RIKEZA (RIK): A decentralized crypto asset driven by a high-performance blockchain

Abstract

RIKEZA (RIK) is a decentralized, peer-to-peer (P2P) digital asset and payment network supported by an open-source blockchain protocol that enables instant, near-zero cost transfer to anyone in the world. It is a modern alternative to Bitcoin for mass adoption and aims to evolve as a foundation of a new, global digital crypto-based economic system with greater community participation.Derived from the principles of distributed ledger technology, members of this system may securely transfer, transact, accumulate and trade RIKEZA (RIK) for the benefit of themselves and the entire community.

Table of Contents

1. Introduction

1.1 Why a new digital asset

An asset is a resource with future economic utility and signifies an ownership value in any entity that can be converted into forms of money to facilitate payments and settle transactions between parties. According to an agreed view formed over centuries, money serves three basic functions:it facilitates trade by acting as a medium of exchange, acts as a unit of account for quantification purposes and as a store of value to enable a future transaction or the repayment of financial and tax obligations. To perform these functions, societies have typically chosen tangible monetary instruments that are durable, portable,divisible, easy to authenticate and difficult to reproduce likecoins and banknotes.

The cash in use today is a sovereign fiat money, meaning that these tangible monetary instruments are issued by a state authority but neither have intrinsic value — coins are not made of precious metals, for example — nor are explicitly convertible into real assets such as precious metals. However, cash has generally a special status: in most countries it is “legal tender,” meaning that tendering banknotes and coins legally discharges financial obligations.

Money is first and foremost a social convention, which emerges to build trust among strangers in their economic transactions, both intertemporal and in spot markets by exchange of symbolic objects. These symbolic objects spontaneously become money and support a currency system when individuals share the belief that those objects can be quickly and easily exchanged for labour, goods and services in the foreseeable future. The system is stable if everyone maintains their confidence in it.

1.2 Non-sovereign digital instruments

The past ten years have seen the creation of a new class of digital instruments that are not issued by a sovereign institution or commercial bank, are not denominated in a sovereign unit and do not have physical counterparts. The central innovation compared to traditional units of money and traditional digital payment instruments is that most of them are based on a distributed ledger that do not rely on the traditional layers of formal institutions — such central banks, banking authorities,and commercial banks — to process transactions. Since the instrument cannot be physically possessed, this means that property rights over

the instrument must be established through some ledger system. The crucial innovation lies in how property rights are established and managed compared to traditional e-money systems in the absence of a trusted central party. They grant the convenience of digital transactions with fast settlement at a lower cost compared to that being offered by the current global financial system.

1.3. Bitcoin Revolution

With the advent of cryptocurrencies such as Bitcoin, new opportunities for business and disruptive financial applications have entered the market. As an alternative decentralized payment system, it has gained popularity among contributors, entrepreneurs, and consumers over the last few years. Such popularity would not be possible without blockchain technology, a ground-breaking innovation that drives all cryptocurrencies. Cryptocurrencies and the blockchains are not simply a technological trend, but rather a shift towards a decentralized future, one in which managing one's finances is becoming easier, faster, cheaper and safer. The cryptocurrency industry has given birth to an entirely new market which has the potential to disrupt existing market strategies and conventional business practices.

Bitcoin is the first digital payment network ever created as a peer-to-peer version of electronic cash that allows online transactions to be sent directly from one party to another without going through a financial institution. The need for a trusted third party for carrying out any financial performance is replaced by cryptographic proof and blockchain-based distributed ledger framework to establish consensus among network participants. The supply of bitcoins is regulated by a mathematical algorithm that ensures that its emission is bounded and predictable.

The “blockchain technology” or “distributed ledger” originally developed to support the Bitcoin network has spurred a number of digital innovations that greatly reduces the costly layers of the financial institutions that we currently use to process and settle electronic payments.It has opened the door to transferring and storing value in ways that are simpler, faster and truly global. RIKEZA (RIK) also builds upon the bitcoin concept and makes the participation and accessibility of crypto assets easier for everyone.

1.4. Distributed ledger framework

Ownership rights over an instrument in the distributed ledger systems are established by making the history of all transactions public through the blockchain database that is transparent and synchronized: every system participant locally stores the entire history of payments. A payment thus simply corresponds to a time-stamped change in record in the public ledger, which takes the form of an addition to the blockchain database. In a way, the blockchain records the ownership trajectory of each instrument over time, as if describing a long chain of events. A transaction is verified as having taken place if there is sufficient consensus among system participants that a proposed change in instrument's ownership does not conflict with the information stored in the database. All valid payments are peer-to-peer — as if exchanging physical cash — and are irreversible.

To build consensus, some system participants must be willing to verify the validity of transactions — impartially and honestly — using computational methods that are made costly and lengthy on purpose. Those who choose to verify transactions are called 'miners' because they are compensated with newly created currency. Money creation is tied to settlement. Miners act as private third parties that compete among themselves to provide settlement services but, unlike banks, are unsupervised, unregulated, and face no counterparty risk. Computational burdens, database transparency and competition to verify prevent fraud in the form of double-spending.

Transaction settlement occurs as soon as enough system participants agree they are valid. A proposed change in the instrument's ownership is valid when there is enough consensus that the change does not conflict with the information contained in the public record. At that point, the transaction is made irreversible and is added to the public record in real time. Any incentive to commit fraud— which simply means altering records to spend someone else's asset— is controlled in two ways. First, validation work is randomly rewarded with a newly created instrument — thus promoting consensus-building through competition on validation. Second, the validation process is constrained to be computationally challenging — thus preventing record falsification by minority coalitions.

2. Why RIKEZA (RIK)?

Contrary to its philosophy and intentions, Bitcoin seems to have lost its decentralization and user accessibility.

Although anyone can mine, the process has become so intensive that new hardware and chips are created exclusively for Bitcoin mining. These specially designed chips possess huge computational power and outcompete all other forms of hardware in solving the proof-of-work puzzle. Such hardware and computation infrastructure consume a huge amount of electricity and incur substantial operating expense because of which only a few entities can mine Bitcoins profitably. Hence, the entire Bitcoin mining activity is no more democratic and has become concentrated in the hands of few individuals. If only the top three mining pools collaborate, they can reorganise blocks unabated as per their discretion because they control more than 50% of the total hashing power. So this is not a well-decentralised system anymore.

The ownership of BTC too shows a concentration in a small number of hands. According to analyst estimates, almost 90% of value is owned by fewer than 0.7% of the addresses, just as in the non-crypto world, very few people probably own the vast proportion of the value. Of course, we have to treat this kind of analysis with some caution. Some large wallets are controlled by exchanges who take custody of coins on behalf of a large number of users but on the other hand people might spread out their bitcoins holdings across a large number of wallets in order to not attract attention which creates false decentralization.

RIKEZA (RIK) aims to increase the adoptability and availability of crypto assets to everyone. The innovative mining protocol and easy user adoption encourages participants to act as miners as well and play an active role in its evolution. rather than just being passive investors. Since there is no need to invest in expensive computational infrastructure or develop hardware expertise to mine, anyone who wants to participate in the mining process can easily start with a basic computer. RIKEZA (RIK) implements a hybrid PoW+PoS model that allows for both proof-of-stake and proof-of-work as consensus distribution algorithms on the network. This approach aims to bring together the security of PoW consensus and the governance and energy efficiency of PoS. The RIKEZA (RIK) ecosystem empowers its

community with the necessary software tools to conduct the mining process smoothly and earn extra rewards.

The mission of the project is to develop a seamlessly integrated intuitive platform that will allow the various cryptocurrency users, customers, merchants, and traders an easy on-boarding to all the existing features under a consolidated structure. This platform comprises of remittance, mobile money, discounts, and trading services that give its users a unique and viable alternative to traditional financial methods. The RIKEZA (RIK) Platform is optimized to provide the best services to help its users to embrace the best experience in adopting crypto assets.

3. RIK Coin Specifications

All the important specifications concerning RIK is summarized in the table below.

Coin Ticker	RIKEZA (RIK)
Total Supply	5000,000,000
Consensus	Hybrid PoW/PoS Proof-of-stake (PoS) + Proof-of-work (PoW)
Emissions	1 RIK Coin per block mined + Staking profits
Block Time	60 seconds
Key Technologies	Algorithm: Scrypt RPC 8568 P2P 8567
Staking Profits	20% Stake / year. Payout (30 days = 1.66%) Halving Rewards change after every 2 years: 20%,18%,16%,14%,12%,10%,8%,6%
Nodes	139.162.59.181 172.104.168.133

3.1 Transactions

Transactions are payment instructions for transfer of specific amount of coins from one user-generated account to another. The transactions are created using wallet software, authenticated with unique digital signatures, then sent to miners who individually validate them according to some well-known business and technical rules. These validated individual transactions are then gathered to create new blocks in the chain.

RIKEZA (RIK) mandates that in each transaction there is a tiny cost involved. This is purposefully done to prevent transaction spam which can happen if transactions are costless to create. Also, the transaction fees collected per block is meant to compensate for the decrease in block reward as the network gets more popular over time.

Every single transfer represents, metaphorically speaking, a "coin" for the RIKEZA (RIK) network. Thus, there can be coins with the value of 0.0001 RIK, 10,000 RIK or even 236.9453 RIK. Over time, several coins of different ages accumulate on an RIKEZA (RIK) address, depending on how long ago the last transaction took place. For example, if you pay 23 RIK to someone with such a 108 RIK coin, the "change" is again a coin of 85 RIK (108 RIK minus 23 RIK). With each transfer the coin age is set to 0. Thus, as in the example, the 23 days old 108 RIK coin, after paying 23 RIK has become a 85 RIK coin, which is now 0 days old. These coins are also called "coin blocks".

3.2 Staking

Proof-of-stake is a mining protocol in which your chance of creating a valid block is proportional to the number of coins in your mining wallet—contrast this to proof-of-work, where the chance of creating a valid block is proportional to the amount of computational cycles available.

This means that the more coins owned by a miner, the more mining power they have. Some people think that proof-of-stake is less democratic, because those who already have accumulated a lot of staking units will have a higher chance of winning more blocks and will multiply their wealth further. So, the argument goes that new money will flow towards the wealthy.But the proof-of-stake enables anyone to participate in mining as every unit has an identical chance of winning a block andthey can get started with much less capital. So the

widespread adoption will dampenmining power concentration in the hands of few. It also reduces the energy footprint and associated negative pollution externalities caused by proof-of-work. Most importantly, its aligns the economics with good behaviour as the stakers have most to lose if there is a loss in confidence and drop the coin value.

RIK stakeholders make a significant impact on the network, producing new blocks, verifying transactions and thus securing the blockchain. As a reward for their efforts to support and maintain the network, the stakers are incentivized with interest payments in RIK coins.

The proof-of-work consensus mechanism in Bitcoin requires tedious hashing and consumes a lot of expensive resources: high-end computers, electricity, bandwidth: and this all costs money. PoS replaces this expensive security mechanism with the use of another scarce resource: coin holdings. Through the mechanism of staking, any computer with an Internet connection, can contribute to securing the RIKEZA (RIK) blockchain. This ensures that the RIKEZA (RIK) platform is fully decentralized and democratic, every person worldwide can participate in securing it.

To conduct mining on the RIKEZA (RIK) platform, all that is required is to have some ownership in RIK coins, a basic computing infrastructure with an installed RIKEZA (RIK) client. Users with a “light-wallet” cannot receive staking rewards as they do not have a full blockchain downloaded. The protocol algorithm then controls the creation of blocks on the blockchain. Each generated block brings the miner a reward/interest in the form of new RIK coin (1 RIK coin for every newly mined block).

3.3 Staking Interest

Each user with a core wallet (the RIKEZA-qt) can generate PoS blocks and earn "interest". To commence staking, the following requirements must be met:

The RIKEZA-qt wallet must be synchronized and unlocked.
Coin blocks must be present whose coin age is older than 8 hours.

When these conditions are met, the coin blocks in question are "clocked" automatically which basically implies that the interest is paid. The larger the coin blocks and the older

they are, the greater their "weight", i.e. larger and old coin blocks are clocked faster, with very small blocks it can also take several hours until they are clocked and you get your "interest" credited. When a coin block has been clocked, the coin age is reset and you can clock again after 8 hours, provided that this coin block has not been moved in the blockchain in the meantime.

You receive 20% per year on your wallet balance as interest. With a year of 365 calendar days, this corresponds to a monthly interest rate of approx. 1.66%. The staking rewards will be reduced by 2% every two years and will ultimately stabilize at the rate of 6%. Therefore, the interest rate will subsequently change every 2 years as follows:20%,18%,16%,14%,12%,10%,8%,6%

The interest paid is added to the clocked coin block. If, for example, at the prevailing rate of 20%, a coin block with 100 RIK is clocked exactly after 365 days, one receives a coin block in the amount of 120 RIK and a coin age of 0 days. You can dispose of this 120 RIK after 100 confirmations by the blockchain (approx. 2h).

4. Team

RIKEZA (RIK) is a community and volunteer-driven initiative launched in January 2021. The parent company, Rikeza Blockchain Ltd. is based out of London, United Kingdom (Registered Company No. 13814910). The core team are a group of people with different backgrounds and possess an excellent mix of various skills. We have got excellent blockchain technology developers and business professionals with significant expertise in starting and operating an enterprise.

There is great emphasis on decentralization and community development and therefore the project and its users are highly decentralized from its outset. There is no top-to-bottom authority model like with a central workspace. There is a strong focus on transparency and verifiability and these values precipitates throughout the organization, be it the code or the community that drives it. RIKEZA (RIK) aims to work on multiple sustainable plans for community development, engagement and participation.

5. Benefits of RIKEZA (RIK)

Fast Transactions

1. A RIK coin transaction will show up in the recipient's wallet in just a few seconds.
2. Any transaction can be confirmed in a block (on average) in 60 seconds unlike an hour required in Bitcoin.

Low Fee Structure

1. The transaction fee is currently 0.001 RIK for an average RIKEZA (RIK) transaction, regardless of the destination, and is limited to a maximum of 0.01 RIK.
2. It thus costs only a fraction of the fees charged by conventional financial institutions for comparable transactions.

Liquidity

Having a large number of available coins in the RIKEZA (RIK) eco system benefits conducting transactions in a number of ways:

1. A controlled trade-off with coin emission supply will lead to reduction in asset volatility. Limiting the supply of something can help maintain its value if demand is stable or increases, though the downside of a known, predictable, and completely inelastic supply unrelated to a fluctuating demand results in perpetual price volatility.
2. Once the market is able to settle on a price discovery of the currency, it is not likely to experience the fluctuations observed in other cryptocurrencies.
3. A greater availability of units should encourage real world adoption as a medium of exchange and utility creation as opposed to merely being traded on exchanges as a financial instrument.A price can be high, but if a market is illiquid, small amounts of money can still push the price around. Stability is determined more by the liquidity of a market (how many people are willing to buy and sell at any price point), than the price of an asset."
4. Higher diversification benefits can be achieved by the unit holders and will lead to lower price volatility as overall market capital is spread across a greater number of units and market participants.

Utility Creation

1. RIKEZA (RIK) ecosystem's suitability for micro-transactions allows creation of utilitarian value for its community members.
2. Regular micro-transactions for exchange of all types of commodities and services is possible due to its high settlement speed and low transaction fees making it an ideal candidate for daily trading and real-world use.
3. The low value meant that the coins are useful for daily transactions leading to the creation of a better transactional marketplace.

Decentralizedand Inexpensive Mining

1. Due to its innovative consensus algorithm, RIKEZA (RIK) can be mined on ordinary devices by anyone.
2. This allows for the economically viable mining and widespread participation and community development.
3. Expensive computing equipment to participate in mining network activity is not required unlike most of the popular coins.
4. Today, there are many active mining participants, which encourages community involvement and longevity of project interest.

Mobile Payments

1. RIKEZA (RIK) platform is augmented with an Android wallet application (iOS wallet application currently under development) that allows for seamless peer-to-peer transfers.
2. These types of mobile-enabled payment solutions are seeing increased adoption by the masses and are becoming the way of the future. RIKEZA (RIK) is fully integrated to offers its users such seamless mobile payment experience.

Wallets

Extensive support for multiple platforms:

1. RIKEZA (RIK) core-wallet (RIKEZA-qt) for the Windows PC
2. Online wallet through the official website
3. App for smartphone/tablet (Android)
4. iOS - (Under development)

24/7 Real Time Support

1. The RIKEZA (RIK) customer success team members and staff support the vibrant community members at all times – 365/24/7.
2. RIKEZA (RIK) believes that a responsive user experience is fundamental to achieve adoption and growth.
3. Our support can be reached at: contact@rikeza.io

6. RIKEZA (RIK) Tokenomics

RIKEZA (RIK) is the crypto asset issued that underlies the open-source distributed Block chain technology of the RIKEZA (RIK) Project. These RIK coins derive utility value from its usage in various forms of commercial transactions and store of value. Users will also be able to trade the RIK coins on various cryptocurrency exchanges if they wish, allowing others to buy them and use them to conduct any peer-to-peer commercial or non-commercial transactions.

The maximum amount of RIK Coins to be generated by mining is limited to a maximum of 5 billion RIKs. Beyond that limit, RIK coins can only be generated by staking.
To sustain the project a pre-mine of 20% has been allocated as reserves to cover the expenses to be incurred at future stages.As of January 2021, approximately 0.5 billion of the maximum quantity of 5 billion RIKs have been generated. The amount of RIK currently in circulation can be viewed at any time on the RIKEZA(RIK) Homepage in the footer area.

Coin Allocation Plan

Total supply of coins	100%	5,000,000,000
To be mined by community	90%	4,500,000,000
Circulating Supply	2%	100,000,000
Marketing, Exchange Listing and Bounty Campaigns	3%	150,000,000
Advisory costs, licenses, fees	2%	100,000,000
initial coin offering (ICO)	1%	50,000,000

Held as reserve for future projects	2%	100,000,000

7. Conclusion

The invention of Bitcoin in 2009 started the growth of an entirely new industry and economy, free from central authority and control. The consequences of this technology is now slowly unfolding and has created over $1 Trillion in new value for the global economy. More and more companies are using cryptocurrencies in their business processes, with blockchain applications proving to be more efficient and secure than traditional methods of value transfer, storage, and record keeping due to their frictionless transfers and fast settlement. The virtual monetary systems have the potential to revolutionize delivery of financial services, particularly for payments and remittance, in view of their ability to provide faster and more economical transfer of funds, both domestic and international, and the technology adoption may further support financial inclusion.

The RIKEZA (RIK) model assumes, that the networking effect, reached by the increased circulation of coins inside the ecosystem, will lead to simultaneous growth of coin utility with respect to number of users and transactions. As the idea of cryptocurrencies and blockchain technology applications is becoming mainstream, RIKEZA (RIK) aims to be the platform for the wider democratic community participation and engagement in the crypto growth story.