



# White Paper-DIAM

**Copyright Notice**

©**2018** Diamante Blockchain LLC. All Rights Reserved. This documentation is the sole property of Diamante Blockchain. Diamante Blockchain believes the information in this document or page is accurate as of its publication date; such information is subject to change without notice. Diamante Blockchain acknowledges the proprietary rights of other companies to the trademarks, product names and such other intellectual property rights mentioned in this document. This document is not for general distribution and is meant for use solely by the person or entity that it has been specifically issued to and can be used for the sole purpose it is intended to be used for as communicated by Diamante Blockchain in writing. Except as expressly permitted by Diamante Blockchain in writing, neither this documentation nor any part of it may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, printing, photocopying, recording or otherwise, without the prior written permission of Diamante Blockchain and/ or any named intellectual property rights holders under this document.

## **1. Introduction to Conventional Remittances:**

The business on this digitized world happens mostly with financial intermediary in place. Internet commerce has come to rely almost exclusively on financial institutions serving as trusted third parties to process electronic payments. For most of the transactions, the system works well, but it still suffers the weaknesses of the trust-based model. While the system works well enough for most transactions, it still suffers from the inherent weaknesses of the trust-based model. Complete non-mediation by financial institutions is not possible since there will always exist some chance of reversibility of transaction. The mediation cost increases transaction costs, limiting the minimum practical transaction size and cutting off the possibility for small casual transactions, and there is a broader cost in the loss of ability to make non-reversible payments for nonreversible services. The need for trust spreads with the possibility of reversal. Merchants must be wary of their customers, hassling them for more information than they would otherwise need. Fraud to a certain extent can be accepted as unavoidable. These costs and payment uncertainties can be avoided in person by using physical currency, but no mechanism exists to make payments over a communications channel without a trusted party. The electronic payment system needs cryptographic proof instead of trust, thus allowing any two willing parties to transact directly with each other without the need for a trusted third party. Transactions that are computationally impractical to reverse would protect sellers from fraud, and routine escrow mechanisms could easily be implemented to protect buyers. In this paper, we propose a solution to the double-spending problem using a digital asset to generate computational proof of the chronological order of transactions. The system is secure as long as honest nodes collectively control more CPU power than any cooperating group of attacker nodes

## **2. Blockchain Technology**

Companies in financial sectors are exploring and experimenting innovative ways to execute transactions quicker for an enhanced customer service, ensure cost efficiency in its operations, and assure transparency to customers and regulators. With large volumes of data getting generated regularly owing to digitization of records, it becomes important for every organizations to effectively manage the security threats and achieve significant cost efficiencies. This is where Blockchain, with its promises of decentralized ownership, immutability and cryptographic security of data, is catching the attention of the C-suite executives. Multiple use cases are also getting explored across industries as everyone has started realizing the disruptive potential of this technology.

### **DIAM- The crypto on Diamante Network:**

DIAM forms the native assets on Diamante NET. Asset is defined as an item value that is stored on the ledger. One DIAM forms the unit of digital currency like any other digital currency such as Bitcoin. The DIAM, forms the medium to move money around the world and to construct transactions between different currencies quickly and securely.

DIAM is further fragmented at the base level in units called JOTs. A JOT can be defined as the one -tenth million of DIAM, i.e., 10 millionth of DIAM equals to a JOT.

The Diamante NET platform offers all of the innovative features of a shared public ledger on a distributed database—often referred to as *blockchain* technology. The native asset of Diamante NET, DIAM broadly serves two purposes:

a. DIAM will play a small antispam role

Each transaction costs a minor fee—0.0001 DIAM—associated with it. The fee is levied to prevent users with malicious intentions to flood the network. DIAM works mostly as a secured token, mitigating attacks which attempt to generate large numbers of transactions or consume large data space in the ledger.

Additionally, the Diamante Network requires all accounts to hold a minimum balance of 20 DIAM. This requirement ensures that accounts are genuine and which facilitates the network maintain a seamless flow of transactions.

b. DIAM may facilitate multi-currency transactions.

DIAM sometimes facilitate trades between pairs of currencies between which there is not a large direct market, acting as a bridge. This function is possible when there is a liquid market between the DIAM and each currency involved.

### **Transacting using DIAM:**

The Diamante NET is free to use. If a person has to trade on the live network, the person needs DIAM or the native cryptos to ensure coverage of the base fees of the transaction. Eventually, transaction on Diamante NET platform is very low.

The initial Diamante Network will hold 100 billion DIAM at its root account. Then there will be allocation to different exchanges with an initial amount of say 1million to each exchange across geographies. For instance, say 1 million DIAM is funded initially to exchanges like PayBito India, PayBito US, Kraken etc. One should be aware at this point about the risk associated with all digital currency including complete loss of value.

When a transaction is initiated on the Diamante NET using DIAM, the transaction draws DIAM from Diamante NET, leaving the transaction fee in terms of JOT to Diamante NET platform. The transaction then reaches to an exchange, for instance, PayBito India or PayBito US where the traders trades. Based on the reserve of DIAM the exchanges are holding, and the position of the traders, the demand in the market will determine the value. When the majority of the traders take a long position in the market, there will be reduction in DIAM in DIAM reserve in the exchanges and consequently the DIAM value will be more. On the contrary, if there are more short positions in the market, that is, the traders are selling more DIAM cryptos, there will be more DIAM cryptos available in the market with the exchanges and eventually the value of DIAM will reduce. The value of DIAM is determined by the market mechanism.

DIAM is further fragmented at the base level in units called JOTs. A JOT can be defined as the one -tenth million of DIAM, i.e., 10 millionth of DIAM equals to a JOT.

The Diamante NET platform offers all of the innovative features of a shared public ledger on a distributed database—often referred to as *blockchain* technology. The native asset of Diamante NET, DIAM broadly serves two purposes:

a. DIAM will play a small antispam role

Each transaction costs a minor fee—0.0001 DIAM—associated with it. The fee is levied to prevent users with malicious intentions to flood the network. DIAM works mostly as a secured token, mitigating attacks which attempt to generate large numbers of transactions or consume large data space in the ledger.

Additionally, the Diamante Network requires all accounts to hold a minimum balance of 20 DIAM. This requirement ensures that accounts are genuine and which facilitates the network maintain a seamless flow of transactions.

b. DIAM may facilitate multi-currency transactions.

DIAM sometimes facilitate trades between pairs of currencies between which there is not a large direct market, acting as a bridge. This function is possible when there is a liquid market between the DIAM and each currency involved.

### **Transacting using DIAM:**

The Diamante NET is free to use. If a person has to trade on the live network, the person needs DIAM or the native cryptos to ensure coverage of the base fees of the transaction. Eventually, transaction on Diamante NET platform is very low.

The initial Diamante Network will hold 100 billion DIAM at its root account. Then there will be allocation to different exchanges with an initial amount of say 1million to each exchange across geographies. For instance, say 1 million DIAM is funded initially to exchanges like PayBito India, PayBito US, Kraken etc. One should be aware at this point about the risk associated with all digital currency including complete loss of value.

When a transaction is initiated on the Diamante NET using DIAM, the transaction draws DIAM from Diamante NET, leaving the transaction fee in terms of JOT to Diamante NET platform. The transaction then reaches to an exchange, for instance, PayBito India or PayBito US where the traders trades. Based on the reserve of DIAM the exchanges are holding, and the position of the traders, the demand in the market will determine the value. When the majority of the traders take a long position in the market, there will be reduction in DIAM in DIAM reserve in the exchanges and consequently the DIAM value will be more. On the contrary, if there are more short positions in the market, that is, the traders are selling more DIAM cryptos, there will be more DIAM cryptos available in the market with the exchanges and eventually the value of DIAM will reduce. The value of DIAM is determined by the market mechanism.