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L1H Exchange Header Example

Parent Feature/Desired-Function of Header

Links to here

Child Feature/Secondary Action Consequence(s) of Header

Links to here

GPU

Child preforms for: [Mining](#)

ASIC/FPGA

Child preforms for: [Mining](#)

Miner

Child Performs: [Mining](#)

Parent Hardware to: S19, Electrical Distribution

Miner Extractable Value (MEV)

Centralization Firewall

Disincentivize by taxation

Shard

Random Sampling

Proof of Stake Chain

Proof of Work Chain

64

Ethereum Main net

Ethereum Sub Net

Ethereum Merge

Sharding

Safer with increased Block Size

64

Can be hard forked up

Roleup

Inherit the security of the

Optimistic Roleup

Rewards winning the risk first to find agreement

Less disagreements reduces the Incentive for Optimistic Roleup

Submits before Proof

Polygon

Secured by Internal Proof of Stake

ZK-Roleup

Simple Payments, as ZK snark technology

Instead of publishing transactions on chain, Users send transactions to an aggregator, strips out the transaction data (the things the blockchain needs to

If agreements

If Disagreements

Very Expensive

Validator

Searcher

Easy to Read

Layer 2

Easy to Write

Layer 1

51% Attack

Is the parent of a grounding level attack

Double Spending

Child Enabled by: [51% Attack](#)

Mining

Child enabled by: [Proof of Work \(PoW\)](#)

Parent for [GPU](#), & [ASIC/FPGA](#)

Proof of Work (PoW)

Parent Is a protocol for :[Consensus](#)

Difficulty (in Proof of Work)

Child Set by: [Proof of Work \(PoW\)](#)

Consensus

Child Methods of Consensus: [Proof of Work \(PoW\)](#), [Proof of Reputation \(PoR\)](#), [Power of Authority \(PoA\)](#)

Proof of Stake (PoS)

Parent: Is a protocol

Wallet

Parent to Monitoring of [Transaction](#), generating and managing [Private Key](#)

Parent to by generating and managing [Soul Bound Tokens](#), [Community Recovery](#)

Transaction

Child by being composed of [Block](#), [Smart Contracts](#)

Parent to create: [Crypto Asset](#), [Address](#), [Public Key](#)

Smart Contracts

Child to: [Token](#) & [Dapp](#)

Parent to: [Token](#)

Stake

Parent: [51% Attack](#)

Child Enabled by: [Proof of Stake \(PoS\)](#)

Proof of Reputation (PoR)

Parent Is a protocol

Power of Authority (PoA)

Parent Is a protocol

Fork

Parent Is the new Version of: [Ledger](#)

Child updates in protocol causes, to revision Update

Old Rules of Validation No Longer Validate This

Big Block

Small Block

Split Fork

When politically the community splits

Hard Fork

Vitalik is Pro Hard fork over Soft Fork

Soft Fork

Vitalik is politically against soft forks since they are less

Decentralized Community

Dex

Parent to: [Exchange](#)

Crypto Assets

Child of [Token](#), [Cryptocurrency](#), & [Transaction](#)

Credit or Fico Score (TBD)

Substrates

Transferable Collateral

Cryptocurrency

Child of: [Bitcoin](#), [Ethereum](#)

Token

Children of: [Security Token](#), [Stable Coin](#), [Unity Token](#), [Soul Bound Tokens](#)

Parent to: [Crypto Asset](#), [Smart Contracts](#)

Security Token

Guardians

Child to

Parent of

User distributed authentication nodes for multiple level authentication

Social Recovery Mechanism

Child of: [Soul Bound Tokens](#),

Parent of: [Guardians](#)

Unity Token

Child of: [ICO](#)

Parent to or a type of Token by Emitting Utility Tokens

[Token](#)

Bitcoin

Parent

[Cryptocurrency](#)

ICO

Parent by emitting

[Unity Token](#)

Exchange

Child of

Fiat Currency

Child to

[Stable Coin](#)

Stable Coin

Parent to: [Token](#)

Community Recovery

Child of [Wallet](#)

Parent of [Soul Bound Tokens](#)

Soul Bound Tokens

Child of [Wallet](#)

Parent to [Token](#)

Equity Token

Child of [STO](#)

Parent to [Security Token](#)

Ethereum

Parent: [Cryptocurrency](#), [Crypto Assets](#)

STO

Parent by Emitting [Security Token](#), [Equity Token](#)

Block

Child Composed of: [Blockchain](#)

Parent: [Transaction](#)

Private Key

Child to [Wallet](#), [Public Key](#)

Public Key

Child of: [Address](#), [Transaction](#)

Parent to Computed form of [Private Key](#)

IP

Designer tags

DAO

Child of [DAC](#) only if a for Profit, otherwise DAO is considered "Non Profit"

DAC

Parent (is a for profit)

[DAO](#)

Soul Bound Tokens (SBT)

Features

Tie a Soul Bound Token to an NFT

Quadratic Funding

Child of

Network

Child of: [Blockchain](#)

Testnet

Block Explorer

DLT

DAG

Scalability

Child of: [Sidechain](#), [2nd Layer](#), [Blockchain](#)

Sidechain

Parent of: [Sidechain](#)

2nd Layer

Parent by providing: [Scalability](#)

Dapp

Child of: [DAO](#)

Use Cases

Open Transactions X out of Soul Bound Tokens to that Account

Address

Child of [Transaction](#)

Parent to [Public Key](#)

Blockchain

Child: [DLT](#), [Block Explorer](#)

Parent of [Block](#)

Ledger

Parent of by (Implemented)

[Blockchain](#)

Crypto Asset

Child of [Token](#), [Cryptocurrency](#), & [Transaction](#)

Payable on Death (PoD)

NFT (CR20) Ownership aspect link

Gains= -Royalties – Gas/TransactionFee+Price of Sale

Token Based Asset with a digital link
The digital representation of something physical,
Financing Solutions

Title

Loan

NFT Extinguishment

Peer to peer transfer

rental agreement

research

Trust

HSA

Patent

L1H Use Cases

Drawings/BOM

721

Child

Parrent

Features

Assets

755

Features

Album

998 Token (Resistor/Tax/Friction/Margins/Toll)

Features

Gas

Lease

Easement on a 721

1155

Features

Batch NFTs

Batch

3664 (dynamic

Features

Evolve your token over time

Mechanic Feature

Dynamic

Use Cases

Durable Goods/Improvements for video games

Plant

Growth rate attributes over time

Space

Gaming

Collaboration Coins

1155

Generation

Combo: 721+998 must undo rights of

[Soul Bound Token] through [1155] Process and children so

0 Knowledge proof,

Ethereum Name Service ENS

Layer 1 Holdings Risk Metrics

Warrants

Finance

Convertible Note

Loan Value

Loan Terms

Interest Rate

Payment Timing Frequency

Accumulated Loan Interest (Interest On interest)

Debt Agreement that converts into Stock or Ownership Value

Discount Rates

Caps

Royalty Payments

Interest Barring

Conversion Price Evaluation

Most Favored Nation Clause (down Round Convertible Note Holder)

Prepayment Permission

Partial Payments

Simple or Compound Interest (interest paid first, then how much principal is paid?)

Customer Acquisition Cost

Company Evaluation (External rating agency, Fitch, S&P, Moody's,

Assets and Existing Value

Net Cash Flow

Operating Expenses

Marketing

Revenue

Closing Cycle of Payments

Closing Cycle of Invoices

Auditing

S&P

AAA

AA+

AA

BBB

BBB-

BB+

CCC

Moody's

Lack of Exit Strategy

Equity and Asset degradation

Discounted Cash Flow Rate of Return

Has Greater Risk and Rebalancing than Bonds

Down Rounds

Bills (Treasury)

Maturing Structure

Notes (10 year

Stocks Mutual Fund

Bonds (debt) High to low Grade Debt, Bonds Get Paid Before Stocks holders

Maturation Date (perpetual Interest rate)

Principle

Interest

Call Risk(Early Repayment)

Is Repayment Allowed

Default

Refunding Risk

Mortgages (self-amortize)

Municipal Debt

Borrowing Money and

Revenue Bonds

Toll Roads

Restructuring

Tax Exempt

Corporate Debt

Junk Bond Value Dilution

Interest rates

Categories

low and paid back in full with interest

Risk of not paying back in full

Payback Date

Principle

Interest

Longer the Loan the greater the requirement that the loan is asset backed

Dilution

Occurs when Additional Shares are created and

Dividends

Mutual Holder (ownership Interest)

Does it need to be paid

Accumulative

Non-accumulative

Issued Shares

Balloon Payments

Interest on Holdings causing negative Valuation

APR

Payments at end of month, repayments on the amount loaned

APY

Annual Per Year

Outstanding

Improper Offering (Rescission)

Didn't register the asset as the right class

Security

Stock

Causes IPO as an out of the company(don't get the benefit of the increased value but of the

Unaudited Numbers

The Numbers are only as good as you are in entering the information correctly, secondary confirmation is required to confirm risk is mitigated,

Futures Trading

Web 2 Bridge

A mechanism to collect wallet address and emails

Wallet Address

Email

Pricing Metrics

Network Value Transfer market cap ratio of volume traded within a specific window

PDEffect

Market Cap (shares/coins outstanding * the price