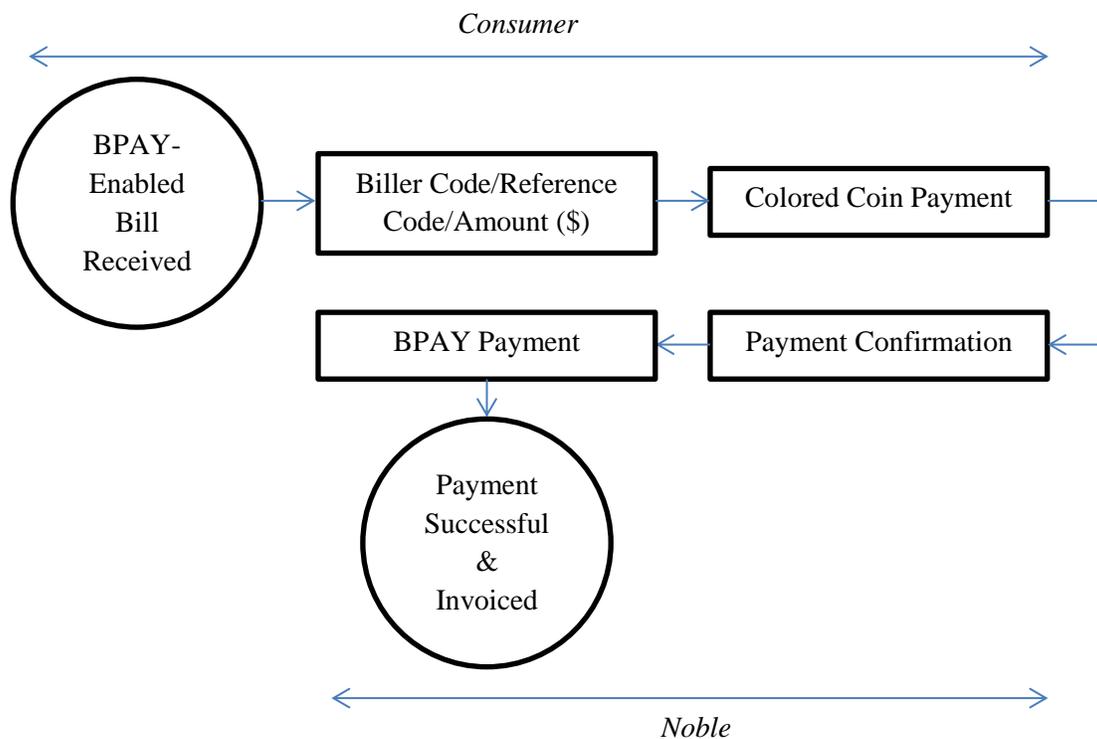


Figure 4.4: Australian BPAY-NoblePay System Similar to *Living Room of Satoshi* Model

⁸ *Living Room of Satoshi*, <https://www.livingroomofsatoshi.com/>

⁹ Australian Taxation Office, “ATO Delivers Guidance on Bitcoin”, <https://www.ato.gov.au/Media-centre/Media-releases/ATO-delivers-guidance-on-Bitcoin/>

By extrapolating data provided by the Living Room of Satoshi we see that the majority of *NoblePay* payments would be for credit card/bank, phone/internet and electricity/gas bills. However, *NoblePay* will ultimately and more importantly allow Australians to pay their *taxes* using a colored coin. In its first year of operation, it is likely *NoblePay* does not see as high a use as Living Room of Satoshi for BTC. However, it has the potential to process up to approximately forty-thousand dollars (\$40,000) worth of bills during that time.

If the GST double-taxation issue were to remain for twelve (12) months, that is a four-thousand (\$4,000) GST bill that *Noble* would be liable for by keeping the service fee-free. In the grand scheme of things post crowd-fund this is an acceptable cost for proof-of-concept due to the attention utility like this can attract. There is also a good possibility the double-taxation issue is resolved relatively soon. If this becomes the case, most of the service is automated and ongoing running costs are minimal (hosting).

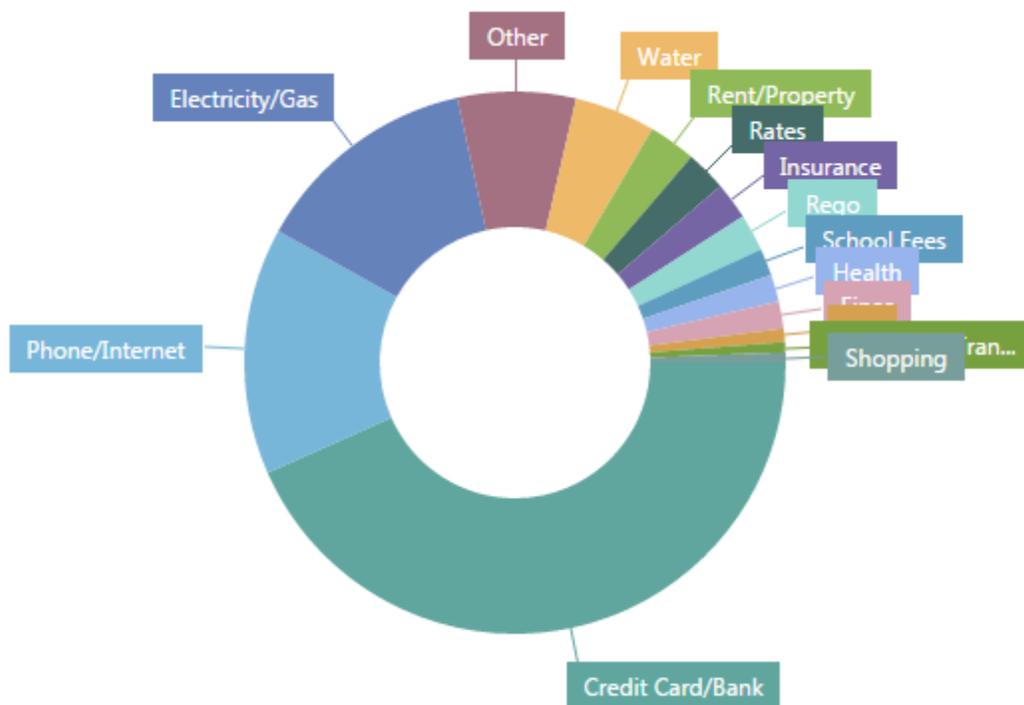


Figure 4.5: Bill Payment By Category Overview from the Australian Living Room of Satoshi ¹⁰

4.3: Precious Metals, Diamonds & Jewelry (see also Section 7.2)

Precious metals and bullion trade on the Noble marketplace has long been on the agenda but suffered setbacks, in no small part due to uncertain legalities related to cryptocurrency and associated legal costs. Australian Second-hand Dealer/Pawnbrokers Licenses for multiple states are relatively inexpensive to obtain at approximately six-hundred dollars (\$600), but it is the professional legal advice, documentation

¹⁰ Living Room of Satoshi, “Everyone’s Bills This Year”, <https://www.livingroomofsatoshi.com/graphs>

and clarification on the subject in the capital that is more costly (to the tune of a few thousand dollars). This license and advisory is to be immediately gained and published pending funding.

Furthermore, we continue building relationships with retailers who allow third-parties to act as unofficial re-sellers and trade bullion on behalf of customers (provided AML/KYC laws are adhered to). By linking the Noble marketplace with global and reputable suppliers of precious metals, bullion and jewelry, we congregate all possible online products into one ‘super-store’ that deals strictly with Noble-related ‘currencies’ and colored coins. In this case the initial proposed system of precious metals, diamonds and jewelry merchants is as follows:

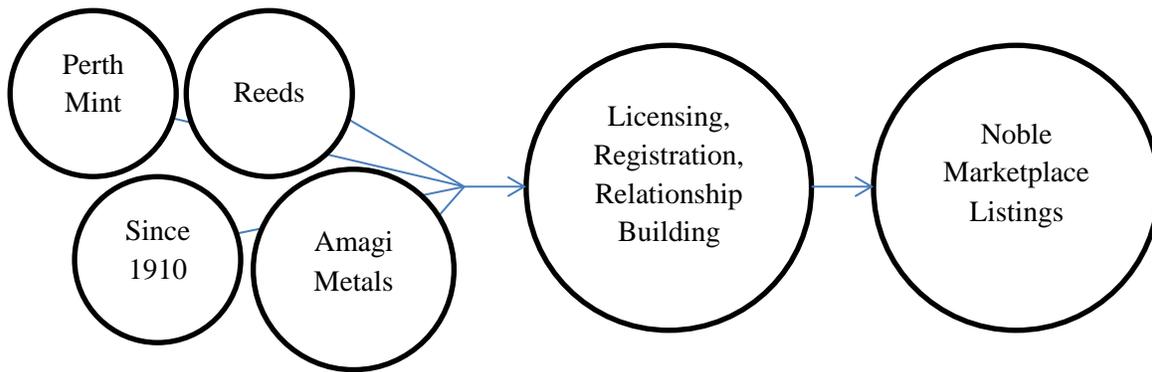


Figure 4.6: Initial Proposed Retailers Linked to on the Noble Marketplace¹¹

It is important to clarify that Noble is currently in no way officially affiliated with or endorsed by these retailers. Our goal is to act as trusted resellers of products facilitating their purchases using supported alternative cryptocurrencies.

4.4: Digital

Secure digital, art, blueprint, and e-book download support will be added pending crowd fund. This has so far not been prioritized because hooks, plugins and custom website development allowing automated purchase and download of digital goods is costly. Funding will allow support for the following digital goods direct from vendors on the Noble Marketplace:

- 1) 3D printing blueprints
- 2) Software and game licenses
- 3) E-books (including Noble and cryptocurrency-focused publications)
- 4) Photographs

¹¹ Reeds Jewelers (<http://www.reeds.com/>), Since1920 (<http://www.since1910.com/>), Perth Mint Australia (<http://www.perthmint.com.au/>) and Amagi Metals are in no way affiliated with nor endorse the Noble Marketplace.

- 5) Applications
- 6) Graphics & Clipart

4.5: Marketplace

The 15% universal discount will be wound down and instead moved over to the three-tiered ‘Nobility’ reward program (*see Section 5: Exclusivity*), which rewards community members with the same discounts but also promotes holding a fixed number of coins. In the event of low prices a discount can still be received by using NOXT and taking advantage of the guaranteed exchange rate (*see Section 7: Stability*). The marketplace itself will see significant overhauls during this period as the crowd funds go towards re-design, plugins and custom development to present a more streamlined, professional and mobile experience. There are a number of identified issues with proposed marketplace features and alternative cryptocurrencies that must be resolved:

- 1) Multi-vendor support: The issues with attracting merchants towards the majority of alternative cryptocurrencies are a) their relatively short life-span, b) their extreme fluctuations in price making holding or long-term faith difficult, c) their lack of liquidity to accommodate large orders requiring immediate cash out, and d) the general lack of community use of alternative cryptocurrencies outside of personal wallets/exchanges.
- 2) Bidding/auctions: Due to the volatility of both alternatives as well as Bitcoin cryptocurrency bidding services have their short-term bids and prices warped by external factors. What amounts to a one-hundred dollar (\$100) bid one day may be a one-hundred and thirty (\$130) or eighty dollar (\$80) bid the next. This lack of certainty makes any non-immediate and exchanged transaction extremely unattractive.
- 3) Bank/fiat relationship: The majority of marketplace orders initially required an accompanying fiat order from certain retailers. Orders made on a Friday and requiring a BTC/fiat exchange often have to wait for clearance over weekends before they can be resolved, leading to unacceptable delays.

To resolve these issues short-medium term we propose a *price supportive* fixed exchange rate (*see Section 6: Stability*). While this fixed exchange rate supports the NOXT to BTC exchange rate, it does not protect against fluctuations in the BTC to USD price. A second tier in the stability plan must be implemented to resolve this. What this means is that the fiat equivalent of *NOXT-BTC* is recorded and this value used to determine the guaranteed acceptance rate. Resolving the fiat/bank delay issues requires the gradual move to cryptocurrency accepting merchants only. An account that can handle large orders and weekend periods can be maintained for products requiring fiat payments.

4.6: NXT Merchant

Noble will be filling the decentralized NXT marketplace with the most popular gift cards and products to help give the platform another trustworthy merchant. Since these products must be purchased in NXT, a 0.5%-1% fee will apply which is used to purchase and take NOXT off-market. The NXT price and associated BTC/fiat value must be consistently monitored (updated daily at a minimum), so only best-selling products will be listed to reduce workload. Ideally this will include precious metals provided orders are not at a quantity that require adherence to AML/KYC laws and regulation. In doing this, we help promote the decentralized marketplace as a means of legitimate e-commerce and in the process contribute towards the increased scarcity of our colored coin.

4.7: Escrow & Over-the-Counter (OTC)

Noble will take advantage of its trust and public image to facilitate personal escrow and over-the-counter (OTC) services nationwide. As professionals begin to explore and attempt to understand digital currencies they will seek individuals who understand the market and wallets to aid and train them. These services will be provided in a legal manner ensuring all anti-money laundering (AML) and know-your-customer (KYC) laws are adhered to. In return for aiding in the establishment and marketing of services the usual fees will be paid for in full with colored coins that are taken out of circulation. Due to the competitive nature of such transactions from both current and decentralized services, we focus on personalized services with clients and contacts outlined and established in *Section 8: Thought Leadership*.

4.8: Publications

For a more detailed understanding of building demand, volume and utility through publications see *Section 8: Thought Leadership*. Whitepapers, e-books and self-published hardcovers (under negotiation) are being written and co-authored with professional editors for the cryptocurrency space. These will be available in a number of ways:

- 1) In the case of whitepapers and short publications, downloadable for a minimal-small colored coin fee (depending on content) from the website. It is expected that these kinds of publications are shared for free and used to promote our deepening involvement with the consultancy and publication space.
- 2) In the case of e-books and hardcovers, available for download or order from Amazon and for Kindle, with all proceeds going towards taking the colored coin off-market. Also available for order for equivalent price in NOXT on our website.

4.9: Consultancy and Personnel Services

For a more detailed understanding of building demand, volume and utility through consultancy see *Section 8: Thought Leadership*. Alongside publications, the primary focus of *Noble* as a business is to act as consultants to the corporate and financial world seeking to understand blockchain technology. While many

of these services will be paid for using traditional means, part of the consultancy will be focused on making and receiving payments using different wallets and cryptocurrencies. No matter what payment method is preferred, a majority of services rendered will be used as a conversion method to colored coins and removing them from circulation. For example, an invoice of \$2000.00 paid in AUD would be recorded for business and taxation purposes, with approximately 50% being converted to colored coins which are permanently taken off-market.

4.10: Replacing Unreliable Utility Providers

Alternative cryptocurrencies, especially those with a lower market capitalization and fewer resources, suffer just as much from service providers not delivering as the community suffers from scamming development teams. Over the course of 2014, Noble has paid a total bounty of approximately ten (10) Bitcoin just for popular and expected (at the time) explorer services. Many of these, with a few shining exceptions, have since closed - in an environment where refunds are nonexistent. If exchange listing fees (bribes) had been paid that would have amounted to another thirty (30) BTC. Three of the four exchanges that would have been paid have since scammed, stolen and dumped huge coin holdings before closing up. Two of those had attempted to 'extort' tens of BTC during listing, threatening to delist despite having adequate volume, knowing full well they held the power over the public perception of price and how the community would react to delisting. It is frustrating and financially draining paying external services during a positive hype cycle only to be slowly removed one by one when that hype diminishes. Transient communities that switch coins demanding these fees are paid to aid in 'pump and dumps' are making this situation worse. It is unsustainable to consistently pay for services that end up closing (or scamming) because no one uses them. Services have been getting away with this business model because by the time the removal occurs, chain developers, market movers and communities have moved on to their next target coin and have no care to what happens to it post-dump.

However, legitimate currencies being forced to pay for a new generation of services every few months are no longer acceptable. Both new and colored coins need to attack this issue from two angles:

- 1) Embrace integration with core 2.0 technologies that are automatic, open source and charge zero to minimal listing fees. Promoting these types of services as the primary and recommended *go-to* will play an important role in directing users to a more permanent solution to unreliable services providers, *and*
- 2) Develop qualifying services in-house at a higher-level centralized level *or* work with and provide feedback to 2.0 teams to develop services on a protocol/core-functionality level (the latter being the preferred approach).

4.11: Distribution View

The first of these ‘services’ is the ‘Asset Distribution’ view available on the NXT client, acting as both an address explorer and ‘rich list’ that cannot be taken offline. Tying these addresses to personal Noble accounts and *chests* will play a key role in transparency and accountability during a cycle (see *Section 9: Transparency and Accountability*). It will also play a voluntary role in both crypto-governance and legal/regulatory issues (see *Section 11: Crypto-Governance and Section 12: Legalities*). To view the distribution of a colored coin on the NXT platform, simply go to the corresponding Asset Exchange page and select ‘View Asset Distribution’.

| Account | Quantity | Percentage |
|--------------------------|------------|------------|
| Asset Issuer | 804'650.18 | 80.47% |
| NXT-DET2-LPGF-ETJM-7GJMH | 98'169.61 | 9.82% |
| NXT-ALC6-L5ET-6PPV-5ZWB | 15'958 | 1.60% |
| NXT-AVLT-Z56N-7NVY-AM2VK | 15'356.2 | 1.54% |
| NXT-TH8J-5JA8-HYKC-EBYB4 | 13'595 | 1.36% |
| NXT-AC4R-PFCQ-3694-72YQP | 10'090 | 1.01% |
| NXT-C7VD-TZFT-Q2D6-CGV2R | 10'000 | 1.00% |
| NXT-PKN7-A9QQ-4V9E-88DWQ | 9'504.76 | 0.95% |
| NXT-CVQD-CVDS-EMKA-QMAG | 8'000 | 0.87% |

Figure 4.7: Distribution View of NOXT on the NXT Wallet

4.12: Decentralized Exchange

Noble has suffered more than your average coin when it comes to cryptocurrency exchanges. Between Coinmarket.io, CoinEX and Mintpal, momentum has been consistently destroyed by hundreds of millions of coins being stolen and unloaded on the market. While community requests to pay listing ‘fees’ of between 10 – 20 BTC were rejected, not paying them beforehand fortunately avoided adding insult to injury. Add to this ‘remain listed’ extortion fees that are presented on a whim, and you effectively have a controlled economy where the exchanges run the game and only whales who pump and dump a dozen coins a month can afford a ‘top-tier’ exchange presence. This is unacceptable, and it is disappointing that the alternative cryptocurrency community supported this damaging business model throughout 2014.

Fortunately the demand for low fee, peer-to-peer decentralized alternatives (as well as regulated exchanges offering insurance and protectionism) is increasing. The NXT AE (Asset Exchange) is steadily gaining both in volume and number of ‘assets’. There is no longer a need to rely only on centralized exchanges, although some are gaining legal and regulatory legitimacy. By promoting a move on to these

sorts of platforms we remove the need to develop and test our own (timely and costly), take advantage of the growing liquidity already present, and enjoy the exposure of being listed and available for trade alongside other ‘assets’ gaining in popularity.

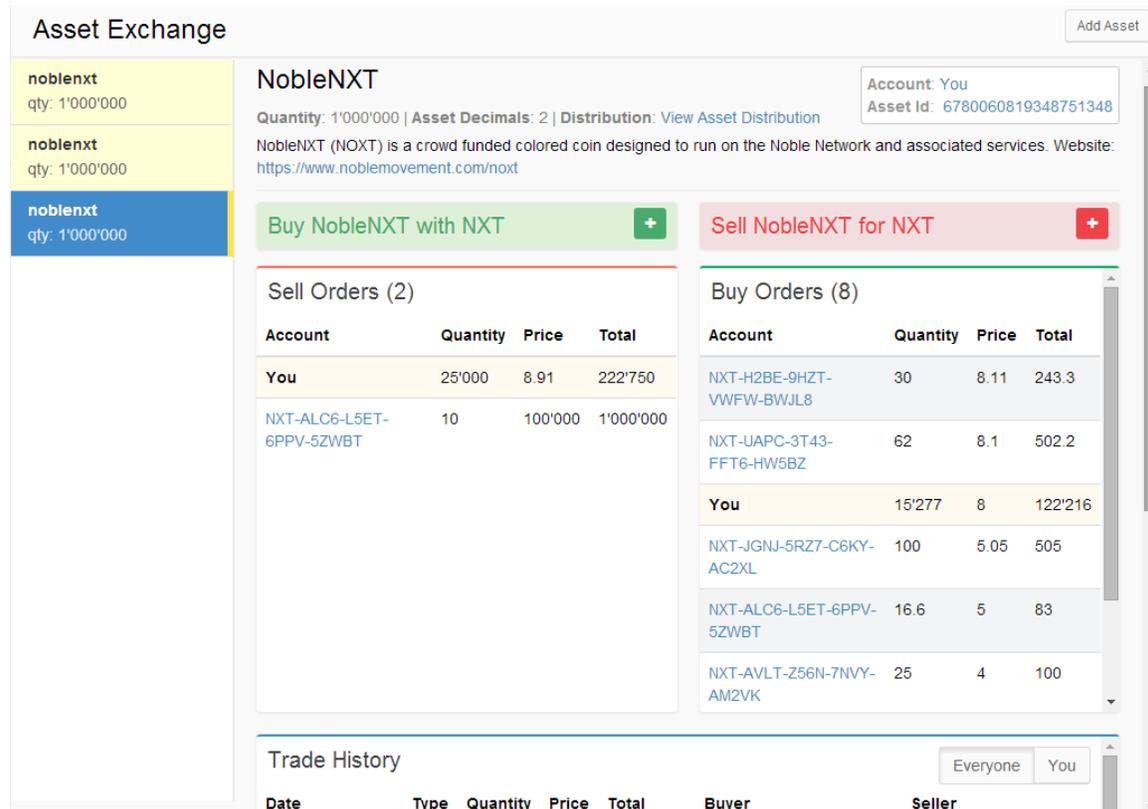


Figure 4.8: Asset Exchange on the NXT Platform (Decentralized Exchange)

4.13: NobleTrade Gateway

The NobleTrade Gateway is a project under development by a third-party personally interested in the future of Noble. Because of this, the information provided is subject to change and we will allow the third-party to present more if and when they are ready. The service is a gateway to all market and trading information, actions and services available in the cryptocurrency sphere. Many of these services are trivial and free-to-use, while some are involved and under development in order to generate profits for both the service provider and consumers.

Features being developed include the basic and mandatory information one would expect to be available: market capitalization, mining, statistics, super-trollbox, news feeds, block explorer, market graphs, nodes, network pulse, and maps. Also under development are trading services, price, volume, exchange, arbitrage information, statistics, market data, and live alerts for dozens of variables. This gateway will initially be available for NOBL and NOXT, using service fees to take coins permanently off-

market (sponsored by *Noble*). Once beta period is over it will be offered as a comprehensive platform to other coins for a fee (also used to remove coins from circulation).

4.14: Smart Payment Exchange Rates

Merchants and services providers point to the general lack of liquidity at particular levels on exchanges as a reason for not accepting an alternative cryptocurrency. This is a valid concern, but often fails to consider the potential for what we call a *smart payment exchange rate*. Assume a merchant receives a payment in coins with a total value of 1 BTC, and their business model demands these coins are immediately exchanged to BTC. However, their linked exchange has a 0.5 BTC bid at 25 satoshi (*a*), 0.2 BTC bid at 24 satoshi (*b*), 0.15 BTC bid at 22 satoshi (*c*), and 0.15 BTC bid at 21 satoshi (*d*). With tight profit-margins, they are unable to exchange their received payment for order processing without taking a loss, making acceptance of the coin pointless.

Currently, cryptocurrency payment gateways will list the colored coins current exchange rate at time of purchase at 25 satoshi. What this means is if the merchant were to automatically convert their received colored coins into BTC, they can only exchange half (0.5 BTC) at the value they received them for. The remaining 0.5 BTC would have to be exchanged at a sub-optimal rate which more than likely means a loss for the merchant. A smart payment exchange rate is designed to account for the natural liquidity and slippage issues that occur in thin markets. In this particular case it would work like this:

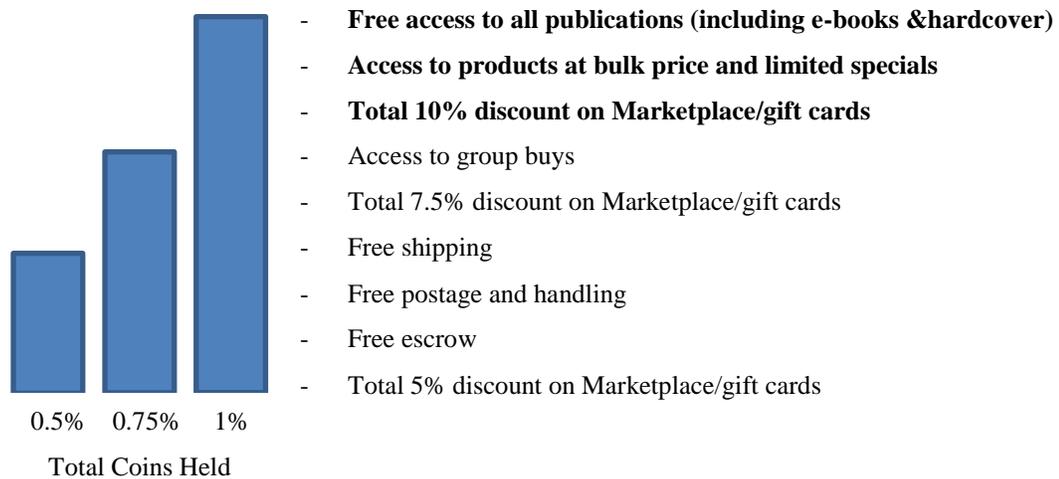
- a) Payment gateway receives order totaling 1 BTC, and understands that it needs to immediately convert received colored coins to BTC at optimal rate.
- b) Through exchange account access and APIs the payment gateway knows it can only convert 0.5 BTC at the current exchange rate, and that it needs to move down the order book until a total of 1 BTC has been filled.
- c) In order to successfully convert 1 BTC worth of colored coins at a rate that does not equal a loss for the merchant, the gateway knows it needs to fill the orders from 25 satoshi down to 21 satoshi completely ($a + b + c + d = 1$ BTC).
- d) The gateway ignores the current exchange rate and instead displays the total amount of coins required to exchange 1 BTC total on said exchange (X). X will be the total number of colored coins on the 25, 24, 22 and 21 satoshi bids, because these are all required to meet the 1 BTC required exchange.

While this exacerbates volatility in thinner markets (which has the positive potential to attract more traders/volume), more importantly it removes the ability for market manipulators (or non-malicious but intelligent customers) to use young markets to take advantage. If merchants know their profit-margins are protected by payment gateways that accommodate smart exchange rates they are more inclined to stick around and provide their services.

5. Exclusivity

5.1: Introduction

Exclusivity is the conscious culture change towards promoting and rewarding Noble holders over the cryptocurrency community in general. What this means is that discounts, items, free shipping, services and information typically given for free is instead being used to encourage and reward the Noble community specifically. Our three-tiered exclusivity system is being titled ‘Nobility’ and is expected to grow as our services evolve and potential rewards are proposed, funded and delivered. It will be available for both NOBL and NOXT holders. By holding a set number of coins medium-long term, community members gain access to increasingly powerful perks and rewards.



Initially, exclusivity focuses on service perks and discounts similar to a crowd funding Kickstarter model in order to keep it distinctly different to equity-based models. While we continue to explore methods of comfortably engaging in ‘profit-sharing’ and initiatives that more closely represent ‘dividends’, legal uncertainty keeps this theoretical for now. Funding will be going towards legal and regulatory research, registrations, licensing, advice and growth in this area in order to better understand and evolve with the industry in the hope we may one day merge currency, cryptography, utility, equity and dividends. This sort of future however remains highly theoretical and will take time to mature for the industry as a whole.

However, as the legal and regulatory framework around colored coins and cryptocurrencies evolve to allow for recognized profit-sharing activities the list of exclusive benefits for being involved in a crypto-ecosystem are expected to grow. It is important to understand that legal clarification needs to be sought for new financial technology, relationships and systems. Despite being distinctly different from securities, elements of cryptocurrencies and colored coins cannot too closely resemble them too early or we run into potential issues. Some of the most challenging work in the industry will revolve around developing frameworks and procedures that allow these novel approaches to currency to remain globally compliant in an ever-evolving regulatory space.

5.2: Registration for 'Nobility'

Registrations for the exclusivity programs will be done manually by confirming ownership of wallet addresses. Dealing with consumers directly allows for answering questions, accommodating feedback and build trust on a personal level, and helps with building long-term relationships for moving cryptocurrency forward without resorting to the 'shadier' side of practices. Registrations do not have to be done using personal details despite preferring them for future AML/KYC and regulatory initiatives (at this stage all *voluntary* – things are far too early to promote those sorts of identity involvement). An alias or website/marketplace username can be tied to accounts and discounts/perks applied automatically on orders.

Membership registration will be available immediately from the date of the crowd fund, and is only cancelled if the registered wallet goes for more than a week with less than the required amount for that tier. Gaining access to the 'Nobility' exclusivity program for new members will require holding the necessary amount for two (2) weeks or longer. This waiting period is not applied to those involved in the crowd fund and for the first two weeks, meaning registrations are open immediately.

While a limit on monthly rewards may in the future be capped, this will only be considered for blatantly obvious abuse of the perk and reward system (for example: a maximum limit of \$1,000.00 in savings per individual per month). The system and reward system will be continuously refined in order to reward long-term supporters, encourage newcomers to participate, as well as prevent high levels of abuse.

5.3: Benefits of the Exclusivity Program

'Nobility' benefits those who wish to take advantage of *Noble* utilities and services by providing ongoing discounts, perks and benefits of using our coins over competitors. This rewards and perks system is expected to grow as the old saying 'what's in it for me?' becomes increasingly important in persuading an individual's *choice* of currency. The long-term challenge in providing these benefits is how to maintain their self-sufficiency, hence the new year's focus on real-world business, corporate and financial growth.

For individuals not particularly interested in the utility and services provided, the coin requirement for each tier of rewards encourages scarcity. By encouraging supporters hold on to a fixed amount of coins in order to gain access to *Nobility* exclusivity we indirectly support the idea of coin scarcity.

6. Incentive to Participate

6.1: Introduction

One of the fundamental problems coin leadership struggles with is community participation outside of a desire to sell at a profit. Speculating and trading is the name of the game; making money is the purpose and motivation of a good majority of the alternative cryptocurrency community. Encouraging community members to actively get involved, promote and use a coin is difficult despite the positive influence it may have on long-term price. This is not a criticism, rather a reality of the demographic; designing systems that

accommodate these motivations is becoming increasingly important. This leads us to the questions: *how do we encourage traders, speculators and 'investors' to participate in an alternative cryptocurrency ecosystem for the mutual benefit of everyone? What if we can make using the colored coin as a currency as indirectly beneficial for participants as simply trading?*

6.2: Incentive through Increased Scarcity

Initially it was thought that simply by providing and covering global 15% discounts for the largest retailers like Amazon and Newegg we had this issue covered. While it helped from a marketing perspective, it did not work as well as expected and could not compete with mining pressure. This led to envisioning a system that increased the scarcity of coins over time. The core philosophy behind this approach is to design and develop utility, services and systems that contribute in some way to removing colored coins from circulation permanently and returning them to the *chest*.

Purchase an item on the NXT decentralized exchange and contribute a token 0.5% purchase fee used to remove NOXT from circulation. Purchase an item on the Marketplace and expect 2%-5% of the purchase amount to be covered by *Noble* and removed from circulation. Have a new favorite coin that you want to have on CoinPayments and e-commerce capabilities? Help your NOXT holdings and your new favorite coin by paying for it to be listed on both services, with full payment in NOXT being taken out of circulation (the potential for 2-4+ BTC worth). These features have been crowd funded by the community, and having them used as intended to provide utility and services is a benefit to all parties involved. Every action you take reduces the available supply of NOXT, increasing its utility, demand and scarcity.

6.3: Maintaining Scarcity Initiatives at Break-even Minimum (Avoiding a Net Loss)

The concern here becomes 'if *Noble* is increasingly covering a percentage of trades, fees and discounts from their own pocket, how is this sustainable long-term?'. The answer is it is not, without finding a balance between supporting scarcity and the profitability of *Noble* business-related projects that help fund the idea. Make no mistake, a number of exclusivity, deals and scarcity initiatives *do* cause a negative effect on funds and are *not* self-sustainable without complimenting support. It would be misleading and naïve to assume otherwise. There are a few approaches currently being refined to balance this issue:

- 1) Providing services that attract coins rather than costs. For example, a coin might pay 1 BTC (2380 NOXT) per month for marketplace support and listings. Providing the service costs nothing besides time and support (that we are happy to provide for a successful project) then we are in the green. Funds raised can be used to help cover discounts and/or remove colored coins from circulation. This requires service and utility work on our part (which has already been paid and motivated for with a crowd fund). However, it also *incentivizes* community members to promote and encourage these kinds of arrangements with other cryptocurrencies, as they remove NOXT from supply and support their own discounts and perks.

- 2) Recovering marketplace discounts and supporting scarcity by actively placing orders at levels that recuperate initial 'loss'. A common marketplace order is a \$100.00 gift card, which would include a discount of 5% and the desire to take at least 2% out of circulation. That means this order cost us \$7.00 (for promotion, to incentivize utility, to reward crowd funding participants or as a discount reward – however one wants to categorize it). The coins received for the order will be placed for sale on exchange at a rate high enough to recover this \$7.00. This requires patience (an immediate sell is not guaranteed) and encourages promotion and hard work, because unless a rise in price is justified market orders that recover earlier losses will not happen.
- 3) Old-fashioned work similar to how we supported the 15% marketplace discounts for ten (10) months. Wages and profit from the 'real world', whether related to cryptocurrency, *Noble* business projects or traditional methods will be called upon when necessary to cover differences. What people sometimes find difficult to accept is that there are a number of people besides ourselves who are happy to put a little more in during the early years (until self-sufficiency can be achieved) to make this idea a success.
- 4) We will be aggressively monitoring how 'Nobility', discounts, scarcity initiatives and community incentives/participation have an effect on our bottom line and continued success. Reports and actions will be transparently disclosed with community members and we intend to hold many brainstorming and round-table discussions to help strengthen and grow this system. Voting can be conducted in transparent manners using colored coins on important issues and decisions (*see Section 11: Crypto-Governance*).

It's important to note that being a relatively young cryptocurrency with a small eco-system these perks and discounts are relatively manageable despite being beneficial long-term to supporters, especially pending a successful crowd fund.

6.4: Incentive through Successful Cycles

The largest incentive of 2015 for all parties involved will be moving forward continuously until the concept is proven and a successful *cycle* has been completed. A successful cycle could be attributed to a number of factors:

- 1) A good portion of services and utility were crowd funded and proven to increase the demand and scarcity over time (through use), leading to more NOXT in the *chest* rather than being spent on operations.
- 2) Real-world demand for business, thought leadership and information systems existed. Through marketing, real-world contacts and use-cases, successful industry representation and consultancy, *Noble* as a business ran profitably and increased the demand and scarcity of NOXT.
- 3) A publication was a major success, with proceeds going towards removing the majority of NOXT from circulation,

- 4) An ongoing well-paying contract or investment was established between *Noble* and a real-world third party, resulting in increased resources and a scheme to return all NOXT to the *chest* for a reevaluation and refinement of this paper and a new proposed round.

A successful *cycle* will mean all NOXT coins distributed via crowd fund have been used in one form or another through utility or services (digital or real-world). It will allow for a re-evaluation and refinement of planning and proposals, and if necessary for the burning and crowd funding cycle to be considered again.

7. Stability

The promotion of *stability* in the alternative cryptocurrency market is more often used as a marketing trick to ‘pump’ prices in the short term than provide true stability. Currently, price ‘stability’ generally revolves around ‘buy walls’ that are promoted to build momentum and then pulled. True currency stability would unfortunately draw no real attention because the majority of this demographic consciously seeks and feeds off volatility. For these reasons, we explore two distinctly different angles: *price support* and *price stability*.

6.1: Guaranteed Marketplace Exchange Rate

The first method of providing *price support* is by guaranteeing a minimum exchange rate on the marketplace for goods and services. Doing so ensures that if the value of the colored coin drops below the minimum exchange rate they become more attractive as a method of payment due to the savings that come with spending them. Once trade of bullion is confirmed it is *very* important to clarify with regulatory bodies that this feature cannot be defined as indirectly *backing* the colored coins with precious metals (*see Section 6.3*). Otherwise, a guaranteed marketplace acceptance rate is straight forward provided funds exist to match orders.

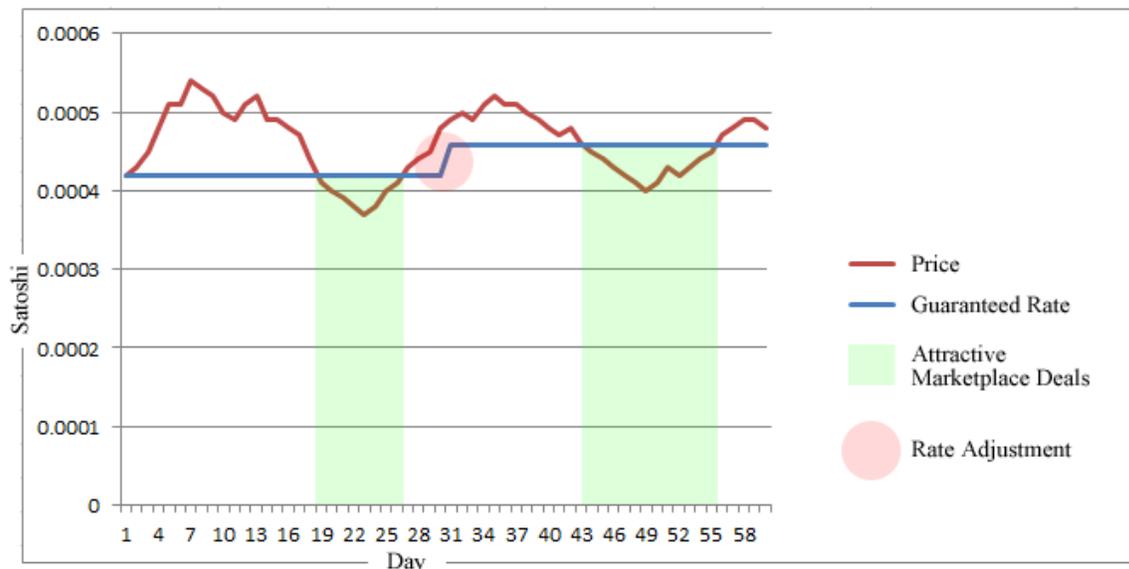


Figure 6.1: Guaranteed Fixed Marketplace Exchange Rate

The important question is then how do we determine a fair discovery of guaranteed exchange rate that provides current and future price support in a transparent and pre-determined manner? Averaging the monthly all time high (ATH) and all time low (ATL) is one possible approach but falls victim to ‘pump and dumps’ in a volatile market lacking liquidity. If the price of a colored coin fluctuated between five-thousand (5,000) satoshi and fifty-thousand (50,000) satoshi during a large market move, guaranteeing an exchange rate of twenty-seven thousand and five-hundred (27,500) satoshi for a period of thirty (30) days would drain the resources of the guarantor. Instead, it is considered prudent to guarantee the marketplace exchange rate at the initial coin offering crowd funded rate. Every thirty (30) days, we adjust the guaranteed exchange rate to an average of the ATH/ATL with a maximum of 10% deviation from the previous rate.

6.2: Precious Metals Trade

The act of trading and selling gemstones and precious metals from Australia over traditional channels with cryptocurrency is possible provided one abides by current business, legal and licensing practices. The three elements required (see *Figure 6.2*) are a) business registration for financial activity, tax and reporting,¹² b) a verified Perth Mint Australia trading account that allows the dealing of precious metals from one of the world’s most reputable suppliers¹³, and an Australian dealer/pawnbroker license. It’s also important to note that one can establish themselves as an *unofficial affiliate* and sell bullion products from other reputable bullion dealers and jewelers.

The Pawnbrokers and Second-Hand Dealers Act 1996 (*PSHD Act*) aims to reduce the trade in stolen goods by providing a licensing regime with record keeping and proof of identity (*PoI*) requirements, constrain the exercise of market power in respect to the provision of pawnbroking services, and provide a mechanism to facilitate the return of stolen property to rightful owners quickly and equitably.¹⁴ While it is not envisioned that such a token would be used initially for the business of pawnbroking, the license also covers the trading of precious metals in Australia and provides an extra layer of accountability to the process when involving cryptocurrency. A second-hand dealer license is required if one intends to buy or sell prescribed goods that have been used, or are represented by the vendor to be goods that have been purchased by a third party but are unused. Prescribed goods include gemstones and precious metals and items of jewellery that contain gemstones and precious metals. While it could be argued that a license may not be necessary if one is only advertising and acting as an intermediary for prescribed goods, it is best to cover all bases possible when in uncharted territory.

¹² For Sole Trader ABN Registration status of Jason L. Curby see Australian Government, “Current Details for ABN: 92 119 945 303”, <http://abr.business.gov.au/SearchByAbn.aspx?abn=92119945303>

¹³ Verified account at The Perth Mint of Australia, <http://www.perthmint.com.au/>

¹⁴ NSW Government Fair Trading, “Pawnbrokers/Second-Hand Dealers Licensing Guidelines”, <https://ablis.business.gov.au/nsw/Resource/AD4521.pdf>.



Figure 6.2: Accounts/Licensing Required for Bullion Trade

6.3: Pegging (or Indirectly Backing) Cryptocurrencies with Precious Metals

The second stage of *pegging* is hypothetical and progress must be achieved within current regulatory frameworks in regards to *money* and *currency*. To begin, it is important to note that current consensus is that cryptocurrency is *not* classified as money or currency in Australia. The Corporations Act 2001 (*Corps Act*) provides no clear definition of ‘currency’ and clarification is needed on whether cryptocurrency could be deemed to be a currency for the purpose of a *foreign exchange contract* under the *Corps Act*.¹⁵ The Financial Transactions Reporting Act 1988 defines ‘currency’ as ‘coin and paper that is legal tender of Australia or of a foreign country’. Until these definitions are revised to broadly reflect current digital finance, it can be determined that cryptocurrency is not legally considered ‘currency’ or ‘money’ under both Acts.

However, when we examine legal definitions of ‘money’ and ‘currency’ under The Anti-Money Laundering and Counter-Terrorism Financing Act (“AML/CTF Act”) we see the implications of pegging (or *indirectly backing*) a cryptocurrency to precious metals and bullion. While the AML/CTF Act does not define ‘currency’, it recognizes two distinct forms of ‘money’. *Physical currency* is defined as a coin and printed money of any country that is designated as legal tender and is customarily used and accepted as a *medium of exchange* in its country of issue. *E-currency* is defined as an internet-based, electronic means of exchange that is backed by precious metal and is not issued by a government body.¹⁶

The AML/CTF Act’s definition of e-currency is where legal and regulatory work would be focused. The act of pegging a colored coin to precious metals would essentially bring it under the scope of the AML/CTF Act as an e-currency. Furthermore, it is possible that the definition of e-currency is broadened, removing the precious metals aspect and bringing all cryptocurrencies under the AML/CTF Act. It is important to be proactive, licensed and compliant to ensure entities are not caught on the wrong side of the fence should this happen. Possible identified elements of pegging a colored coin or cryptocurrency to bullion in the future include an Australian Financial Services (AFS) license or a more industry-specific

¹⁵ Amor Sexton, “Bitcoin, Currency and the Corps Act”, <http://www.adroitlawyers.com.au/bitcoin-currency-corps-act/>.

¹⁶ Australian Government, “Anti-Money Laundering and Counter-Terrorism Financing Act 2006”, Part 1.5 (Definitions), <http://www.comlaw.gov.au/Details/C2006A00169>, 2006.

license similar to the New York BitLicense (an *Australian Cryptocurrency License (ACL)*). Should this be the case, the price of entry to the cryptocurrency space and/or pegging an existing token to bullion may be significantly higher.

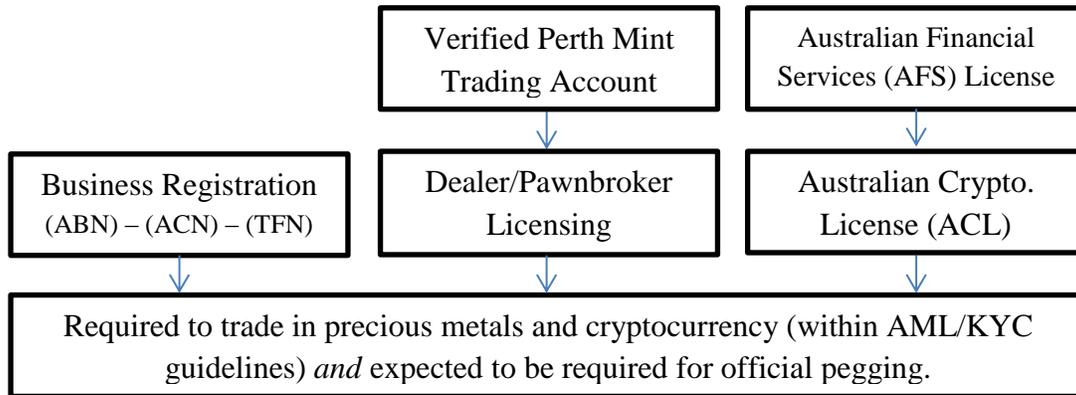


Figure 6.3: Accounts/Licensing Required for Bullion Trade & Pegging/Backing

Once the specific licensing and regulatory issues surrounding cryptocurrency and bullion are resolved, pegging is straightforward. The central body guarantees redemption of the cryptocurrency for a fixed amount of precious metal(s) from within their own platform. If a central body were to back one (1) colored coin with one (1) ounce of gold, and assuming it kept full auditable reserves (investors will demand this), one-hundred (100) units would require one-hundred (100) ounces or approximately one-hundred and thirty-nine thousand, eight-hundred (\$139,800) AUD to fully *back*. The concern at this point is who and more importantly *why* would a central body volunteer their own resources in this environment?

1. It is a powerful marketing tool for particular demographics with the perception of giving a colored ‘real’ value one can transfer in to.
2. If the authority is transparent, trusted and legally held accountable for the guarantee no matter the circumstance, the type and value of *assets* legally recognized as ‘backing’ colored coins may grow as a corporate entity does.
3. Volatility may be eased by precious metal(s) pegging.

There is however the problem that the value of the colored coin is defined and tied exclusively to the price of the underlying asset(s), making natural price realization complicated. It is important to keep in mind that pegging colored coins (or cryptocurrencies) to real-world assets remains at best a grey area that can be operated within and at worse a potential legal and regulatory minefield. There will be a consistent effort made with legal and authoritative bodies on the evolution of regulations and laws allowing legitimate pegging of cryptocurrencies to precious metals as we enter 2015.

6.4: Stabilization Funds

To date all proposed stabilization funds have been marketing gimmicks, failed completely or missed the point. A stability fund working as intended at this point in time in the alternative cryptocurrency market would attract zero interest from traders and speculators because it would reduce volatility and potential for insider trading/profit markedly. Currently the focus is on placing large buy walls at set intervals to promote growth in the price of a currency or informing of vague market moves that have no consistency or transparency. Something often conveniently overlooked is currency stabilization should work both ways, protecting against both positive and negative fluctuations.

If someone were truly drawn to using an alternative currency and seeking stability, of course they do not want the value of the currency to plummet 40%. Likewise, although the technology is rarely used for loans, if they were to borrow \$1,000 USD worth of a cryptocurrency with repayment due in two weeks, they do not want that loan to become the equivalent of \$2,000 (appreciation by 100%) two weeks later. It does not appear so far that any cryptocurrency has had a dependable ‘plunge protection program’ or ‘upside shock absorbers’ to date: volatility is far too high.

One problem with cryptocurrency stabilization funds is how such a system would work in a ‘battle of the bankers’ situation. Let’s imagine a situation where the fund ‘authority’ wants to keep a price stable in the one (1) dollar range but a group or individual with greater resources wants to push the price five to tenfold (remove stability). It is within their power to do this if they are happy to purchase all supply currently available as well as any sold as the price is pushed higher. Because the supply of a cryptocurrency is mathematically fixed and enforced, a ‘malicious’ actor with enough resources can control supply and break any semblance of stability, sending the price in either direction at will.

The only way to combat such actors is to a) have more resources than they, forcing them to sell out using stabilizing buy walls and b) artificially increase the supply and lay down ‘sell walls’ until their resources are used up – deflating any pump. Since cryptocurrency mathematically forbids the force behind a stabilization fund to increase supply, a resourceful actor determined to outbid all sell orders (artificial or otherwise) and intending to push prices sky high cannot be stopped by a central stabilizing body. Unless the authority behind a stabilization fund has the ability to match an increase in buying power at will with a ‘freshly minted supply’, true stability of price cannot be guaranteed. A force with more money will always have the ability to purchase the entire supply and effectively control the price.

6.5: *Scarcity via Activity (SvA)*

By issuing a fixed amount of colored coins and removing mining or staking from the security equation we already change the dynamics of supply and demand over time. We galvanize this approach and enforce the ‘cycle process’ (*see section 2: Distribution*) by ensuring that every activity undertaken on infrastructure or related services means an increase in colored coin *scarcity*.

For example, the crowd funding process helps establish a service that allows cryptocurrency to be used to pay rent or buy a product typically available only in fiat. In order for an alternative cryptocurrency or group to gain access to such a service they pay a ‘listing fee’ in the colored coins rewarded during the

crowd funding distribution stage. Once colored coins return to the original issuer a certain percentage is taken off-market indefinitely and left at an address that can be monitored (the *chest*). Another example may be that for every marketplace order, 10% is taken off market permanently. Full service fees and a percentage of all infrastructure orders taken off-market are the two initial key means of increasing scarcity.

If the services are in general *self-sufficient* (productive – not draining the ecosystem of funding and resources) they can work to remove the colored coins slowly from supply. With a focus on delivering services that provide value to the cryptocurrency scene, we have a system that returns all distributed coins over time to the issuer and ready for a new cycle.

6.6: Proposal

Our price support and price stability plan can be divided into two distinct areas: elements we provide on release and an element we want to seriously explore with financial and government regulators as we enter 2015. Elements that will be in effect from release are:

1. Guaranteed marketplace exchange rate at crowd funding price (6.1).
2. Precious metal trading pending *immediate* final registrations, legal feedback and licensing which will be published following a successful crowd funding (6.2), and
3. Scarcity via Activity (SvA) plan (6.5)

The critical element that will be the legal, regulatory and government focus for 2015 is the pegging (or indirect backing) of a cryptocurrency with precious metals (6.3). It is also important to note that legal and regulatory clarification needs to be sought for allowing bullion trade on the marketplace at a guaranteed exchange rate. This feature cannot afford to be misconstrued as one that classifies NOXT as an e-currency before licensing/regulatory work is done.

8. Thought Leadership

8.1: Introduction

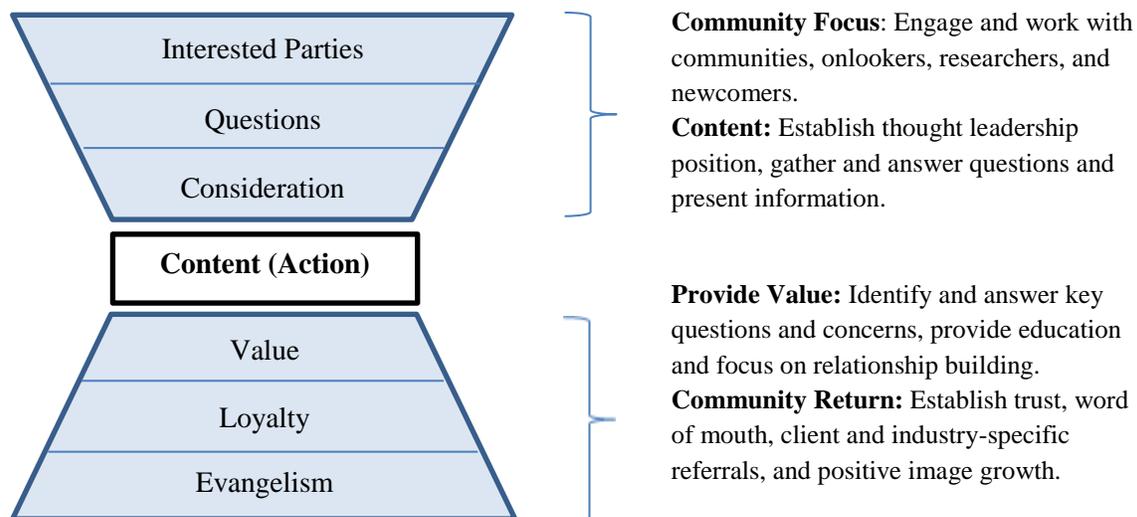
A thought leader is an entity that prospects, clients, referrals, intermediaries and even competitors recognize as one of the foremost authorities in selected areas of specialization, resulting in it being the go-to entity for said expertise.¹⁷ Thought leadership is about becoming an authoritative figure on relevant subjects by answering the biggest and toughest questions on the minds of the target audience.¹⁸ By identifying and answering the important questions being asked about cryptocurrency (and answering them

¹⁷ Russ Alan Prince & Bruce Rogers, What is a Thought Leader?, Forbes, <http://www.forbes.com/sites/russprince/2012/03/16/what-is-a-thought-leader/>

¹⁸ SAP Guest, What is Thought Leadership? 5 Steps to Get it Right, <http://www.forbes.com/sites/sap/2013/01/30/what-is-thought-leadership-5-steps-to-get-it-right/>

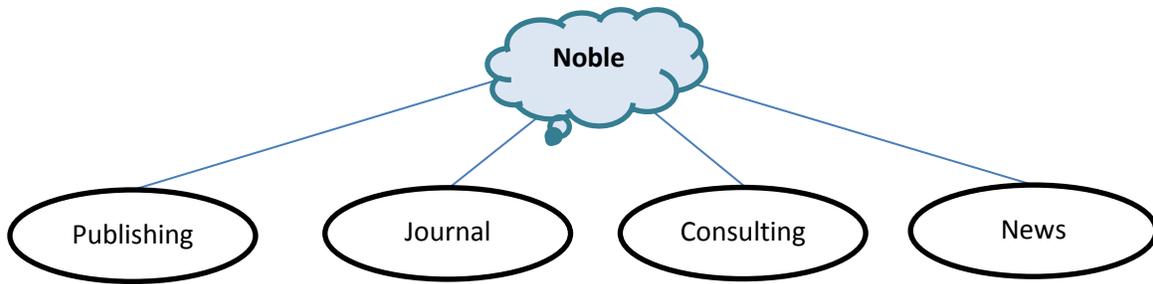
truthfully) we continue to form valuable relationships and grow brand affinity, awareness, and ultimately, value.

Thought leaders determine how events will impact the industry; offer advice on implementing strategies; examine regulatory and legal implications of new technologies; present valuable recommendations; and provide benefits through case studies and analysis. Over time, state-of-the-art thinking becomes *monetized* through projects such as publications and consultancy contracts or content marketing and referrals.



8.2: *Generating Demand by Providing 'Informative Services'*

Trading and speculation is so ingrained in the current demographic that it is difficult to build the value of an alternative cryptocurrency on general utility alone. They are too young, untrusted and unknown to truly challenge the e-commerce capabilities of both BTC and fiat. While utility provides attractive use-cases that will enable a number of colored coins to be taken out of circulation over time, it simply is not enough. This is where *Thought Leadership* and *Industry Representation* (see Section 9: *Industry Representation*) enter the picture. I am proposing we focus on delivering a 'product' that we have consistently been known for this year: *information*. Noble (as a registered company) will actively pursue establishing itself as both a national and international thought leader providing content, publications and advisory services.



8.1: Noble ‘Thought Leadership’ Focus Map

8.2: Publishing

In April we released a .PDF titled ‘*The State of Alternative Cryptocurrency*’ which was well-received and extensively read.¹⁹ More than one offer of publication and proprietary rights from interested third parties was presented; all of which conflicted with our free and open philosophy at the time. It did not take long for us to begin expanding on the initial PDF and completely rewrite it for a more professional and serious audience. Furthermore, our philosophy shifted from providing publications for *free* to improving demand and value for Noble supporters.

This led to pursuing self-publication with the goal of reaching both internal and external individuals seeking a *trustworthy* source of information. The second version of ‘*The State of Alternative Cryptocurrency*’ is being completely re-written and will be a self-published book available directly for the colored coin (at 10% discount) or on Amazon. A hardcover version is in the works and will also be available. One-hundred percent (100%) of sales funding will go towards removing colored coins from circulation and returning them to the *chest*.

8.3: Journal

Alongside publishing, a frequently updated journal/blog is being planned to promote education and insight into the alternative cryptocurrency environment for newcomers and veterans alike. Almost every historical Noble post published has a corresponding topic and lesson that may prove both insightful and valuable to a wide audience.²⁰ Unfortunately, there are few writers and reporters in the alternative cryptocurrency space that are relatively open-minded and accepting of dissenting views. The media demographic generally ranges from the blatantly obvious ‘shills’ on someone’s pay-roll to ‘journalists’ who charge fees for trading-tip newsletters on low market-cap coins similar to your typical insider ‘pump-and-dump’ team memos.

It is important that opposing views are not only accepted but promoted as an alternative *must-read* so that audiences are privy to all perspectives and free to make up their own mind. We cannot have

¹⁹ Jason Curby, “The State of Alternative Cryptocurrency”, <https://www.noblemovement.com/downloads/TheStateofAlternativeCryptocurrency-D1.pdf>.

²⁰ Jason Curby, “NobleCoin Post History”, <https://www.noblemovement.com/5996-2/>

mainstream cryptocurrency journalists who alternate (almost weekly) between claiming Bitcoin will solve world hunger and end world wars or declaring Bitcoin ‘the grand experiment’ has failed and is dead. For this reason, we will be establishing an alternative cryptocurrency ‘journal’ section that discusses particular macro-level topics but abides by the following rules:

- a) Accepting and recognizing that personal bias and agendas do exist (we are human after all) and these must be disclosed and discussed,
- b) Full disclosures of all trading histories and holdings relevant to any technologies or coins being discussed,
- c) Alternate views and arguments *against* particular pieces/news/opinions must be accepted and linked to so that readers have easy access to all material on a particular topic,
- d) Any and all incentives/fees/gifts/donations received for writing material must be disclosed.

These standards cannot be enforced unless under legal scrutiny from external and official sources (*see Section 10: Transparency and Accountability*). They also require constant scrutiny by audiences to determine whether these standards are met to an acceptable level.

‘Experiments’ with traditional content marketing as a means of removing colored coins from circulation over time will be explored. Balancing valuable content with subtle and acceptable content marketing, advertisements and affiliate links is difficult to present in a way that does not amount to spam. However, by following a minimalistic strategy we prevent ‘advertisement overload’ and can focus on high-value content links.

8.4: Consulting

I have lived and worked in Canberra (political capital) as a private consultant and public employee for over a decade, and will be returning there next year. This is being done in order to better promote cryptocurrency and contribute to a growing regulatory and legal framework for its acceptance. I will also be establishing services outlined in this paper in Sydney (financial capital), with the aim of reaching professional and financial clients. A company is being founded to deliver cryptocurrency-related *thought leadership* services that must be recorded and ultimately paid for using the Noble-associated colored coins.

My contacts, history, knowledge, experience and publications will be drawn upon in order to contribute to the foundations of cryptocurrency growth in the nation. This includes, but is not limited to, investment advisory (pending legal clarification on financial advisory licensing and personal legal obligations I must adhere to), educational presentations and seminars, government research and advisory, as well as analysis of blockchain technology and features for private and public use.

All services rendered will require fifty percent (50%) compensation in our colored coins that are permanently taken off-market. These will be transparently announced, recorded and have their accompanying fees returned to the *chest*. This is not a theoretical or ‘aspiring’ scenario; I have already been

contracted on multiple occasions to act in an advisory or consultancy role related to cryptocurrency in Australia. Successful crowd-funding will allow greater flexibility and freedom of travel, promotion, licensing, registrations, business development and marketing.

8.5: News

Providing around-the-clock news coverage of the alternative cryptocurrency sphere is a full-time job requiring a good amount of effort from a decently sized team. For this reason we will focus on macro-level Australian developments in the cryptocurrency space rather than the daily activities of individual coins. Focusing on general and Australian-specific industry advancements aids us in the face-to-face consulting and advisory being done.

8.6: Think Tank

These thought leadership initiatives are intended to become the foundational pillars for the establishment of an Australian cryptocurrency *think tank* powered by and focused on cryptocurrency research, advocacy, design, implementation and the political and social implications of blockchain technology. Services rendered (including publications, consulting and research work) are either charged in colored coins or used to remove colored coins from circulation, promoting both the concept of multi-platform transactions and contributing to their increased scarcity. I will be meeting weekly with experienced leaders in the field to develop strategies for the following:

- a) Funding sources (individuals, corporations, foundations, donors/governments, endowments, sales/events),
- b) Business model (independent research, whitepapers, contractual, advocacy, educational),
- c) Source material (ideological, social, values/interest, applied, statistics, historical, empirical or synthesis research, theoretical or academic),
- d) Affiliation (autonomous versus formal/informal and transparent ties to political parties, private corporations or interest groups), *and*
- e) Audience (consumers, public, government, corporate, clients, everyday).

There is a need for individuals and organizations with the history, knowledge and trust to act as credible sources of information and advisors to the new wave of professionals looking to understand alternative cryptocurrencies. We intend to deliver on a wide range of topics, from compliance, public policy issues, regulation, market realities, business integration and relationships to value identification, innovation, market manipulation, social dynamics, and economic impact of blockchain technologies. Establishing this base in the political capital of Australia will allow us to:

- a) Meet with corporate and government leaders looking at the industry and seeking internal guidance,
- b) Educate policymakers and media about cryptocurrencies and emerging blockchain technology,

- c) Advise on and contribute to the development of a legal and regulatory framework, *and*
- d) Engage weekly with a stronger pool of personnel experienced in public policy, law, government, regulatory demands, corporate finance and technology.

8.7: Establishing 'Noble' Standards

Ongoing scams have finally led to higher expectations and demands from a community dwindling in size and increasingly skeptical. As a response, we are seeing alternative cryptocurrency certification and 'rating agencies' stake their position as a trustworthy source of information. In light of these, we will be establishing a set of evolving and publicly available 'best-practice' industry standards that consumers and investors will increasingly demand be adhered to. There will be no need for individuals and businesses to be privately audited and 'certified' or 'approval-stamped' by any single governing body. Considering information is rarely if ever made public let alone used to track down perpetrators of theft and fraud, the value some of these initiatives currently provide is questionable.

Institutional investors and professionals entering cryptocurrency are not going to rely on gatekeepers telling them what is legitimate. They are going to be personally involved, engaged, and expecting full personal disclosure and transparency from key individuals as well as major holders of particular cryptocurrencies. Currently scarce information such as profiles, finances, accounts, histories, and development plans will add legal accountability to those involved in cryptocurrency. The risks involved in investing serious resources into anonymous, manipulative and controlled entities/coins with no accountability/transparency are simply too high despite potential returns. If cryptocurrencies expect to be perceived as businesses representing products, they will be expected to behave as such.

The standards we will be developing are not intended to be privately audited and 'certified' or 'approval-stamped' by any single body. They will become transparent best-practices developed by a growing community that demands greater accountability, transparency and integrity. Rating agencies which certify that a particular set of standards are being adhered to (think ISO 9001) may eventually come about for cryptocurrency-related ventures. Should this be the case, standards being developed today may very well play a key role in their future formal adoption.

It is important to understand that I do not believe heavy-handed regulation, certifications or licensing should be enforced on or demanded of all cryptocurrencies and developers. These standards are being explored for mainstream and financial consumers who demand protectionism, insurance, regulation and accountability for their own ease-of-mind. Cryptocurrencies seeking financial freedom and deregulated markets will always have their place, and it is not our job to 'police' them.