

WHITEPAPER

CANX COIN



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INTRODUCTION

With gaining legal regulations: Cryptocurrencies and Cannabis are the next red-hot fields. Cryptos are considered the future of currency, as it is paving the road for industries facing financial complications. What makes crypto interesting is the alt-coins specific to industries that are growing in numbers. One such is the Cannabis industry that is going to secure a more significant portion of alt-coin.

Cannabis is gaining eyeballs mainly due to its recreational and medicinal benefits. Most parts of the world now recognize Cannabis with legal status, and this makes Cannabis a lucrative business opportunity.

But still, some herbs are measured as illegal at the federal level; hence, the banks are not very cooperative with transactions related to the Cannabis.

Cryptocurrencies were invented to solve exactly this issue, which banking the un-banked. Adding to this, the consumers are free to invest and spend in something free from privacy concerns and banking restrictions from the government. Even though the cannabis industry combined with cryptocurrency offers enormous benefits, the investors also look for some degree of potential risks and legal uncertainty. But this lucrative combination is driving an essential section of the fast-paced modern economy.



HISTORY OF CANNABIS INDUSTRY

Year- 1600

- Hemp cultivation

Year-1800

- Medicinal marijuana

Year- 1930

- Cannabis legalization for medicinal use

Year- 2012

- Cannabis legalization for recreational use in some states

Year- 2019

- Marijuana removed from controlled substance act

The history dates back to 1600 where the federal government in Virginia passed a regulation for the farmers to grow hemp to produce sail, ropes, and clothing. The trading was legal, and the commodity was considered extremely valuable. By the end of the civil war, hemp was replaced by the imported raw materials manufactured locally.

The late 1800s saw a prominent rise in marijuana as a key medicinal ingredient quickly sold to the locals by pharmacies. But as the popularity grew and the Mexican revolution concluded, marijuana had gained popularity as recreational use. With the Marijuana Menace, the vilification of Cannabis grew as the strategy to showcase it as a drug worked. By the 1930s, marijuana, a legal cross-border import, was deemed illegal, thereby regulating its cultivation, import, and distribution. California became the first state to prohibit Cannabis

After the years of efforts and reformation in acts, the year 1996 saw the legalization of Cannabis for medicinal purposes in California. Within a decade and a half in the year 2012, some states legalized Cannabis for recreational use. The year 2019 saw an exciting day when the US House approved a bill to remove marijuana from the controlled substance act.

The gallop survey of 2019 showcased that 66% of Americans support the legalization of marijuana. It was a significant 30% shift from 2005 where only 36% favored legalizing Cannabis.

This growing support of cannabis legalization has led to more excellent opportunities for businesses looking to take advantage of Cannabis.

HOW CRYPTO ENTERS CANNABIS INDUSTRY

The cannabis industry, despite being legal now, is surrounded by a lot of controversies. Many states run medical Cannabis and recreational marijuana programs as a step towards personal freedom. The evolving cannabis industry is subject to a significant number of regulations that assist companies in creating a strategic & agile approach. With the increased demand for legal marijuana and the growing number of cannabis-producing countries, this market might see a 26.7 % compounded annual growth rate (CAGR) by 2028.



Crypto coins are the future of secured transactions in the Cannabis industry.

As the cryptocurrency moves all transactions online and facilitates the international market, people in this field exhibit tremendous interest in crypto coins. Currently, Cannabis is illegal in many countries, making money transactions a tedious task. National banks don't allow the payment process in such cases, leaving them to rely on credit unions or smaller banks.

But this is not the end of the story; the cash transaction is not the only stumbling block. Greater danger of money theft is involved. Several cases of clients being robbed at gunpoint have also been reported. Theft accusations are also challenging to prove in this business. And, if insurance is seen as a solution, it is relatively expensive and, more significantly, complicated to obtain, hence providing any notable relief.

Therefore, if we look at cash management, theft prevention, security, and the time spent on this procedure, the cannabis industry is no stroll in the park.

The federal cannabis prohibition brought cryptocurrency and Cannabis together. In the states where medicinal or recreational Cannabis is legal, the payment transaction through debit/credit cards is processed by the financial institutions abided by federal law. This is why banks are hesitant to establish relationships with the cannabis businesses; hence, cash dealing is on the rise, creating problems around taxation.



HOW CRYPTOCURRENCY CHANGES THE GAME

The cash-only cannabis business operation is complex, dangerous, and expensive. The businesses cannot open a bank account with cash, neither can they apply for a loan. It looks like the problem does not end here. A survey revealed that only 9% of Americans are interested in paying cash, and 91% prefer card payments. Having a cash-only business is a lot expensive and unprofitable in this digital era. It also impacts the cannabis business supply chain, lab tests, license, and goods tracking. Also, adhering to contracts, inter-state or city regulations etc. gets exceptionally complex with the cash-only limitations. It is where the cryptocurrency joins hands with the cannabis industry.

Cryptocurrencies are digital currencies for which the transactions, verification, and maintenance are done under a decentralized blockchain system. This process of validating transactions through algorithms within a network and generate new coins without the need or intervention of banks, government, or card companies is known as cryptocurrency mining. Hence there is no need for a mediator to get the payment done. The entire operation can be performed in a couple of minutes with top-notch transparency and security. Furthermore, the expenditures incurred while following the typical bank approach are fairly reduced, making it incredibly cost-effective.

The blockchain is the heart of the whole system that represents an unchangeable ledger that records the transaction. Blockchain is not bank-owned, and since it only processes cryptocurrency, it can never be accused of money laundering in the cannabis industry. All the cannabis-related transactions can be done in cryptocurrency.

The data from a cryptocurrency transaction is saved in a block, which can hold multiple transactions. With every new transaction, the ledger of the participant is updated. Every detail of the system is designed by keeping high-class security in mind, making a breach nearly impossible.

The cherry on top is that cryptocurrency is a rising asset, which generates a mind-boggling revenue like none. Cannabis and cryptocurrencies have always been connected, as their customers share similar demographics and interests, indicating a successful partnership in the future.



INTRODUCING CANX-COIN FOR THE CANNABIS INDUSTRY

Intending to make payments more straightforward, more accessible, and secured, we introduce CanX- a crypto coin for the needs of the cannabis industry. The difference between CanX and other alt-coins is that it facilitates direct cannabis trade with a boost in transaction productivity and transaction speed within the cannabis industry. CanX coin allows instant payment without any interference from any financial institutes.

SPECIFICATIONS

- Coin name: CanX Coin
- Algorithm: Scrypt
- Block Time: 2.5 minutes
- Diff re-target: 2016 blocks
- Total Supply: 84 million

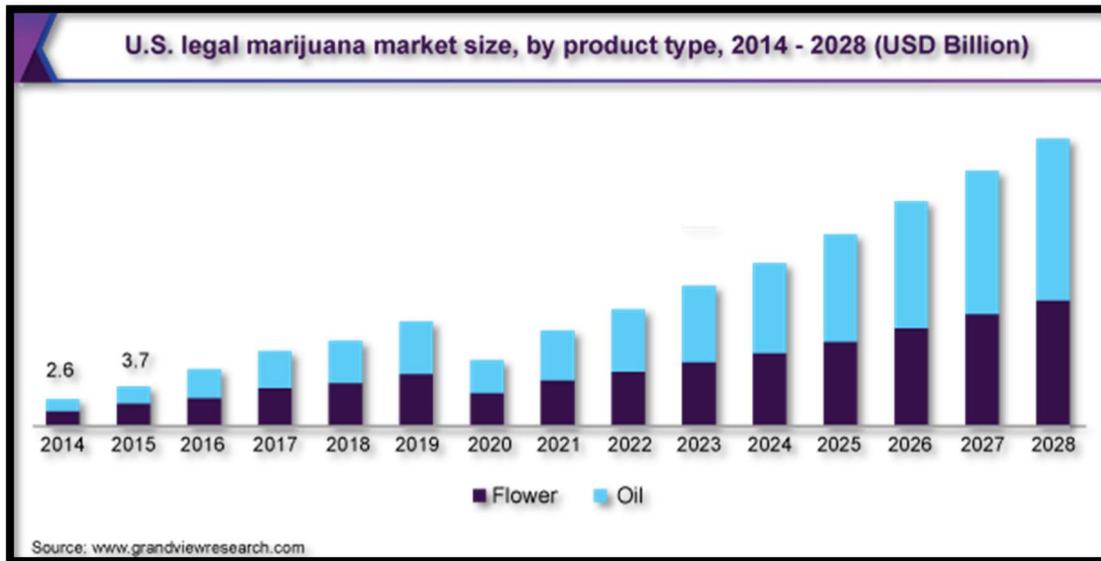
SIZE OF CANNABIS INDUSTRY

Forbes reports a 46% increase in legal sales in the cannabis market in the US owing to the covid-19 impact. Colorado contributed most of the sales from the adult-use market, followed by the Oregon market, as reported by BDSA, a cannabis data platform.

Illinois- the emerging cannabis market extended to the adult-use market from medical use and scored the largest gain in the industry.

The largest cannabis economy, California, contributed most to the industry growth, followed by Florida.

Here is a report that clearly explains the cannabis industry market size in the US





CANX ACCEPTING VENDORS

We have currently signed MOUs with 10 vendors ready to test out the CanX roll-out. We are in discussion with hundreds of other vendors and their first response is very positive.



State-of-the-art Vendor application for Cannabis industry for easy onboarding and instant payments.

To make things simpler and easier for Vendors as well as Cannabis retail clients, we are developing a state-of-the art Vendor application. Vendor will be able to register themselves on the mobile app, get their wallet operations within minutes, and start accepting payments.

Similarly for users, we are about to complete the development of the mobile application that will make paying CanX a piece of cake.

Payment settlements are almost instant, so vendor will not have to wait for hours or days to realize the payment.



CANX FUTURE

People are also getting more inclined to secure, fast, transparent, and affordable transaction methods, which CanX effectively offers on the table. With an initial supply of 84 million, CanX is moving forward to onboarding new vendors and ensures transparency and faster & economical transactions.

CanX reflects the untapped potential and satisfies different areas of the cannabis market, be it farming or dispensary, or individual transactions. It is not limited to a specific cannabis area.

To drive merchant adoption and spread consumer awareness for CanX, we are also installing CanX ATM machines at vendors to establish trust and lend credibility and stability to the consumers and vendors.

CanX coin aims to solve the financial hurdles within the cannabis business market, providing greater flexibility to the stakeholders and consumers.