TOKENOMICS WHITEPAPER

THE ECONOMIC LAYER FOR AI-POWERED HARDWARE CREATION

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ISSUED BY ARTHUR LABS, INC. (WYOMING, USA)

HIIE.ARTHURLABS.NET

01 · Overview

In one sentence: HIIE is building the economic layer for AI-powered hardware creation, where $HIIE powers access, compute, staking, governance, and ecosystem coordination across the network.

HIIE (Hardware Intelligence Innovation Engine) is an AI operating system for turning hardware ideas into products, and products into businesses. Design, engineering, sourcing, automation, and payments live in one place, driven by an AI agent harness that does the heavy lifting.

Every operating system runs on two things: the people who build on it, and the compute that powers it. $HIIE is the native asset that coordinates both. It moves value between the builders who use the network, the operators who supply its compute, the stakers who commit to it, and the community that helps govern its direction.

The platform is fully usable in dollars - $HIIE is the native path for anyone who wants to participate in the on-chain economy beneath it. That economy is the point of this document.

This is not a token with a discount attached. It is an AI economy with a token at its center - one that pays its committed participants in real cash flow, not in promises or freshly printed supply.

02 · Executive Snapshot

HIIE pairs a working AI product with a native, on-chain economy. Builders ship real hardware; the network's real activity funds its own compute, liquidity, and staking rewards; $HIIE is the asset that ties every part together.

In one line	
What is HIIE?	An AI operating system for hardware creation - idea to product to business.
What is $HIIE?	The native token coordinating payments, access, staking, compute, governance, and liquidity.
What do stakers earn?	A share of real network cash flow, paid in USDC and SOL - variable, usage-driven, never a printed token.
Where does value flow?	From real platform usage into compute capacity, market liquidity, and staker distributions.
What holds the design together?	Fixed supply, quarterly on-chain treasury programs, and published mechanical rules.

Figure 1 - $HIIE coordinates six roles across the HIIE economy.

03 · The HIIE Platform

HIIE compresses the distance between an idea and a running business. An AI agent harness helps a builder design and engineer a hardware product, source and prototype it, automate the workflow around it, take payments, and ship a product page - without stitching together a dozen disconnected tools.

This is what draws builders: leverage. One person can move from concept to a sellable product in a fraction of the usual time. The more capable the operating system becomes, the more builders it attracts, and the more work runs through it.

An operating system is compute-hungry. Every meaningful action on HIIE consumes AI compute - each design iteration, simulation, sourcing search, and automation run. Compute is not a cost center bolted onto the product; it is the substance the product is made of. It is also the most natural place for a native economy to form, because compute is metered, continuous, and consumed by everyone who builds. The HIIE economy is organized around supplying, pricing, and settling compute - with $HIIE as its unit of account. Section 06 develops this in full.

04 · The $HIIE Economy

$HIIE is the coordination layer of the network. Rather than a single feature, it plays a set of connected roles that deepen as the ecosystem matures.

Six roles, one asset

1. **Payments** - pay for the platform in $HIIE, at a **20% native discount** to the dollar price. Tokens received are routed into protocol liquidity, not sold.
2. **Premium access** - use $HIIE to unlock higher tiers and capabilities of the operating system.
3. **Staking** - commit $HIIE for a chosen duration to earn **real cash-flow distributions in USDC and SOL**, priority access, OTC allocation rights, and governance weight. (Section 07.)
4. **Compute** - spend $HIIE to run AI workloads; operators earn $HIIE for supplying capacity.
5. **Governance** - use $HIIE to help direct ecosystem resources and future protocol utilities.
6. **Liquidity** - protocol-owned liquidity keeps the market for $HIIE deep and functional.

A natural progression

These roles arrive in sequence. The token begins as a payment rail, expands into premium access, then staking with real distributions, then a live compute marketplace, then governance.

The operating rules

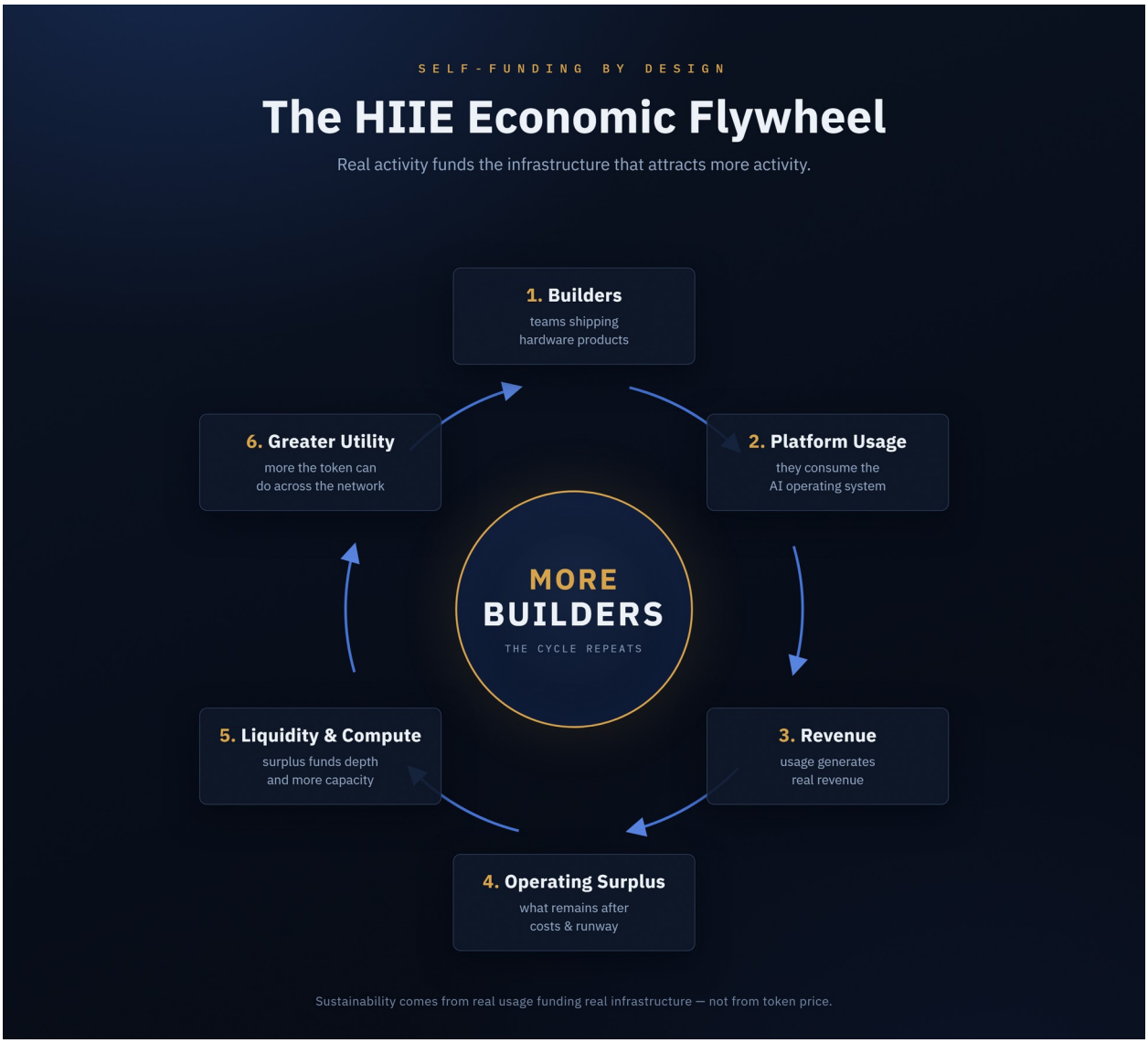
Underneath every role sit four principles that keep the economy honest:

- **Revenue first.** The token economy amplifies real activity - it never substitutes for it.
- **Survival before everything.** The economy only ever draws from genuine surplus, after costs and runway.
- **Mechanical, not discretionary.** On-chain actions follow published rules and pre-committed quarterly programs, not judgment calls.
- **Transparent by default.** Value comes from use and verifiable mechanics, not from claims.

05 · The Economic Flywheel

HIIE is designed to fund its own growth from real activity. Builders use the platform; usage generates revenue; after costs and runway are covered, the operating surplus funds protocol liquidity, additional compute capacity, and the staking-reward pool. Deeper liquidity, more compute, and real staker cash flow make the network more useful and more attractive to the next builder, who brings more usage.

Figure 2 - real usage funds the infrastructure that attracts more usage.



The important property is self-reinforcement grounded in real economics. The network does not need to promise anything: it routes a defined portion of genuine surplus and genuine network fees back to the infrastructure - and the people - everyone depends on.

06 · Compute: The Engine of the Economy

AI runs on compute, and compute is the largest recurring input HIIE consumes. Turning that input into a coordinated, on-chain market is the core of the $HIIE economy.

The compute loop

- Builders consume compute every time they design, simulate, source, or automate.
- Operators supply compute - owned HIIE hardware for sensitive and core workloads, plus a community layer for ordinary ones.

- Operators earn $HIIE for real, metered work, settled on-chain.
- Users spend $HIIE (or dollars) to access that capacity.

Because compute is consumed continuously by everyone who builds, this loop produces recurring, consumptive utility for the token: using the network increasingly means using $HIIE.

Owned plus community capacity

Owned hardware is funded in fiat from the operations side of the surplus - never by selling tokens - and handles core and sensitive workloads. A community operator layer, paid in $HIIE, extends capacity for standard workloads. As more compute comes in-house, unit costs fall and the surplus that funds the flywheel grows.

07 · Staking: Real Yield, Zero Sell Pressure

Staking is how committed participants earn a share of the network's real cash flow - without the network ever printing or dumping a single token on them.

The problem with normal staking

Most small-cap projects pay staking rewards in their own token. Every reward paid is future sell pressure: the staker's rational move is to sell. The project buys "loyalty" by taxing its own price. HIIE refuses this trade.

The HIIE design: cash in, cash out

- **You stake $HIIE.** Your stake is real skin in the game, locked by rules you chose.
- **You earn USDC and SOL.** Distributions come from real network cash flow - never from emissions (supply is fixed and mint-revoked), and never from selling $HIIE (the treasury never sells on the open market).

How it works

7. **Stake and choose your unstake window: 14 to 365 days.** The window is your commitment signal. Longer window → higher reward weight: weight = stake × multiplier(window), scaling linearly from 1.0× at 14 days to 4.0× at 365 days.
8. **Earn quarterly distributions.** Each quarter's reward pool (Section 10) is split pro-rata by weight. Distributions are paid in USDC and SOL to your wallet on claim.
9. **Claim on-chain each quarter.** Claiming is an active step subject to applicable regulatory requirements. Unclaimed distributions roll into the next quarter's pool after four quarters.
10. **Exit is a drip, not a dump.** When you unstake, rewards stop immediately and your principal releases **linearly over the window you chose**. A 365-day staker's exit takes 365 days. Thin markets never absorb a cliff - this is the structural defense that lets HIIE reward commitment without fearing it.

Where the money comes from

Each stream is real, on-chain, and variable:

Stream	Currency	Staker share
Protocol-owned liquidity trading fees	USDC + $HIIE*	50% of the USDC leg
Launch-pool volume share (1% of 24h trading volume)	SOL	50%
Quarterly Treasury Program allocation from surplus	USDC	Set per program (Section 10)

** The $HIIE leg of LP fees is never distributed to stakers - it re-locks via the Quarterly Treasury Program. Only cash legs are distributed.*

What staking also unlocks

- **Priority OTC access.** When the treasury runs an OTC round (Section 13), stakers get first allocation rights, ranked by weight - a buy-side privilege, adding demand rather than supply.
- **Priority compute** when capacity is constrained, and expanded platform capabilities.
- **Governance weight** proportional to staking weight (Section 08).

A worked example

Illustrative only - not a projection; the pool figure is a round hypothetical, not a forecast. Suppose a quarter's staker pool is $3,000 (USDC + SOL) - roughly the order of magnitude the current network would generate - and total staked weight is 100M. You staked 1,000,000 $HIIE with a 365-day window → weight 4,000,000 → your distribution is 4/100 × $3,000 = **$120 for the quarter**, paid in USDC/SOL. If network volume and fees are lower, the pool is smaller; if usage grows, it grows. Nothing is guaranteed.

Honesty box - read this before staking

HONESTY BOX

- Distributions are **variable outputs of real usage**. They can be small, and they can be zero in a quarter. No APR is promised, targeted, or guaranteed - any rate you see quoted is a trailing observation, not an offer.
- At today's network size (about $23K of pool depth and roughly $4–5K of daily trading volume), the reward pool is measured in **thousands of dollars per quarter, not millions**. The design is built to scale with usage - it does not pretend usage exists before it does.
- Staking rewards launch is subject to applicable regulatory review and may be geo-restricted (Section 16). Residents of restricted jurisdictions may be excluded from cash distributions.

08 · Governance

Governance is the network's path toward community coordination of protocol decisions. Over time, $HIIE stakers gain a structured voice in how the ecosystem is run - governance weight follows **staking weight**, so influence sits with committed participants rather than transient holders.

Governance is scoped to protocol-level levers

- Ratification of each Quarterly Treasury Program before it activates (Phase 3).
- Allocation of ecosystem grants and incentive programs.
- Liquidity parameters and depth targets.
- Prioritization of future utilities and integrations.

Governance concerns the protocol and its shared resources - not ownership of Arthur Labs, Inc. or any claim on the company.

09 · Protocol Liquidity

A functioning economy needs a functioning market. Thin liquidity is the most common reason serious participants avoid early networks, so HIIE treats liquidity as infrastructure.

- The protocol provides and locks its own liquidity, and earns the trading fees instead of paying outside providers.
- $HIIE paid through the payments door is routed into liquidity rather than sold, so on-chain usage deepens the market.
- **Fee routing (updated in v2.0):** the USDC leg of LP fees is split between the staker reward pool (Section 07) and operations; the $HIIE leg re-locks through the Quarterly Treasury Program. The liquidity position itself is not sold; only its fees are put to work.
- Positions are sized to a depth target and paired with USDC. Pairing against a stablecoin removes one source of volatility from the pair; the position remains exposed to impermanent loss on $HIIE's own price moves, which is an accepted, disclosed cost of owning depth.

Protocol-owned liquidity exists to keep $HIIE usable and the market healthy for participants. It is operational infrastructure for the economy, not a mechanism to support price.

10 · Surplus & the Token Economy

The economy is funded by a strict order of priorities. Value only reaches the on-chain layer after the business is safe.

11. **Honor the credit reserve** - 100% of unspent user credits set aside, always dollar-backed.
12. **Pay the cost of running the platform.**
13. **Top up the runway reserve.** Survival first.
14. **Only the genuine surplus that remains** is split evenly between operations and the token economy.

Operations half

Funds product, builders, and compute - all in fiat. The company never sells tokens to fund equipment.

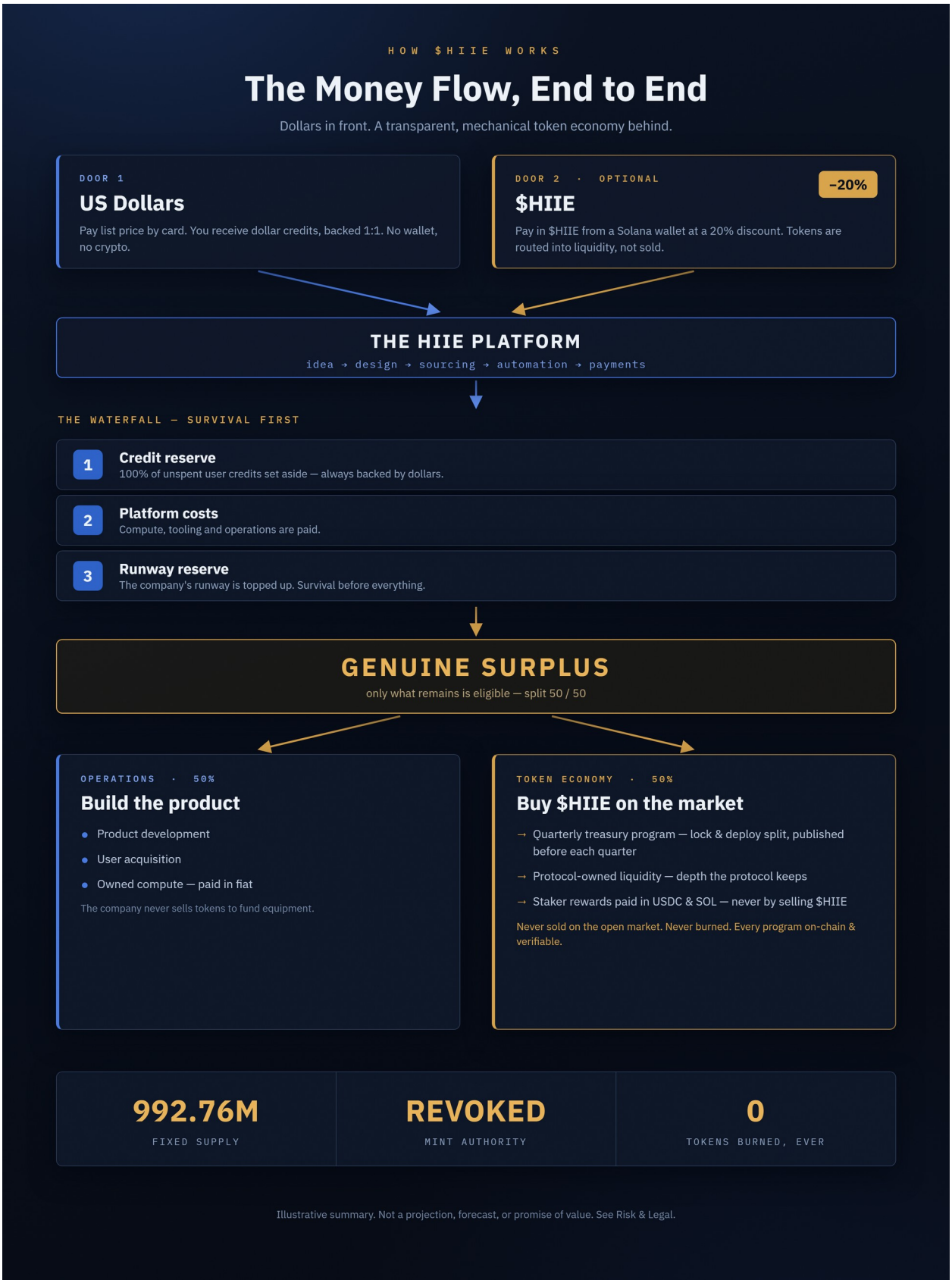
Token-economy half

Deployed through the **Quarterly Treasury Program** (Section 13):

- **Buybacks.** USDC acquires $HIIE on the open market under the execution rules in Section 14.
- **Protocol-owned liquidity.** A portion is deployed as balanced liquidity: half swapped into $HIIE, half kept in USDC, deposited and locked. The allocation does double duty - half is incremental buy pressure, half is depth.
- **Staker reward budget.** A portion may be allocated in USDC to that quarter's staking pool - declared in the program before the quarter begins.

In a lean month, surplus is zero and the on-chain layer simply does not draw. Because every action is gated on real activity, the economy scales with genuine usage. These are operational uses of surplus to build durable infrastructure and reward committed participants; they are not mechanisms to support token price.

Figure 3 - the full money flow, from payments to locked infrastructure and staker rewards.


HOW $HIIE WORKS
The Money Flow, End to End
Dollars in front. A transparent, mechanical token economy behind.
DOOR 1
US Dollars
Pay list price by card. You receive dollar credits, backed 1:1. No wallet, no crypto.
DOOR 2 · OPTIONAL
-20%
$HIIE
Pay in $HIIE from a Solana wallet at a 20% discount. Tokens are routed into liquidity, not sold.
THE HIIE PLATFORM
idea → design → sourcing → automation → payments
THE WATERFALL — SURVIVAL FIRST
1
Credit reserve
100% of unspent user credits set aside — always backed by dollars.
2
Platform costs
Compute, tooling and operations are paid.
3
Runway reserve
The company's runway is topped up. Survival before everything.
GENUINE SURPLUS
only what remains is eligible — split 50 / 50
OPERATIONS · 50%
Build the product
Product development
User acquisition
Owned compute — paid in fiat
The company never sells tokens to fund equipment.
TOKEN ECONOMY · 50%
Buy $HIIE on the market
→ Quarterly treasury program — lock & deploy split, published before each quarter
→ Protocol-owned liquidity — depth the protocol keeps
→ Staker rewards paid in USDC & SOL — never by selling $HIIE
Never sold on the open market. Never burned. Every program on-chain & verifiable.
992.76M
FIXED SUPPLY
REVOKED
MINT AUTHORITY
0
TOKENS BURNED, EVER
Illustrative summary. Not a projection, forecast, or promise of value. See Risk & Legal.

11 · Token at a Glance

The core facts are already true on Solana, and anyone can verify them.

Field	Value
Name (on-chain)	Hyper Intelligent Innovations AI
Symbol	HIIE
Chain / standard	Solana (SPL token)
Mint / contract	AKKAPZBnJnzfE83DspsBSoqGSMwa2haFvoEJj1qzdrmk
Total supply	992,762,175 (~993 million), fixed
Decimals	6
Mint authority	Revoked - supply permanently fixed
Freeze authority	Revoked
Metadata	Immutable
Liquidity	Protocol-committed; live figures on the dashboard at HIIE.ARTHURLABS.NET

12 · Allocation & Lockup

Allocation is built around four commitments: public visibility, long-term alignment, locked liquidity, and no surprise unlocks.

> **Deployment status (v2.0, honest by design).** The table below is the allocation policy. On-chain enforcement is rolling out bucket by bucket; the live dashboard at HIIE.ARTHURLABS.NET is the source of truth for what is enforced by contract today versus held under policy. Until a bucket shows Enforced on-chain, treat its schedule as a company commitment, not a trustless guarantee.

Bucket	Share	Policy	Status
Community & Ecosystem	65%	Rewards, referrals, builders, integrations, education. A core liquidity block is locked as	Policy + rolling on-chain locks

Bucket	Share	Policy	Status
		market infrastructure. Released only through Quarterly Treasury Programs, capped at 2.5% of the bucket per quarter.	
Team & Contributors	15%	12-month cliff, then 36-month linear vest. Never used as market liquidity.	Details available at HIIE.ARTHURLABS.NET
Treasury & Operations	12%	6-month cliff, then 24-month linear vest, multisig-controlled, deployed only through Quarterly Treasury Programs.	Details available at HIIE.ARTHURLABS.NET
Advisors & Backers	8%	6-month cliff, then 18-month linear vest.	Details available at HIIE.ARTHURLABS.NET

The schedule is deliberately asymmetric - the team is locked longest - so releases remain gradual and predictable. The community bucket, the largest, now carries an explicit per-quarter release cap so no surprise unlocks applies to it too, not only to insiders.

13 · Supply Policy & Quarterly Treasury Programs

Supply is simple by design, which lets the interesting complexity live in the economy rather than the monetary base.

- **Fixed.** Total supply is ~992.76 million $HIIE. The mint authority is revoked - no new tokens can ever be created. There are no emissions and no schedule.
- **Never burned.** Rather than destroy tokens, the protocol relocates acquired $HIIE into productive, locked positions.
- **Never sold on the open market.** Treasury $HIIE deploys only through OTC strategic partnerships, vested community compute rewards, or liquidity locks.

The Quarterly Treasury Program (QTP)

New in v2.0 - the single mechanism through which treasury-side tokens move. Before each quarter begins, the treasury publishes and programs on-chain, at least 14 days in advance:

Program line	What it declares
Lock	% of newly bought-back $HIIE (and of any expiring tranche) locked into the quarter's timelock, with its unlock date. Floor: ≥70% of new buybacks re-lock.
Deploy	% allocated to OTC rounds (staker-priority, Section 07) and liquidity additions. Cap: ≤30% of new buybacks per quarter.

Program line	What it declares
Reward budget	The USDC/SOL staking pool for the quarter: fee shares plus any surplus allocation.
Carry rules	Unused deploy allowances expire at quarter end - they do not accumulate.

Every program is published before it runs, enforced by contract for the quarter, and reported against after quarter close (reserves, deployment, liquidity depth, reward distributions). Material policy changes require notice one full quarter ahead.

Why quarterly programs instead of a permanent lock?

A permanent lock maximizes a promise but minimizes usefulness: locked-forever tokens can never fund OTC partnerships, operator rewards, or liquidity when the network needs them. The QTP keeps the overwhelming share of bought-back supply locked at all times, while making every movement pre-announced, capped, rate-limited, and verifiable. Predictability - not permanence - is what markets actually price.

14 · Execution & Transparency

On-chain actions follow fixed, published rules so the model can be judged by evidence rather than claims.

- **Depth gate.** No open-market buyback runs unless pool liquidity exceeds $50,000; below that, the token-economy share builds liquidity instead.
- **Size limits - two levels.** Each tranche is capped at the lower of 1% of trailing 24h volume or 0.5% of pool liquidity; each quarter's total buyback program is additionally capped at the amount declared in that quarter's QTP. No single order, and no single quarter, can surprise the market.
- **Gradual execution.** Buybacks spread across the quarter in small tranches on a randomized schedule within published bounds - mechanical in size, unpredictable in timing, so thin-pool games (sandwiching, front-running a known clock) don't pay.
- **Prompt lock.** Acquired tokens move into the quarter's declared destinations - timelock or liquidity - within 24 hours of settlement.
- **Published surfaces.** Official wallets, lock and unlock schedules, each QTP, and a quarterly report on reserves, surplus, deployment, liquidity depth, staking distributions, and compute investment. Clear notice precedes any material policy change.

15 · Roadmap

Phase	Focus
Phase 0 - Foundations	The AI operating system and dollar payments are live, $HIIE payments are available, and this model is published. Below the depth gate, the on-chain layer only builds liquidity. First QTPs published (lock/liquidity only).
Phase 1 - Activation	Usage grows and liquidity clears the depth gate; the surplus-funded, rules-based buyback switches on; premium access via $HIIE expands.
Phase 2 - Staking & Compute	Staking with USDC/SOL distributions goes live, subject to applicable regulatory review and approval, with chosen-duration windows and OTC priority. The community compute marketplace opens, paying operators in $HIIE for real work.
Phase 3 - Governance	DAO governance ratifies Quarterly Treasury Programs and directs ecosystem resources.

16 · Built to Last - Legal Posture

The following is general information, not legal advice. Nothing here is an offer of securities.

v2.0 is honest about what changed: **cash-denominated staking distributions move $HIIE's staking design into the most legally sensitive category that exists for tokens.** This section states the posture plainly rather than hiding it.

What stays on the safe side

Payments, discounts, premium access, compute settlement, and protocol-owned liquidity are consumptive utility. The fixed, mint-revoked supply means there is no emission lever. The treasury never sells on the open market. Governance confers no ownership of, or claim on, Arthur Labs, Inc.

What is sensitive - stated plainly

Distributing USDC/SOL from network cash flow to stakers resembles a revenue share. The 2025 SEC staff statements and the March 2026 joint SEC/CFTC interpretation (Release 33-11412) cover protocol staking - validating proof-of-stake networks with protocol-defined rewards. They do not squarely cover application-level, cash-denominated distributions like this one. HIIE does not claim that shelter.

The mitigation stack

15. Distributions are **variable outputs of actual usage** - no fixed, targeted, or guaranteed APR, ever, anywhere, including marketing.
16. Claiming requires **active on-chain participation** each quarter; rewards attach to network participation, not passive holding.
17. **Geo-fencing of restricted persons** (following the pattern used by established real-yield protocols): terms-of-service representations, IP screening, and exclusion of restricted jurisdictions from cash distributions until counsel clears them. Because Arthur Labs is a US (Wyoming) issuer, US-person eligibility is a counsel decision, not a default.
18. **Launch gating.** Staking distributions do not activate until written securities-counsel sign-off on the final mechanism, terms, and marketing language. If counsel requires a different structure, the structure changes before launch - not after.

Beyond federal rules

State laws, tax treatment (distributions are likely taxable income to recipients), and non-U.S. rules apply separately and are handled as features ship. Clear notice is given before any change to the token's posture.

17 · Risk Factors

Straight talk: acquiring, holding, or staking $HIIE carries real risk. This list is not exhaustive.

- **Volatility.** $HIIE is early-stage and micro-cap; its price can move sharply and can reach zero.
- **Liquidity & concentration.** Pool depth is roughly $23,000 today. Single trades can move price materially, and you may be unable to transact when you want, at the size you want.
- **Rewards can be small or zero.** Staking distributions are a function of real fees and volume. At current network size the quarterly pool is a few thousand dollars across all stakers. No usage - no rewards. Past distribution rates predict nothing.
- **Securities-classification risk.** A regulator or court may deem the staking program, or $HIIE itself, a security in some jurisdictions. That could force changes to or suspension of the program, geo-restrictions, or other remedies affecting your ability to participate or transact.
- **Lockup risk.** Your chosen unstake window is binding: exits release linearly over up to 365 days, during which price can fall and rewards have stopped.
- **Treasury & program risk.** Quarterly Treasury Programs involve policy choices within published caps. Parameters can change with notice; governance may later change them further.
- **Platform dependence.** The token's utility depends on HIIE and Arthur Labs, Inc. continuing to operate.
- **Technology risk.** Blockchains, contracts, bridges, and wallets carry bugs, exploits, and key-loss risk; protocol-owned liquidity is exposed to impermanent loss.

- **Regulatory & tax.** Token rules are evolving and vary by jurisdiction; distributions are likely taxable to you.

Bottom line. Do not acquire $HIIE expecting profit from the efforts of others. Acquire it to use the HIIE network - and if you stake, size your commitment to the lockup you chose.

18 · Legal & Disclaimer

$HIIE is a utility token used to access and participate in the HIIE network. This document is information only - not an offer, solicitation, or financial, investment, legal, or tax advice. Staking distributions described here are a planned, counsel-gated feature; availability, eligibility, and mechanics may change or may not launch in your jurisdiction. Forward-looking statements may change and are not commitments. No regulator has reviewed or approved this document. Complying with the laws that apply to you is your responsibility.

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19 · Glossary

Term	Meaning
AI operating system	The HIIE platform: an integrated, AI-driven workspace for creating hardware products and businesses.
Compute marketplace	The on-chain market where operators supply AI compute and are paid in $HIIE, and users spend $HIIE to consume it.
Flywheel	The self-reinforcing cycle where real usage funds infrastructure that attracts more usage.
Surplus	What remains after costs and runway; the only pool the on-chain economy draws from.
Protocol-owned liquidity (POL)	Liquidity the protocol provides and locks itself, earning the trading fees.
Quarterly Treasury Program (QTP)	The pre-published, on-chain plan that governs all treasury token movements and the staking reward budget for a quarter.
Unstake window	The 14–365 day period a staker chooses at stake time; it sets the reward multiplier and the linear release schedule on exit.
Staking weight	Stake × duration multiplier; determines reward share, OTC priority, and governance influence.

Term	Meaning
Real-yield distribution	A staker payout in USDC/SOL funded by actual network cash flow - never by token emissions or open-market sales.
Fixed supply	The token count can never change - it cannot grow or be burned.

20 · Legal Notice

IMPORTANT NOTICE

This document is subject to change at any time, including as may be required by applicable laws or regulations. Nothing in this document shall be deemed binding or constitute a final commitment of any kind by any party.