

# PWR Coin Official Swap Proposal

**Overview:** Months in advance of the hard fork at block 823,000 our dev team had many in-depth discussions of the strategy for PWR Coin. The consensus was that we would hard fork the coin and bring in many new and much needed features, fixes and improvements. Our position on existing coins that existed before the fork was that they would always be welcome to upgrade and become a part of our new chain.

After the fork this turned out to create a variety of problems which understandably was not helpful for PWR Coin. At the time of the fork we determined that there were approximately 500 billion coins on our new chain although we also understood that if we were to consider coin supply all the way back to genesis block the number was around 2.4 trillion give or take.

Just for reference here is a **partial** list of the problems that occurred:

- Uncertainty due to the unknown nature of what total supply might be
- Coinmarketcap not displaying market cap as we are an outlier to them
- Countless dev time lost answering endless supply questions
- Being stuck at low sub-sat pricing and hindrance for new exchange listings
- Negative publicity stemming from confusion over the actual supply number
- Competitor Nist5 coins have supplies vastly lower than PWR Coin

With all, the decision has been made to get this rectified sooner rather than later and so there will be a swap. Much discussion has been done in the community on this subject and the majority consensus is supportive of the swap albeit there is much difference of opinion in terms of what the swap ratio should be. After much internal discussion within the dev team we have concluded to the following swap details outlined below:

1. Because we can't know how many coins will be sent in for a swap we cannot set an exact swap ratio but rather we will set a circulating supply number which will be 10 billion coins. **10 Billion coins** will give us a very reasonable supply number with room to grow and is also a number that will work in conjunction with our PWR PAY use case.
2. The swap procedure will follow a strict sequence of events that will provide transparency as well as a smooth transition.
3. The swap will begin June 30<sup>th</sup> at midnight and will end on July 30<sup>th</sup> at midnight. Any coins that have not been submitted for the swap by the deadline date will not be eligible and there will be no exceptions.
4. The swap will be accommodated by the CryptoHub exchange and any coin which you desire to swap will be sent to CryptoHub exchange and in between the start and stop time as outlined in 3. above.

5. All coins sent in to CryptoHub for the swap will be counted and totaled after the deadline is met on July 30<sup>th</sup>. CryptoHub will then provide the PWR Coin dev team with the count as well as with the wallet.dat file(s). Additionally, CryptoHub will make an official announcement as to the final and total count of coins that have been submitted for the swap.
6. The PWR Coin dev team will then pre-mine the precise amount of coins with a ratio to the amount of coins submitted that will give us a new total supply of 10 billion coins. The source code for the pre-mine will be publicly displayed on our Github source code page.
7. The coins sent in for the swap will be sent to the burn address at an official PWR Coin block explorer and will be publicly displayed for anybody to reference. Coins at the burn address have no private key and cannot ever be retrieved.
8. The pre-mined coins will then be sent to Cryptohub exchange and they will verify that the quantity is a match to what was submitted for the swap.
9. A new wallet release will be available after the swap deadline which users can download and use for the coins they receive after the swap.
10. After the swap and at the release of the coins the sub-satoshi pair will be removed with the coin trading at a minimum of 1 sat of BTC.
11. The coin branding and core existence will remain unchanged. The name will continue to be PWR Coin and the ticker will continue to be PWR.

Once the above steps are completed the dev team will continue with our work to deliver all the promised road map items on or before the scheduled dates. Throughout the duration of this process the dev team will be available to answer questions and provide any support that you may need.

Because this document is primarily focused on the details of the swap I will provide merely a brief presentation of the benefits of this swap.

- Reduction of coin circulating supply to a reasonable level
- Faster synchronization with a much smaller chain
- Supply now becomes a known and understandable number
- Sub-sat exchange pricing will no longer be needed
- Coinmarketcap will be able to display accurate market cap data
- Dev team can focus on roadmap tasks rather than supply questions
- At swap a few improvements will be included like smaller block size, new P2P port number, upgraded wallet icons and graphics, etc.

Lastly, please always reference this document and if asked about details point others to this same document. This will help to avoid misinformation and confusion in terms of the specific and official swap details. Sincerely, Disaster Faster.

## Updates For Clarification On 6-22-2018

Since the initial release of this document we have had a few repeat questions coming in, so we have decided to update this information.

**Question:** What happens if I have PWR Coins at Yobit or other exchanges besides CryptoHub?

**Answer:** Your coins must be at CryptoHub exchange at the time of the swap. If your coins are not at CryptoHub at the time of the swap they will not have another chance to swap again.

**Question:** What will the swap ratio be?

**Answer:** It is not possible to give an exact swap ratio because we do not know exactly how many coins will be turned in by the deadline. If 500 billion coins are turned in, we would have a swap ratio of 50 to 1 to hit our target of 10 billion circulating supply. If more than or less than 500 billion are turned in, we may have to adjust the swap ratio accordingly.

**Question:** What happens if way more than 500 billion coins are turned in for swap?

**Answer:** There are 2 goals with the swap and one goal is to reduce the circulating supply to 10 billion coins. The second goal is to maintain the value of the coin to be about the same after the swap as it was before the swap. This means that if way more than 500 billion coins are turned in we may need to adjust the swap ratio lower and the circulating supply higher so that the value of the coin is not lowered after the swap.

**Question:** Will the proof of stake and proof of work rewards change after the swap?

**Answer:** Assuming a swap ratio of 50 to 1 it becomes obvious that pow rewards will have to be reduced while pos rewards can remain about the same. While we do not plan to reduce pow rewards by 50 to 1 they will be reduced enough to produce an inflation rate as close as possible to around 1% annually.

**Question:** Are there any special steps I must take to swap my PWR Coins?

**Answer:** You need to have your PWR Coins at CryptoHub exchange when the swap deadline arrives on July 30<sup>th</sup>, 2018. Other than that, no special steps are required.