WHITEPAPER

GIDCoin

covered by diamonds & gold

CONTENTS:

1. DISCLAIMER

The following information may be incomplete and in no way implies a contractual relationship. While we make every effort to ensure that all information in this White paper is accurate and up to date, such material in no way constitutes professional advice. We neither guarantees nor accepts responsibility for the accuracy, reliability, current (as of this White Paper) or completeness of this content. Individuals intending to invest in the platform should seek independent professional advice prior to acting on any of the information contained in this paper. Citizens, residents (tax or otherwise) and green card holders of the United States of America, Singapore, or other U.S. or Singapore Person are exempt from buying GID Coins. The term "U.S. or Singapore Person" refers to anyone who lives in the United States or Singapore or any entity that is incorporated under United States or Singapore law. American citizens living abroad can also be considered "U.S. Persons" under certain conditions.

2. INTRODUCTION

What do you know about gold or diamonds? I think the first that is coming into mind – these are natural resources, which are limited, mined and owned only by big companies. Yes, that's true. Countries, which found natural resources (not only gold or diamonds, but oil, coal, ore and etc.) on their territory automatically becoming miners and exporters which have influence on the GDP of the country. Hopefully it's also affects on the way of life of citizens of the country.

We want to make international currency covered by two most valuable precious goods in the world, powered and secured by Blockchain. All the processed will be clear for investor.

You'll ask "Why both?" – the answer is "Never put all the eggs into one basket". Cause none of stock brokers buy the stocks only of the one company. Diversification of the capital is the most important thing. Please read this Whitepaper carefully and you'll find all answers which you have right now.

We are professionals with 8 years of experience in diamond business and 5 years in golden business. Have broad connections in Africa, Russia and Canada. Working very close with miners of gold and rough diamonds (governmental and private) have connections with Belgian and Israel cutters of diamonds and also have connections with gold refineries in Austria, UAE and Andorra.

HISTORICAL FACTS

Why do you think US Dollar is still so effective and most popular currency in the world? Because in early 1900th has been carried out great economical and marketing work.

March 14, 1900, with the passage of the Gold Standard Act, which provided that:

...the dollar consisting of twenty-five and eight-tenths grains (1.67 g) of gold nine-tenths fine, as established by section thirty-five hundred and eleven of the Revised Statutes of the United States, shall be the standard unit of value, and all forms of money issued or coined by the United States shall be maintained at a parity of value with this standard...

Thus, the United States moved to a gold standard, making both gold and silver the legal-tender coinage of the United States, and guaranteed the dollar as convertible to 1.5 g (23.22 grains) of gold.

During the Great Depression, every major currency abandoned the gold standard. After bank runs became more pronounced in early 1933, people began to hoard gold coins as distrust for banks led to distrust for paper money, worsening deflation and depleting gold reserves.

The sudden jump in the price of gold after the demise of the Bretton Woods accords was a result of the significant prior debasement of the US dollar due to excessive inflation of the monetary supply via central bank (Federal Reserve) coordinated fractional reserve banking under the Bretton Woods partial gold standard. In the absence of an international mechanism tying the dollar to gold via fixed exchange rates, the dollar became a pure fiat currency and as such fell to its free market exchange price versus gold. Consequently, the price of gold rose from $35 per troy ounce (1.125 $/g) in 1969 to almost $500 (29 $/g) in 1980.

The United States enjoys some benefits because the dollar serves as the international reserve currency. The United States is less likely to face a balance of payments crisis.

The position of the dollar as the international reserve currency also has a cost: the American government is more likely to forego fiscal expansionary policies in order to maintain confidence in the dollar.

DIAMOND MARKET

After two big economic recessions in the world for the last ten years, we see that there are not so much markets, which can stay off of it. If something goes wrong, we see total falling in stocks, oil prices, metals & etc. One of the business, which stands apart from all conditions – Diamonds.

During recession diamond prices are not falling down, they just stopping to grow up.

	De Beers incl gov't	ALROSA	Rio Tinto 100% Diavik	Petra	Dominion only Ekati	Total
2017 Forecast						
Production (Mcts)	32.0	39.2	24.4	4.4	6.5	106.5
YoY	*17%*	*5%*	*18%*	*19%*	*25%*	*13%*
Production ($M)	$6,104	$4,373	$1,048	$561	$455	$12,541
YoY	*19%*	*7%*	*21%*	*21%*	*45%*	*16%*
Pct. of Prod. Cap.	91%	96%	100%	100%	100%	96%
2016 Actual						
Production (Mcts)	27.3	37.4	20.6	3.7	5.2	94.3
YoY	*-5%*	*-2%*	*4%*	*16%*	*41%*	*1%*
Production ($M)	$5,112	$4,091	$868	$463	$313	$10,847
YoY	*-14%*	*-7%*	*-34%*	*9%*	*-52%*	*-15%*
Sales (Mcts)	32.0	40.0	21.1	3.4	3.4	100.0
YoY	*55%*	*33%*	*46%*	*9%*	*46%*	*42%*
Pct. of Prod. Sold	117%	107%	102%	93%	66%	106%
YoY	*63%*	*37%*	*41%*	*-6%*	*4%*	*41%*
Avg. Price (ct)	$187	$109	$42	$125	$89	$120
YoY	*-10%*	*-5%*	*-36%*	*-7%*	*-57%*	*-12%*
2015 Actual						
Production (Mcts)	28.7	38.3	19.9	3.2	3.7	93.8
Production ($M)	$5,939	$4,388	$1,312	$425	$651	$12,715
Sales (Mcts)	20.6	30.0	14.5	3.2	2.3	70.6
Pct. of Prod. Sold	72%	78%	73%	99%	63%	75%
Avg. Price (ct)	$207	$115	$66	$134	$208	$136

Diamond business is very closed and profitable. Only professionals can operate on that market. The global market of rough diamonds in world counts more that 150 million of carats, which cost in total more than 180 billion of US dollars yearly and it's still growing. Demand on diamonds much higher than supply, so those who operate on the market, own diamonds and professionally manage the operations – growing up very fast. The branches of that market are very broad.

Rates of the polished diamonds basically controlled by Rapaport bourse in Antwerp, Belgium. Also, there is competitive bourse called IDEX, which is also situated in Antwerp. Diamonds – is the confidence in the future.

RAPAPORT DIAMOND REPORT

Tel: 877-987-3400 ◆ www.RAPAPORT.com ◆ info@RAPAPORT.com

March 25, 2016 : Volume 39 No. 12: APPROXIMATE HIGH CASH ASKING PRICE INDICATIONS : Page 2
Round Brilliant Cut Diamonds, GIA Grading Standards per "Rapaport Specification A3" in hundreds of US$ per carat.

We grade SI3 as a split SI2/I1 clarity. Price changes are in **Bold**, higher prices underlined, lower prices in italics.
Rapaport welcomes price information and comments. Please email us at prices@Diamonds.Net.

0.95-0.99 may trade at 5% to 10% premiums over 0.90

RAPAPORT : (.90 - .99 CT.) : 03/25/16 — ROUNDS

	IF	VVS1	VVS2	VS1	VS2	SI1	SI2	SI3	I1	I2	I3	
D	145	114	99	85	75	67	58	47	38	22	15	D
E	114	99	90	77	71	63	55	44	37	21	14	E
F	99	90	80	72	67	59	51	42	36	20	14	F
G	90	80	72	67	62	56	48	40	34	19	13	G
H	80	70	66	62	58	52	45	37	32	18	13	H
I	67	60	57	54	51	48	42	33	30	17	12	I
J	52	49	47	45	43	41	37	30	26	16	11	J
K	43	41	39	37	35	33	31	26	23	15	10	K
L	38	37	35	34	32	30	27	23	20	14	9	L
M	35	33	32	30	29	27	24	21	17	12	8	M

W: 83.36 = 0.00% T: 45.11 = 0.00%

1.25 to 1.49 Ct. may trade at 5% to 10% premiums over 4/4 prices.

RAPAPORT : (1.00 - 1.49 CT.) : 03/25/16 — ROUNDS

	IF	VVS1	VVS2	VS1	VS2	SI1	SI2	SI3	I1	I2	I3	
D	228	170	148	121	107	82	69	58	47	27	17	D
E	162	147	119	107	95	79	66	56	45	26	16	E
F	137	120	107	98	86	76	63	54	44	25	15	F
G	113	105	95	86	79	71	59	52	42	24	14	G
H	92	87	81	76	72	65	56	49	40	23	14	H
I	78	74	69	67	64	60	52	46	36	22	13	I
J	64	62	60	58	55	51	48	41	32	20	13	J
K	54	52	50	48	46	44	41	36	30	18	12	K
L	49	46	45	44	42	39	36	34	28	17	11	L
M	42	39	37	36	34	32	29	27	25	16	11	M

W: 113.52 = 0.00% T: 58.61 = 0.00%

1.70 to 1.99 may trade at 7% to 12% premiums over 6/4.

RAPAPORT : (1.50 - 1.99 CT.) : 03/25/16 — ROUNDS

	IF	VVS1	VVS2	VS1	VS2	SI1	SI2	SI3	I1	I2	I3	
D	290	218	191	166	145	108	88	70	54	31	18	D
E	213	186	159	150	131	105	85	68	51	30	17	E
F	186	159	138	131	118	100	80	65	50	29	16	F
G	149	136	122	114	108	95	75	64	49	28	16	G
H	120	112	103	98	94	87	71	60	47	27	16	H
I	94	90	85	82	79	75	64	55	43	25	15	I
J	79	74	72	70	66	62	56	48	38	23	15	J
K	64	62	60	57	55	52	47	42	35	20	14	K
L	57	55	53	50	48	46	41	38	32	19	13	L
M	47	45	43	42	40	38	36	33	28	18	13	M

W: 149.48 = 0.00% T: 73.55 = 0.00%

2.50+ may trade at 5% to 10% premium over 2 ct.

RAPAPORT : (2.00 - 2.99 CT.) : 03/25/16 — ROUNDS

	IF	VVS1	VVS2	VS1	VS2	SI1	SI2	SI3	I1	I2	I3	
D	461	348	305	264	198	152	119	81	64	33	19	D
E	333	293	259	228	180	145	111	78	62	32	18	E
F	290	254	225	194	169	135	106	75	60	31	17	F
G	234	201	181	162	147	124	99	70	58	30	16	G
H	173	168	157	143	123	111	94	65	55	29	16	H
I	133	128	122	114	106	97	84	60	51	27	16	I
J	106	100	96	91	87	83	71	55	47	24	15	J
K	95	89	83	77	74	70	61	51	42	23	15	K
L	82	76	73	67	64	58	53	46	37	22	14	L
M	69	66	64	60	53	48	46	39	30	21	14	M

W: 227.60 = 0.00% T: 102.64 = 0.00%

GOLD MARKET

Year	Gold USD/ozt	DJIA USD	World GDP USD (trillions)	US Debt USD (billions)	Debt per capita USD	Trade-weighted US dollar index
1970	37	839	3.3	370	1,874	
1975	140	852	6.4	533	2,525	33.0
1980	590	964	11.8	908	4,013	35.7
1985	327	1,547	13.0	1,823	7,657	68.2
1990	391	2,634	22.2	3,233	12,892	73.2
1995	387	5,117	29.8	4,974	18,599	90.3
2000	273	10,787	31.9	5,662	20,001	118.6
2005	513	10,718	45.1	8,170	26,752	111.6
2010	1,410	11,578	63.2	14,025	43,792	99.9
1970 to 2010 net change, %						
	3,792	1,280	...	3,691	2,237	...
1975 (post US off gold standard) to 2010 net change, %						
	929	1,259	...	2,531	1,634	...

Of all the precious metals, gold is the most popular as an investment. Investors generally buy gold as a way of diversifying risk, especially through the use of futures contracts and derivatives. The gold market is subject to speculation and volatility as are other markets. Compared to other precious metals used for investment, gold has the most effective safe haven and hedging properties across a number of countries.

The following table sets out the gold price versus various assets and key statistics at five-year intervals.

The most traditional way of investing in gold is by buying bullion gold bars. In some countries, like Canada, Austria, Liechtenstein and Switzerland, these can easily be bought or sold at the major banks. Alternatively, there are bullion dealers that provide the same service. Bars are available in various sizes. For example, in Europe, Good Delivery bars are approximately 400 troy ounces (12 kg). 1 kilogram (32 ozt) are also popular, although many other weights exist, such as the 10oz, 1oz, 10 g, 100 g, 1 kg, 1 Tael, and 1 Tola.

Good delivery bars that are held within the London bullion market (LBMA) system each have a verifiable chain of custody, beginning with the refiner and assayer, and continuing through storage in LBMA recognized vaults. Bars within the LBMA system can be bought and sold easily. If a bar is removed from the vaults and stored outside of the chain of integrity, for example stored at home or in a private vault, it will have to be re-assayed before it can be returned to the LBMA chain. This process is described under the LBMA's "Good Delivery Rules".

Instead of buying gold itself, investors can buy the companies that produce the gold as shares in gold mining companies. If the gold price rises, the profits of the gold mining company could be expected to rise and the worth of the company will rise and presumably the share price will also rise. However, there are many factors to take into account and it is not always the case that a share price will rise when the gold price increases. Mines are commercial enterprises and subject to problems such as flooding, subsidence and structural failure, as well as mismanagement, negative publicity, nationalization, theft and corruption. Such factors can lower the share prices of mining companies.

3. GID COIN COVERAGE

GID Coin value is covered by polished diamonds and gold bullions. Two most expensive natural resources in the world. In case that gold in equation weight=price loosing to polished diamonds, so the proportion of diamonds/gold looks like 2/1. It means that 2/3 of investments always will be spent on polished diamonds and 1/3 on gold kilobars. Hereinafter we can give you short description of the pricing and evaluation of them.

Let's start from Polished Diamonds.

Our company suggesting to put into the bank's safehouse polished diamonds of the following characteristics (4C):

- **Carat:** **5 to 12 cts**
- **Color:** **D-G**
- **Clarity:** **IF-VS1**
- **Cut:** **Round**

According to the Rapaport Diamond report the cheapest Round polished diamond of 5 cts, G/VS1 will be evaluated up to USD 240'000,00 and the most expensive Round polished diamond of 12 cts, D/IF will be up to USD 2'800'000,00.

What about gold?

With gold everything is simple. We focused on kilobars, which is 1000 grams in mass (32.15 troy ounces), is the bar that is more manageable and is used extensively for trading and investment. As it was told pricing is directly connected with LBMA, so, for example, on 24.03.2018 the 1 kilobar of the gold equals USD 43'145,30.

To became more interesting for global banks we slightly should begin move from kilobars to 400-troy-ounce (12.4 kg or 438.9 ounces) bullions which approximately costs USD 588'126,00.

All bullions have to be hallmarked by well-known refineries.

4. MINING AND PURCHASE OF DIAMONDS AND GOLD

There are two ways of work for the company:

- to buy final product (polished diamonds and bullions) from the producers and miners;
- to arrange whole process from the very beginning, use less money and to take bigger profits.

From our side we plan to use funds in the following proportion – 30% of budget goes for the purchase of the final product.

The rest 70% will be used for the production which will include the following processes:

For diamonds:

For gold:

The second way will be done in 2 stages.

Firstly, we can buy rough diamonds and gold from the miners in Africa, Russia or Canada. Export them from the country of origin to cutting workshop or gold refinery, then put to the vault for safekeeping.

On second stage we invest into mining site in Africa (Angola - primary, secondary - Botswana or Namibia) as private entity and begin to produce rough diamonds and gold ourselves. For our luck rough diamonds and gold are based at the same territory, so there is no need for separate mining sites. Everything goes from the one land.

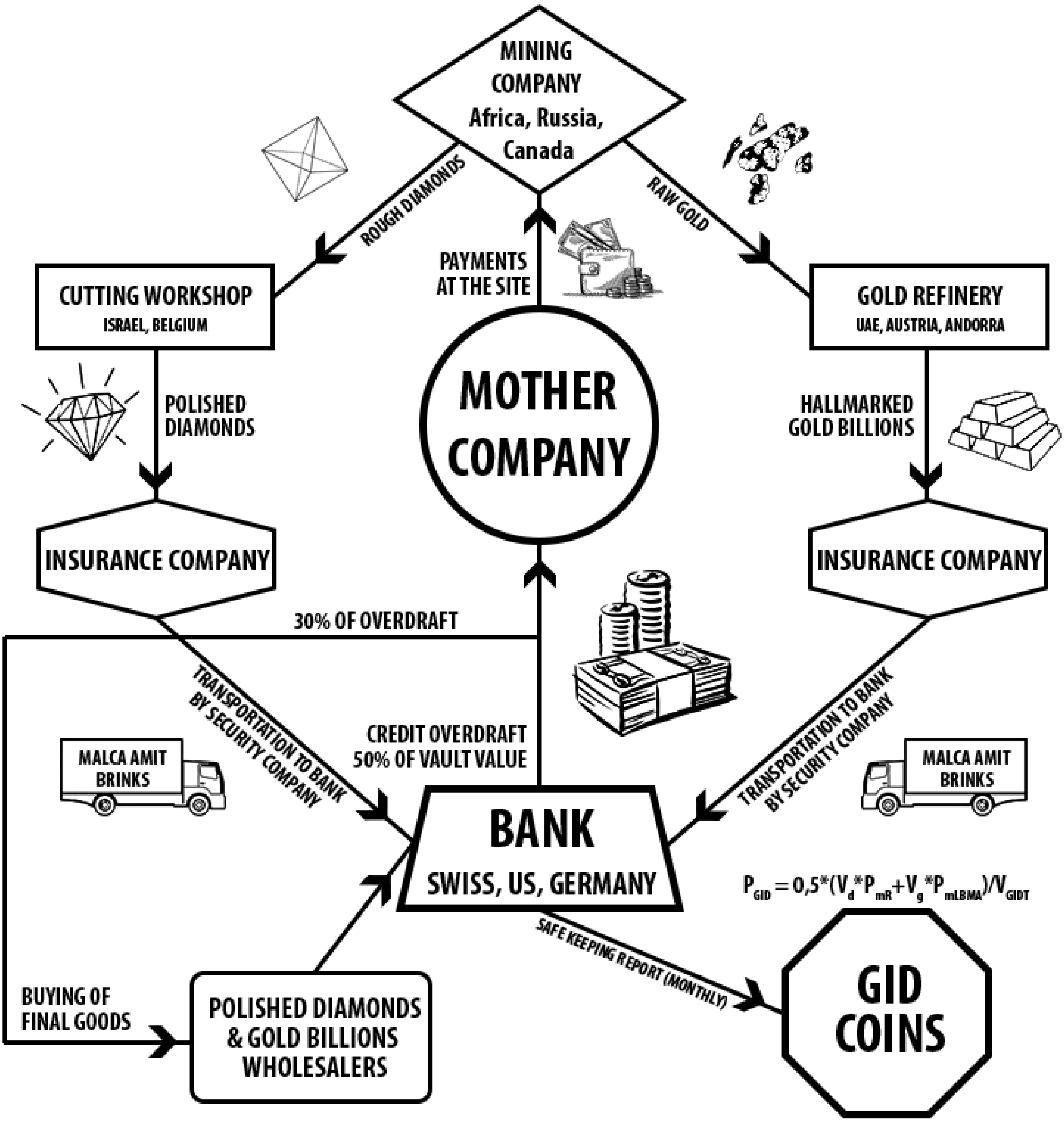
Our company has enough experience and connections in African countries to start purchasing and mining without risks. Operation are clear and secured for 90%. All risks will be gone right after goods leave African continent. All movements of the goods are carried by well-known security companies: BRINKS[1] and MALCA-AMIT[2]. The reputation of these companies in business has no doubts. So, it's better say that all risks will be gone even in Africa right after goods will be placed to security safehouse of mentioned companies. Cause all goods are insured and placed into high secured vault.

At early stages rough diamonds will be polished at the workshops of Antwerp (Belgium) or Ramat-Gan (Israel). At the next steps cutting own workshop will be organized in Geneva (Switzerland) or in Spain (Valencia).

The economy between purchasing of final products and carrying out of all the way of raw materials to the complete product is enormous up to 5-10 times! The major difference is time. Purchasing of final product takes 1-14 days, not more. The lifetime of raw products (rough diamonds and golden dust) from mine to safehouse as certified product takes 60-90 days.

[1] www.brinks.com

[2] www.malca-amit.com


MINING COMPANY
Africa, Russia, Canada
ROUGH DIAMONDS
RAW GOLD
PAYMENTS AT THE SITE
CUTTING WORKSHOP
ISRAEL, BELGIUM
GOLD REFINERY
UAE, AUSTRIA, ANDORRA
MOTHER COMPANY
POLISHED DIAMONDS
HALLMARKED GOLD BILLIONS
INSURANCE COMPANY
INSURANCE COMPANY
30% OF OVERDRAFT
TRANSPORTATION TO BANK BY SECURITY COMPANY
MALCA AMIT
BRINKS
CREDIT OVERDRAFT 50% OF VAULT VALUE
TRANSPORTATION TO BANK BY SECURITY COMPANY
MALCA AMIT
BRINKS
BANK
SWISS, US, GERMANY
$P_{GID} = 0,5*(V_d*P_{mR}+V_g*P_{mLBMA})/V_{GIDT}$
SAFE KEEPING REPORT (MONTHLY)
BUYING OF FINAL GOODS
POLISHED DIAMONDS & GOLD BILLIONS WHOLESALERS
GID COINS

5. LEGAL ASPECTS

New company **Gold&Diamonds SA** will be registered in Zug, Switzerland with branches in Geneva (Switzerland), Antwerp (Belgium), Luanda (Angola), Singapore, New York (USA).

The company fully complies with all legal and regulatory laws of the operating countries.

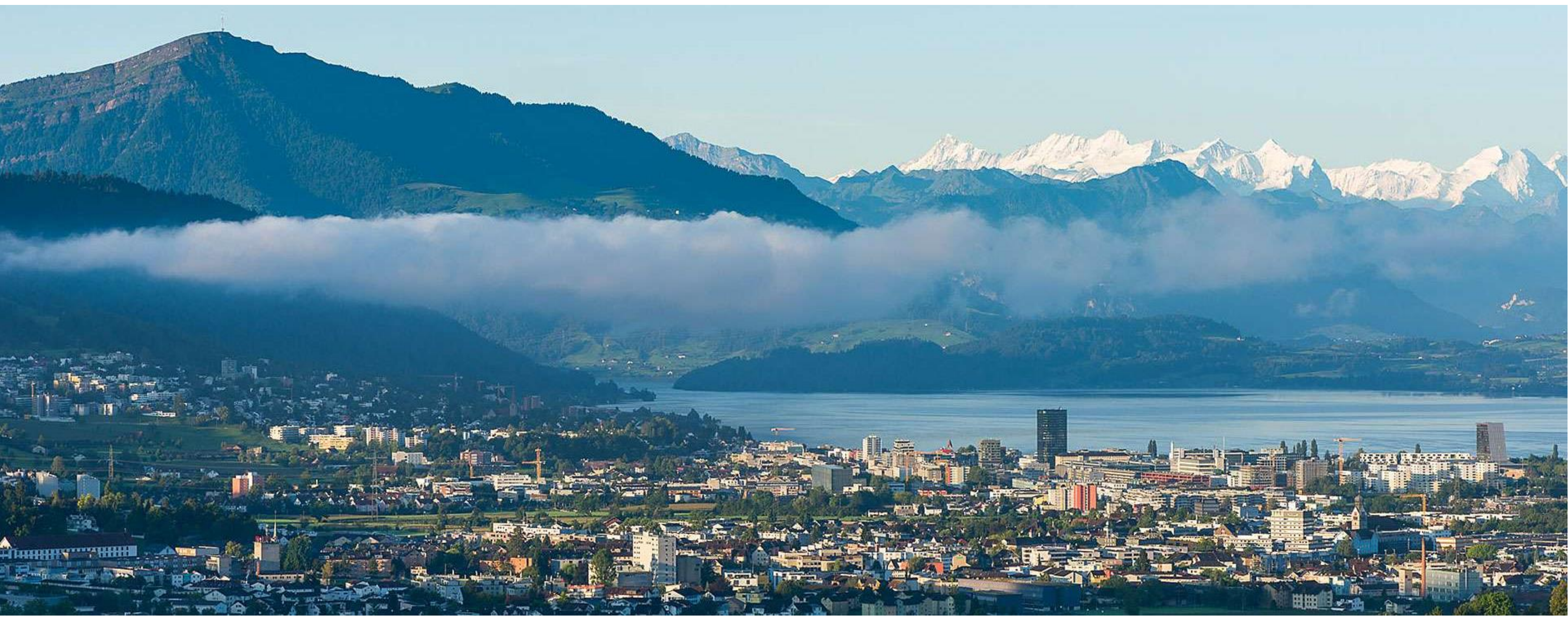
The safehouses will be located in Switzerland (UBS, Credit Suisse), United States of America (J.P.Morgan or Citibank) and in Spain (Santander) or in United Kingdom (Barclays).

Insurance for certified product will be provided by AXA, Zurich Insurance Group and Allianz SE.

For banks assets such as polished diamonds and gold bullions are the most favorable, so in nearest future we expect interest to our project from other banks.

All applicants go through KYC procedure for selling and buying GID Coins.

Company may check with the US Securities and Exchange Commission (SEC) and Monetary Authority of Singapore (MAS) whether they consider GID securities



6. TOKEN POLICY

To provide investors with whole range of advantages of GID Coins Gold&Diamonds plan to build our own blockchain platform (DGP – Diamonds & Gold Platform). However, to reduce costs of the project at the early stages GID coin will be based on Ethereum (ERC-20).

GID Coin is the hybrid payable-asset token (securities).

TOKEN EMISSION

Total amount of tokens to be emitted till 2023th = 50’000’000 GIDs Coins.

Tokens share:

Team-members and advisors = 5’000’000 GIDs

Pre-Sale (closed sale for strategic investors) = 2’500’000 GIDs

Pre-ICO = 7’000’000 GIDs

ICO Campaign = 15’000’000 GIDs

Bounty campaign = 500’000 GIDs

Coins reserved for mining at duration of 5 years starting from 2019th = 20’000’000 GIDs with approximate yearly emission – 4’000’000 GIDs

Coins which will not be sold during ICO – moving to mining reserve. All unmined Coins after 2023th will be sold at Post-ICO.

TOKEN ALGORITHM

Smart Tokens are the most valuable part of the GID Protocol. They operate as regular tokens, in compliance with the ERC20 token standard used on the Ethereum blockchain but include additional logic that allows users to always buy and sell them directly through their own smart contracts at prices that programmatically adjust to reflect supply and demand. Effectively, Smart Tokens come with a built-in liquidity mechanism that ensures they are continuously convertible for other tokens.

To achieve this, each Smart Token connector holds a balance of the token it is connected to. Buyers can use any of the connected tokens to purchase a Smart Token by sending them to the Smart Token's contract, which then adds them to its connector balance and in return issues new Smart Tokens, which are automatically sent back to the buyer. In this case, both the connector balance of the Smart Token has increased, as has the Smart Token's supply, since new units were issued. Similarly, a seller may send back a Smart Token to its contract, which will then remove these Smart Tokens from circulation and withdraw a corresponding number of connected tokens from the connector balance, which will be automatically sent to the seller. In this case, both the connector balance and the Smart Token's supply have decreased. In order to know what amount to issue to a buyer or withdraw for a seller, a Smart Token continuously recalculates its price vis-á-vis each of its connected tokens, in relation to the supply of and demand for the Smart Token.

Currently, a Smart Token can be connected to any ERC20-compliant token by holding a balance of this ERC20 token in its connector, through its smart contract. This makes the GID Protocol backwards-compatible with a large part of existing tokens today. In the future, support is planned to allow Smart Tokens to connect to tokens across various blockchains. In effect, Smart Tokens function as completely automated and decentralized market makers that, by operating in a network architecture, on a blockchain, can function as effective and autonomous convertibility conduits, without relying on the existing labor-based (i.e. manual) trade approach and accompanying profit-seeking motive.

Smart Tokens may be also traded on various exchanges, where their market price could potentially diverge from the price quoted by the Smart Token. Since Smart Tokens do not have functionality for observing prices in the external world, it appears that there is risk of the Smart Token's price fragmenting. However, such a situation is unlikely to last for long because it constitutes a clear arbitrage opportunity. For example, if the market price moves higher than the price quoted by the Smart Token, anyone could buy from the Smart Token and sell on the market until prices even out. The ability to arbitrage effectively incentivizes market participants to create price consensus between the Smart Token and external prices. It is also worth noting that the Smart Token functionality of issuing new units and increasing supply (when connected tokens are added to the connector balance) exists only when interacting with the Smart Token directly. Smart Tokens listed, bought and sold on external exchanges, or moved directly between people, do not trigger this functionality but rather circulate existing supply. Nevertheless, the prices at which existing supply is offered will have an effect on the prices of Smart Tokens as quoted by the Smart Token contract, via the arbitrage mechanism outlined above.

Our company plans to develop an Application Programming Interface (API) to regulate GIDs. This will achieve the following:

- E-commerce can use GID for transactions;
- Local banks and Monetary Financial Institutions (MFIs) can use GIDs as collateral.
- GID can be used escrow for bank accounts and as financial guarantees.

PRICING OF THE TOKEN

The formula for algorithmic pricing is central to the system's design and potential because it enables Smart Tokens to consistently determine their own reliable and predictable prices, ultimately essential for mass adoption of usable tokens. It is built on the idea, that each Smart Token maintains a ratio between its total value (total supply times unit price) and its connector balance.

The Smart Token's total value, i.e. its market cap, is the amount of money one would get if they sold every token (the entire Smart Token supply) at its current price. The price of a Smart Token is denominated in the connected token.

$$P_{GID} = 0,5*(V_d*P_{mR}+V_g*P_{mLBMA})/V_{GIDT} \ ,$$

where:

P_{GID} – Smart Token (GID) price

V_d – Volume of Secured diamonds, owned by company

P_{mR} – Monthly Price of diamonds (according to Rapaport)

V_g – Volume of Secured gold, owned by company

P_{mLBMA} – Monthly Price of diamonds (according to London bullion market (LBMA))

V_{GIPT} – Smart Token Total Volume (GIDs total Volume)

At ICO launch the GID price will be average $20 which can vary during the crowd-sale due to the revisions in the exchange rate:

- ICO investors are given GIDE (GID pre-launch) tokens that can be converted to GID after company has secure enough polished diamonds and gold bullions;
- GIDE tokens will be moved to new blockchain platform and converted into GID in a 1:1 proportion;
- ICO cap will be set in fiat 20 days before ICO;
- minimum cap for ICO is USD 40’000’000,00. If less than that is raised, the investors receive their funds back;
- GIDE tokens are released when tokens are distributed around one month after ICO starts.

The major advantage of the GID token – that the price for it is going higher or stable. Is not connected to rumors or government relations. The price is related only to the amount of goods, stored in the safehouses of bank-partners.

Advantages of using GDP rather than Ethereum are as follows:

- Safer — GDP blockchain uses its own coins rather than Turingcomplete smart contracts.
- Fungible — GDP uses Point-of-Stake (PoS), and since it relegates its platform to GID transactions alone (rather than to additional ICOs) processes your transactions faster.
- Cheaper — There is no charge for ether commissions.

7. MINING OF GID

The word mining originates in the context of the gold analogy for crypto currencies. Gold or precious metals are scarce, so are digital tokens, and the only way to increase the total volume is through mining. This is appropriate to the extent that in Gold&Diamonds too, the only mode of issuance post launch is via mining. Unlike these examples however, mining is also the way to secure the network by creating, verifying, publishing and propagating blocks in the blockchain.

Mining ether = Securing the Network = Verifying Computation

GDP, like all blockchain technologies, uses an incentive-driven model of security. Consensus is based on choosing the block with the highest total difficulty. Miners produce blocks which the others check for validity. Among other well-formedness criteria, a block is only valid if it contains *proof of work* (PoW) of a given *difficulty*.

Mining rewards

A miner receives a GID commission from each processed block. No Coins are emitted once the block is processed.

All the gas consumed by the execution of all the transactions in the block submitted by the winning miner is paid by the senders of each transaction. The gas cost incurred is credited to the miner’s account as part of the consensus protocol. Over time, it is expected these will dwarf the static block reward.

You can use your computer’s central processing unit (CPU) to mine GID or arrange GPU mining.

CPU mining is no longer profitable since GPU miners are roughly two orders of magnitude more efficient. However, you can use CPU mining to mine on the Morden testnet or a private chain for the purposes of creating the GID you need to test contracts and transactions without spending your real GID on the live network.

The algorithm is memory hard and in order to fit the protocol into memory, it needs 1-2GB of RAM on each GPU. The GPU miner is implemented in OpenCL, so AMD GPUs will be ‘faster’ than same-category NVIDIA GPUs. ASICs and FPGAs are relatively inefficient and therefore discouraged.

The detailed instruction of mining of GIDs will be issued additionally right after first round of ICO.

8. ROADMAP

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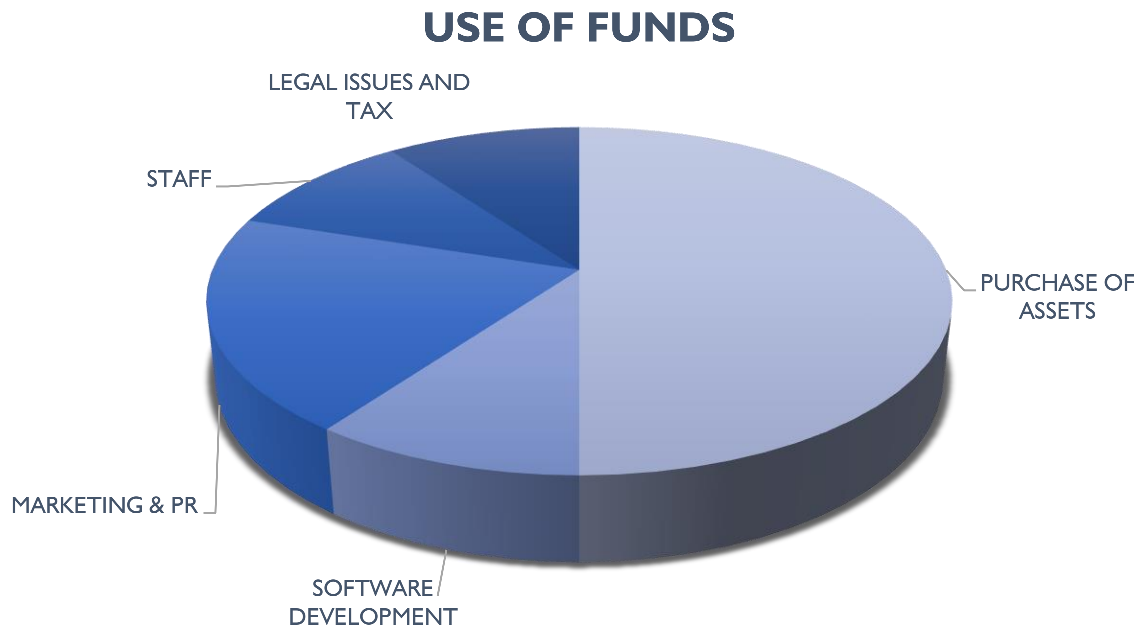
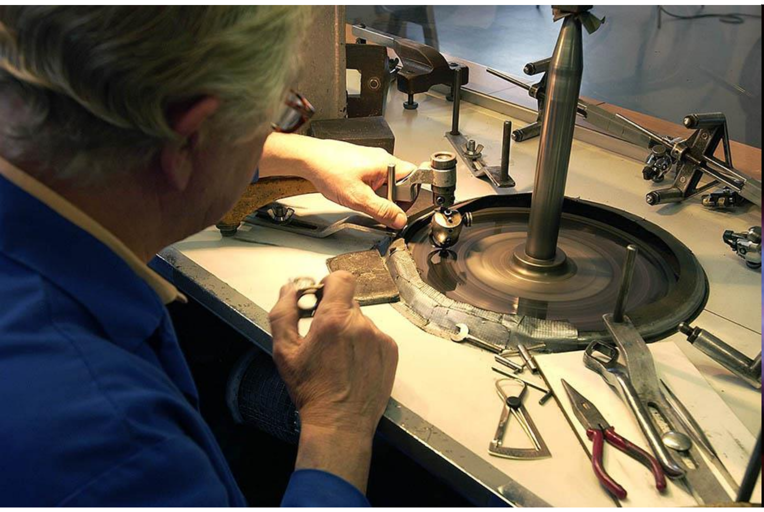
Q2 2018	Completed Whitepaper	Website gidcoin.io	Pre-Sale for primary investors	First purchases Start of bounty campaign
Q3 2018	New website Mobile application	Pre-ICO (GIDE) 07.2018	Beta version of GDP blockchain	First full cycle production of diamonds and gold
Q4 2018	ICO Campaing (GIDE) 09.2018	Alfa version of GDP blockchain	Exchange of GIDEs to GIDs	Second cycle of production of diamonds and gold
Q1 2019	Listing of GIDs at the exchanges	Launch of mining via platform	Trial immision of Revolut MC credit card	Third cycle of production of diamonds and gold
Q2 2019	Launch of the own mining site	Launch of cutting workshop in Spain	Launch of small refinery in Swiss	Branches in Angola, USA, Belgium



Most of expenses will be as following:

- General purchases of raw or final assets
- Marketing and PR
- Business Development
- Legal expenses and taxes
- Exhibitions
- Safehouse for goods – Payments for storage
- Ethereum costs at the first stages



9. GID AS A REAL PAYMENT CURRENCY

With cooperation with Revolut[3] online bank, which are highly involved into cryptocurrency business we prepared personal credit card for the holders of our GID coins:

- Revolut GID Master Card Black;

Price for emission card = USD 100,00

Benefits:

- Only for users of GID Coins. You need to have not less than 10 GIDs in your wallet to order Credit card;
- Ordering of credit card without income confirmation;
- Delivery of the card is free to any part of the world within 5-7 days;
- Exchanges between 30 fiat currencies in 60 seconds by the one click;
- Exchange fiats to 25 global currencies in the private cabinet;
- Direct refilling of the card by IBAN;
- Free mobile application;
- And, of course, you can pay your expenses by this card anywhere in the world.

[3] www.revolut.com

10. BOUNTY CAMPAING

We would like to reward users who will buy in and support Gold&Diamonds ICO campaign before and during the ICO stages. For this we've reserved 500'000 GID Coins. GID Coins which equal almost 1% of the total number of Coins in play.

The bounty campaign is active during the pre-ICO and the main ICO.

To take part in our Incentive program it is required to:

• Sign up on Gold&Diamonds website;

• Join our Telegram chat;

• Fill in the form to participate in any Incentive campaign.

For some incentive programs, participants will receive certain tasks every week. In these cases, the terms will be sent via email or Telegram. The list of tasks fulfilled by the participants will be checked once a week by our managers. After the confirmation of accomplishment, the announced bounty Coins will be charged to the participant's account.

Some bounty campaigns last until the end of the ICO and rewards will be distributed to a personal account either after certain levels or terms are achieved or the ICO is terminated.

To get a bounty reward, each user must participate until the end of the ICO. You can use only one account to participate – multiple account registrations will not be accepted. Negative feedback about Gold&Diamonds will also not be rewarded.

The bounty categories are as follows:

No.	Incentive	Max. GID Coins
1	BitcoinTalk Avatar and Signature Campaign	150'000
2	Videos and articles campaign	80'000
3	Translations and public community management	25'000
4	Facebook campaign	35'000
5	YouTube campaign	75'000
6	Telegram campaign	75'000
7	LinkedIn campaign	30'000
8	Twitter campaign	30'000
	Total Coins rewards	500'000

Detailed list of tasks for each campaign will be listed on website. Total volume of coins is constant. Unused Coins of one campaign will be spread to another.

11. TEAM & ADVISORS

OLEG TKACHEV

FOUNDER AND CEO

Cryptoinvestor. Founder of SIS Group of Companies, Founder & CEO of Gelox Gems LLC, Co-Founder and CIO of deethermo ICO.

Team-member of re:factor ICO.

Co-founder of mining company in Botswana. Graduated gemologist.

RODERICH HESS

GOLD PROCESSING ADVISOR

CEO and Member of the Executive Board of Cendres Metaux. Former Contributor & Pitch Trainer at Startup Invest. Manages ONE Watch

ALEX KONVISER

BUSINESS DEVELOPMENT DIRECTOR

Cyber Security Advisor. Cryptoinvestor. Founder of ANETSIS.Net and PromoGan AG, Founder & CEO GE-CIX and deethermo ICO. 30 years in innovative IT business.

EVAN KIRSTEL

PUBLIC RELATIONS ADVISOR

Cyber Security Advisor. Cryptoinvestor. Founder of ANETSIS.Net and PromoGan AG, Founder & CEO GE-CIX and deethermo ICO. 30 years in innovative IT business.

NICK AYTON

GENERAL ICO ADVISOR

40 years in technology. Blockchain Advisor at innogy Consulting. Technology Advisor at Humaniq. Co-Founder & CEO of 21 Million.

SLAVA SOKOLTSOV

ICO DEVELOPMENT DIRECTOR

Serial entrepreneur, 7 years in venture investments, blockchain enthusiast, crypto investor. ICO Advisor at deethermo ICO, CAO at re:factor ICO

MARSEL IBRAGIMOV

HEAD OF IT DEVELOPMENT

Venture investor and Serial IT entrepreneur. 5 years in business. IT developer and advisor in different Blockchain projects.

VALERI ARENAS

CREATIVE DIRECTOR

Founder & CEO of Arenas Lab. Lead international projects. Former of design and image of some well-known brands. Design is in his blood.

ALEX YUDOVICH

LEGAL ADVISOR

Head of CIS Desk, Member of the Board, Partner at RECHTSANWÄLTE LENNERT PARTNERS AG. 11 years in juristic business.