



Gather Token Economy

Disclaimer and forward looking statements

Neither Gather, nor any of its Affiliates, Members, or Personnel offer a guarantee or assurance that GTH will have any value at the time that the block rewards are awarded or thereafter, or will have liquidity at any future time. Any and all holder of GTH recognize that the legal jurisdiction that they live and/or work in may have different regulatory schemes that cover blockchain tokens, and affirm that they will conform to any and all regulatory schemes that apply to them, including, but not limited to: securities regulation, money transfer laws, money laundering laws, anti-terrorist financing laws, etc.)





In light of the growing interest in our project and platform, we are sharing a more in-depth look into the economic model of our token, GTH. The raise will be based on an audited ERC20 token and main net transition will be realized with a 1:1 swap. Based on the different features of the actual platform and the way they impact supply and demand within the market, here is a thorough breakdown:

Demand

Master nodes - A GTH master node will cost 250k GTH tokens to set up. The ROI on master nodes would be over 100% per annum for the first 80 of them, which would be expected to be snapped up quickly and decrease to around 40% by the time 200 master nodes are running on the network. Average annual ROI for other active master node coins in the market is between 25-45%, which is why the benchmark of 200 master nodes is being considered. 22.5% of the block rewards are planned to be allocated as master node rewards, master nodes will constitute the backbone of Gather network, therefore will be compensated accordingly. At 200 nodes, around 30% of the circulating supply (as at end of year 1) of GTH would be locked. The amount of GTH required for 200 master nodes is estimated to cost between \$2.2-3m, depending on the market price at the time. These would have to be purchased from exchanges by users wishing to set up a master node, contributing to demand for tokens.

Merged Mining - The hash rate from publishers will be offered to existing crypto night algorithm (and other algorithm coins in the future) coins to onboard as child chains, to add security to these chains and reduce the chance of 51% attacks. Gather will charge a significantly lower price per 1 Mh/s to child chains, to increase their hash rate and improve their security.

As per the incoming projected hash rate from publishers, selling hash rate below the current market price would yield an estimated \$26k per month, which would be payable in GTH by child chains purchasing this hash rate. Child chains can also pay this in their native coin, where in such case these coins will be used to buy back GTH.

Compute power as a service (CPaaS) - 20% of CPaaS revenue would be used to buy back GTH tokens from the open market. Clients would be charged a rate 25% lower than current market rate from Google for similar cloud computing services. The CPaaS revenue from just 3 largest companies we have secured LOIs from with regards to implementing CPaaS with for the first year would be as follows (*Note: large companies are not necessarily needed, onboarding several smaller clients utilizing CPaaS would net the same revenue for Gather*):





Company A	Company B	Company C	
\$514,924	\$780,188	\$386,193	Revenue after accounting for 25% discount over Google's current market rate
Revenue generated		\$1,681,305	Over 12 months
Buyback of GTH tokens (20%)		\$336,261	Over 12 months

Staking - All coins bought / earned through mining / rewarded by master nodes can be automatically sent to the staking wallets: Stakers will earn interest on their coins while having a higher power of validating transactions. 7.5% of the block rewards are planned to be allocated as staking rewards as stakers will be contributing to maintain the Gather network along with master nodes.

Enterprise Integrations & Smart Contracts - All clients that wish to integrate our blockchain and build a platform on it benefit from our entire technology stack and technical support from our team. This service is performed based on a pre-agreed price depending on the complexity of the project, paid in GTH and/or in child chain's coins. Smart contracts enable unifications of blockchains. Every auxiliary chain forking of the Gather chain will inherit Gather's smart contract capabilities, ultimately allowing for interoperability. Being affordable on a micro level, the network interaction charges based on these elements will be contributing to GTH coin economy as these fees would be dynamic to ensure to not create macro volatility.

Child Chain Charges - Child chain charges will be kept at a minimum viable cost for letting developers build on Gather network, however, this does not change the fact that they will still be creating additional amounts on the demand side. Until the 2nd Gather Network halvening + 6 months, child chain creation charge will be fixed to flat 750 USD, where it will move to floating market driven GTH pegging afterwards. Starting on year 1, with the target to adopt one child chain per month with a rational increase on adoption rate on an annual basis, child chain charges are expected to form about 0.5% of total demand in year 1, increasing up to 2% of total demand by year 5.





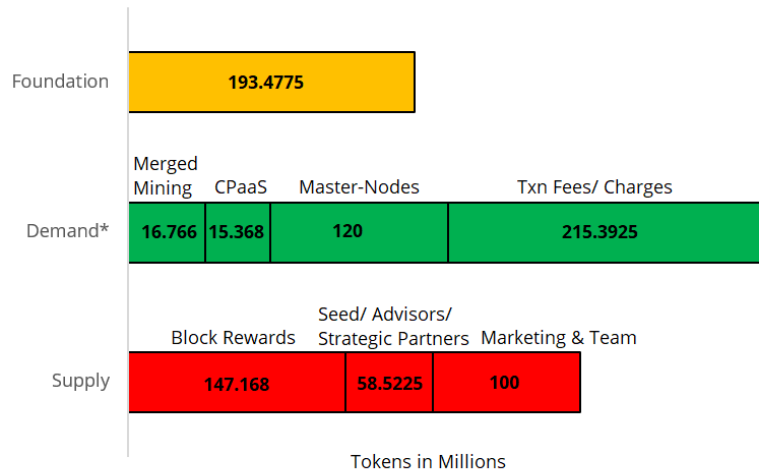
Expected Child Chain growth:

Year	Number of Child Chains Per Year
1	12
2	20
3	30
4	36
5	42

Network Charges/Gas Fees - Transaction costs will be pegged to fiat (0.01 USD) until 1st Gather Network halvening + 6 months, where it will move to floating market driven GTH pegging afterwards. With average 7 transactions per block on Gather Network, annual transaction count is estimated to be at least 1.8 million transactions in the first year.

Overview Snapshot

Token Economics for Years 1-5



*1. Demand Numbers are based on our growth targets & our internal projections for acquiring both enterprise & blockchain clients.
 2. Public tokens for sale is not accounted here as it is unknown how any tokens would be sold.
 3. Unsold tokens would be transferred to the foundation.





Supply

Block Rewards - once the blockchain is live, block rewards will be continuous and emit 115,200 GTH tokens per day with a split of 70% PoW / 22.5% Master node / 7.5% PoS rewards until halving at block 600,000 which would take ~2.28 years from when halvening triggers. This equates to 3.456 million GTH per month until first halving, which amounts to \$208k worth of GTH per month at an average market price of 6 cents. These block rewards will be split between publishers, master nodes and stakers, we will assume that all of these will be sold off and hence be the main source of selling pressure each month. In the mid-term future, we plan on evolving the CPaaS business so that all payments will be made in GTH. It should be noted that all POW will be provided through publishers only. NOTE: Neither Gather, nor any of its Affiliates, Members, or Personnel offers a guarantee or assurance that GTH will have any value at the time that the block rewards are awarded or thereafter, or will have liquidity at any future time.

Exchanges - After listing and after accounting for locks and vesting of various token holders, there would be around 58.5m GTH released in the first 12 months to seed token holders, advisors and other strategic partners. This comes to an average of 4.88m GTH per month for the first year, which amounts to \$293k worth of GTH per month at an average market price of 6 cents (It would not actually be monthly sell pressure as there are locks and vesting in places). There will be no more tokens released to these parties in future years hence this would not be contributing to selling pressure.

Foundation - 48.37% of the total token amount will be allocated to the Gather Foundation - Foundation's purpose is to help increase adoption of the GTH chain by awarding grants (both in GTH and FIAT) to promising projects/developers who would then build on the GTH chain. Additionally, their secondary objective is to act as custodian and deploy funds if/when needed to benefit the ecosystem. Gather as a holding company has no control over the foundation, the foundation board would be made up of a majority of external stakeholders and a minority of Gather founders/advisors. Foundation tokens will be locked for 6 months post listing, and vested over 5 years after lockup. Note we have included the supply details here, however, foundation tokens will only be sold if needed and approved by the board. Foundation board members would have vested interests to ensure the successful adoption of the Gather network.

Marketing and Business Development - 12.5% of the total token amount will be allocated and used for these activities. These tokens will be locked for 3 months post listing, with vesting over 3 years. Note we have included the supply details here, however Marketing tokens will only be sold if needed.

The Gather platform's main features revolve around merged mining, enterprise sales (for example, the computing power generated from the visitors of the websites using the web miner can be used through CPaaS by businesses to cover their data processing needs), masternodes and web browser mining, as well as the mobile staking wallet. Each of them addresses a certain stakeholder within the ecosystem.

Enterprise Sales - The two main products relating to this are Compute Power As A service (CPaaS) and the auxiliary chains integrations.





Merged Mining - Addresses website/application owners, as it increases the profitability of the web miner, as well as any integrated auxiliary chain, as it contributes to increasing the security of the network.

Web Browser Mining - This feature is specifically tailored towards publishers, helping them create a new revenue stream, as well as increasing loyalty through the Loyalty Program and also improving the user experience by reducing/eliminating ads. Through the Loyalty program, website owners can opt to share a portion of their gains with their most loyal visitors, with exact percentages and amounts being decided solely by the publisher.

Masternodes - This feature helps secure the network and can serve as a passive income for the holders of GTH.

Mobile Staking Wallet - This is a feature that can address not only the owners of GTH but the publishers earning GTH as well, as it can be automatically transferred into the wallet in order to generate more GTH.

For additional details regarding fund utilization, roadmap, and other basic token details, please visit the [Technology](#) page of our website, or for any other questions don't hesitate to contact us on Hello@gather.network.

