

Crypto-Currency Mining Coopeative
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The Cooperative Plan

It is necessary to begin with an overview of how a cooperative would work. I am writing this document simply as a starting point. I expect that a committee of individuals will be formed from the group of those interested in exploring the possibility of a cooperative to design the specifics and be able to present the plan to the larger group.

This plan is simply an idea. It does not contain hard numbers, but will provide guidance in a raw version of a cooperative that will give a structure to the overall idea.

1. Each individual (or couple, partnership, entity) that joins the co-op will be classified as a “member” and will have ONE vote.
2. The initial membership fee will be \$1000.00 and can be paid in USD or any Crypto-Currency that we are mining. (This may be paid within 90 days of joining the group from mining proceeds.)
3. Each member shall have a certain number of “shares” in the co-op based upon various criteria:
 - a. Member has purchased a miner and hosting contract from Dunamis and has joined in the cooperative effort.
 - 1 – Shares will be allocated for each miner that the member brings to the cooperative.
 - 2 – Proposed that the member receive 1 share per dollar spent on the miner. (2000 – BTC, 3000 – ZEC)
 - 3 – The co-op will take over the ownership of the miner.
 - 4 – Shares will be allocated based upon which hosting plan the member had purchased from Dunamis (1 year, 3 year, 5 year, 5 year with 5 additional years) – (or the new 1000 day, etc).
 - 5 – Hosting plans would be worth 50% of their dollar value shares of the cooperative, thus: \$4200 – 5 year plan would be worth 2100 shares. In the case of the 10 years for 5 year price an additional 1050 shares would be provided.
 - 6 – The shares provided based on the hosting plans will decline in value during the period of hosting plan that was purchased. After that period

has ended, the member will hold the number of shares associated with miner purchase price only.

Note: These numbers need to be examined as to their profitability and results by running some examples to compare plans to see if these numbers represent an equitable arrangement. Thus, the percentages may need adjustment to provide reasonable equity so that all will be satisfied that the plan addresses any concerns.

- b. Member wants to join having never been a Dunamis customer:
 - The individual must pay the \$1000.00 membership fee.
 - This individual must pay for shares in increments of \$1000.00 and will receive 1 share per dollar. They did not previously pay for any hosting with Dunamis and thus no additional shares would be given.
 - The co-op would use these funds to increase the number of miners within our co-op.
- c. Member has been a Dunamis customer and has also purchased a new hosting plan from Dynamic Power Sources LLC:
 - I have not evaluated this scenario yet. The method was employed by Herbert to raise funds to pull the company out of the hole created by the failure of Dunamis Global Tech and other related entities from funding the operation. When Onyx Lifestyle failed to provide funds after the merger, Dynamic Power Sources may well have failed without the influx of funds from these sources.
 - It may be that a refund to those individuals of those funds with interest and/or additional shares be calculated to provide an equitable balance within the co-op.

Operations:

1. The members will be asked serve on a committee. These suggested committees will be as follows:
 - a. New Miner Selection committee – select new miners to purchase
 - b. Old Miner retirement committee – dispose of old or damaged miners
 - c. Miner repair group (if any want to work on damaged miners)
 - d. Crypto-Currency management – maintain and manage the wallets and reporting requirements.

- e. Accounts Receivable/Payable committee – Pay the invoices from Dynamic Power Sources LLC, manage investment portion of the accounts to purchase new miners, provide the payouts to individual wallets.

Note: Just some ideas.

So, you see, we will control our own destiny. The plan is not presented to you already formed. You all need to be a part of the planning. The cost to our co-op to host and operate our equipment will be lower than the price one would pay to Dynamic Power Sources LLC for electric and hosting by any other group or individual. The cost will be less to our organization than will be the cost for the MLM group that may use space within the Lakeside facility.

With lower costs and no extra payments to satisfy an MLM approach, we will have exactly what we want. The profits from our collective miners will be ours.

One big advantage to the cooperative is that you will not have to be concerned that one of your miners has malfunctioned. All of the miners will be owned by all of the members through the cooperative, we will thus share in the malfunctioning miners and as a group we will repair and replace them.

We will need an accurate record of the number of running miners and the total wattage of those miners to provide to Dynamic Power Sources LLC so that our invoice will be properly calculated.

Since all of the miners are to be owned by the cooperative, all of the revenue from the miners can go into a cooperative set of wallets based on the coin being mined. The invoice from Dynamic Power Sources for electric and hosting will be taken from the wallet and the remainder of the crypto-currency will be handled according to a formula to be determined. It is my recommendation that the funds be used as follows:

- a. Loans provided to Dynamic Power Sources as needed to complete Building D.
- b. Funds set aside to purchase replacement and new miners.
- c. A certain slush-fund to be used in emergency situations.
- d. Net remaining profit to be distributed to all members' individual wallets according to the share split.

All of this is very possible. This will offer us the greatest opportunity to expand our operation and move forward with newer equipment without the liability of individual ownership of miners that may not properly perform or may malfunction.

Individually, we have no concern about problem miners. The committee shall handle repair and/or replacement of damaged units.

Please work out the numbers. I believe we can get our hosting for about \$1.00 per day per miner plus electric cost. Others will not be able to touch us on the cost. If we manage this tightly for the first few months, we will end up with very profitable miners heading into the halving.