# Kema Coin White Paper
Fast • Efficient • Secure
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Kema (rhymes with "Emma") Coin is a lightweight coin that is based on Bitcoin/Dash/Pivx. It is designed to be fast, safe, and secure.

## Background

**Bitcoin** was the first cryptocurrency that allowed users to send coins to each other without the need for a centralized authority. The network uses a program called a wallet that connects to other wallets through a peer to peer (P2P) system. Once loaded on your computer, users mine those wallets to obtain a Block reward called Proof of Work. Proof of Work was the method to secure the network and a public record (blockchain) to prevent double spending of coins. As more and faster methods were created to mine those blocks which originally started with CPU's then Graphics cards (GPUs), then ASICs it became necessary for users to band together to form pools in order to obtain the more difficult to receive block rewards. Each of the newer and faster methods to mine blocks use more and more electricity to get the same result. Bitcoin is vulnerable to a 51% attack, that is if you employ 51% of the hash power, you can manipulate or control the network. Although Bitcoin was the first, many other improvements were devised by alternative coins known as AltCoins.

**Peercoin** is an altcoin based on Bitcoin, and made Proof of Stake (PoS) rather than Proof of Work (PoW) as its method of securing the network. The concept of proof of stake is that if you own coins you have a "Stake" in them, and if you are an attacker, you are less likely to want to destroy the network as it would go against your own interest. Proof of stake generates coins for those who have coins kept in their wallet for a period of time. This

encourages people to HODL[1] them. Once the coin reaches its "coin age" then it is ready to generate new coins. Proof of Stake uses much less electricity to generate coins and doesn't need expensive mining equipment to accomplish this. As a result Proof of Stake coins are <u>not</u> subject to a 51% attack, and are more environmentally friendly.

Dash is an altcoin based on bitcoin that introduced the concept of Masternodes. The concept of a masternode is that users would setup a Virtual Private Server (VPS) and install a headless[2] wallet on it so it would be running all of the time, not just when the users' computer is turned on for the day. This concept makes for a more stable network. Masternodes help secure the network, and receive a reward for the service. Other features including voting for projects to be funded, etc. In order to obtain a Masternode users "Lock" a certain amount of coins up in order to secure the masternode. This has the effect of taking those coins out of circulation and helps to raise the value of the coin. It also serves as a way HODLing coins. Dash has increased in value, and Masternodes are very valuable. As of this writing they are worth over a Quarter of a Million Dollars each, making masternodes a great investment.

PIVX introduced Proof of Stake (PoS) to Dash. PIVX has many characteristics that are favorable (in our opinion) that make it a winning combination. It has all the great features of Dash, plus a Proof of Stake algorithm that makes generating coins easier and more energy efficient than Proof of Work algos. PIVX also incorporated zPIV an implementation of Zerocoins anonymous transactions. However it has gone through a number of changes requiring modifications to the code at certain blocks. We wanted all the benefits of PIVX starting fresh in a new coin. Hence the need for Kema Coin.

## Blockchain Balloon

One thing that happens when a coin runs for a while is the blockchain, which contains all of the transaction history for the network, continues to grow. Some coins like Ethereum and others store contracts or other information on the blockchain. All of this extra information causes the blockchain to balloon in size, taking up more and more disk space, which can cause hard drives to crash.

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[1] HODL which is tongue in cheek for holding on to coins.
[2] Headless Wallets refer to wallets that do not have a Graphical User Interface and are therefore more compact in size.

You wouldn't want to keep other people's paperwork on your computer would you?

The trend for new Altcoins is to add more and more features which then cause the blockchain to continue to grow ever larger. This is counterproductive in our opinion, so we are proposing to remove the extra information making Kema Coin sleek and efficient.

## The Problems

- Bitcoin is notorious for its slow confirmations and high fees.
- Sending Bitcoin to an exchange can result in 30 minute to 3 hour waiting periods and 25 dollar transaction fees.
- Peercoin takes too long to generate new coins. With a wait time of 30 days or more, it's just too long to wait.
- Dash with its DAO and other features storing unnecessary information causes the blockchain to balloon in size.
- PIVX which solves the 51% attack also suffers from a ballooning blockchain.

## The Solution

- Fast Transactions - Sending coins should be as fast as sending email.
- Lightweight - Storing less information on the blockchain saves hard disk space.
- Proof of Stake - Uses less electricity and is environmentally friendly.
- Masternodes - Secures the network and is a great investment opportunity.
- Supports eCommerce - eCommerce applications can be built on top of the network.

## Additional Features

- InstantX - Kema Coin uses InstantX technology that allows users to send coins instantly. Great for e-commerce where vendors can be paid for their merchandise.
- Darksend - Darksend is the original obfuscation method to make your transactions less public and more anonymous.
- Masternodes pay 70% of block reward.
- One minute blocktimes and 6 confirmations mean faster confirmation times.

## Roadmap

1. ICO
2. Exchanges
3. Mobile App
4. TBA

## Join our Team

Join Kema coin, Fast, Efficient, Secure.