

# 1. White-Labeling Binance API Integration (Hiding Binance Backend)

To use Binance in the backend without end-users knowing, the platform can adopt a **white-label integration**. Key practices include:

- **Binance Broker/Link Program:** Join Binance's broker program to integrate via API. This allows the platform to use Binance's market depth and execution, but present it under its own brand. The platform can offer trading with its own interface and features, effectively "white-labeling" Binance's exchange services  
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. In this model, users trade on your app, but orders route to Binance's engine in the background, leveraging Binance's liquidity with **customizable branding and features**  
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.
- **Sub-Accounts with API-Only Access:** Set up each user with a Binance sub-account under your master account. Binance supports *virtual email* sub-accounts that **cannot be logged into directly** – they are controlled solely via API by the master account  
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. This means users never interact with Binance's website/app or see Binance logos. All trading actions occur through your backend using Binance API keys for those sub-accounts. From the user's perspective, everything is handled on your platform.
- **Hide Binance References & Handle Compliance:** All user registration, KYC, deposits, and withdrawals are managed by your platform. Binance treats you (the broker) as the account holder for those sub-accounts and does **not communicate with your end-users directly**  
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. This keeps Binance's branding invisible to users. It also means your platform is responsible for complying with KYC/AML for your users (per Binance's broker requirements)  
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, ensuring a seamless white-labeled experience.

By using these methods, the platform operates like an independent exchange on the front-end, while Binance executes trades on the back-end. Users remain unaware that Binance is powering trade execution in the background.

## 2. Fee Structure: Binance App vs. API Partner Platform

Trading fees for end-users on the platform will be essentially the same as Binance's standard fees, but the **fee distribution and rebates differ for the platform operator**:

- **Direct Binance Users:** On Binance's own app, regular users pay a trading fee of about **0.1% per trade** (maker or taker)  
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. Users can get a 25% discount by paying fees in BNB, reducing it to 0.075%, and high-volume or VIP traders get lower rates. These fees are charged per transaction when trading on Binance directly.
- **Through API/Broker Integration:** Trades executed via the Binance API follow the **same fee schedule** for the end-user (Binance doesn't charge extra for API usage). So your platform's users would effectively incur ~0.1% per trade as well, subject to any VIP or BNB discounts. The key difference is that Binance will **share a portion of these fees with the partner platform** as a revenue rebate. As a Binance Broker/Link partner, you earn a commission on your users' trading fees  
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. For example, Binance's tiered broker program offers rebates around **40%–50% of the trading fee** on spot trades back to the partner  
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. This means if a user pays a 0.1% fee on a trade, your platform could receive roughly 0.04%–0.05% of the trade value as commission revenue. Higher volume or "Gold" tier partners get larger rebates  
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. (There are similar rebate structures for futures as well.)
- **End-User Charges vs Platform Earnings:** From the user's perspective, the trading fee is comparable to using Binance directly (your platform can decide whether to charge the standard fee or possibly slightly adjust it). The user typically isn't charged *extra* beyond what Binance's normal fees are – in fact, they might see the same or even a promotional discount. The platform earns money through the **revenue-sharing rebate** from Binance, rather than marking up the fee. In summary, users pay normal Binance fees (or whatever fee scheme you set, if you choose to subsidize or charge a premium), and **Binance later pays your platform its share** of those fees. This revenue-sharing model allows the platform to profit from trades without directly charging more than Binance would.

*(Note: The Binance broker program has no upfront integration cost – it operates purely on this commission model)*

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*, making it financially attractive for partners. In India, trading fees on your Binance-powered platform would remain low and competitive, similar to global Binance rates.)*

### 3. Payment vs. Crypto Handover in Binance API Trades (Settlement Process)

When a user buys Bitcoin through your platform (with Binance executing the trade via API), the **settlement of funds vs crypto is handled in a structured way**. Binance will not release crypto without either pre-funded assets or an agreed settlement mechanism in place:

- **Pre-Funded Trades (Standard Flow):** In a typical integration, the user (or the platform on the user's behalf) must have the necessary funds on Binance *before* or at the moment the order executes. For example, if a user places a buy order for BTC using INR, your platform would first convert that INR into a crypto asset that Binance accepts (such as USDT or BUSD) or use a direct fiat trading pair if available. Those funds are then available in the user's Binance sub-account. When the buy order executes on Binance, the **crypto (BTC)** is immediately credited to the user's sub-account and the **payment asset (USDT/fiat)** is deducted – effectively a simultaneous swap. Binance's API and sub-account system support instant internal transfers, so your platform can **deposit assets into the sub-account** beforehand for the user's trade

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. **Bottom line:** Binance doesn't "front" the Bitcoin; the user's account must pay for it at execution. Thus, typically the user's fiat would be collected by your platform and converted to a crypto balance *before* executing the trade, or the user's sub-account is otherwise pre-loaded via an earlier deposit.

- **Off-Exchange Settlement (Post-Trade Settlement):** Binance offers an advanced option for partners called **Off-Exchange Settlement (OES)**, often used by brokers or institutions. In this model, assets can remain with a **third-party custodian (external to Binance)** while trades are executed on Binance's order books

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. For example, your platform could hold the user's INR or fiat in a local escrow or a custody account. When the user buys BTC, Binance executes the trade and can credit the BTC to a linked sub-account **even if the fiat was not sent to Binance upfront**, because there's an agreement to settle the funds afterward. Essentially, the trade is done on credit with a trusted settlement process: the **user's assets stay with the external custodian, and Binance and the custodian periodically settle the net amounts owed**

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. This means Binance would expect the fiat (or equivalent) to be delivered according to the agreed schedule, but the user gets their crypto without a standard deposit at Binance. In practical terms, your user could pay in INR to your platform, your platform confirms receipt, and via OES Binance would release the BTC to the user's account, with you (or your banking partner) settling the aggregate INR to Binance's account perhaps later in the day or week. This approach is useful in regions like India where direct real-time fiat ramps to Binance might be restricted – it allows the platform to handle fiat locally while still using Binance's trading engine.

- **Managing Handover in India:** Under an API integration, **Binance itself does not handle the INR payment** – your platform does. So, if a user places a Bitcoin buy order for ₹X, your system would take ₹X (through IMPS/UPI, etc. on the front-end) into your own bank or wallet. Then your backend uses Binance's API to execute an equivalent trade (using either a stablecoin or an INR pair if supported). If you're not using an OES arrangement, you would first convert that ₹X to USDT and deposit the USDT into the user's Binance sub-account to perform the trade. Once the trade is executed, the BTC is held in the sub-account (or you can transfer it out to your platform's custody as needed). **There is no point at which Binance sends crypto without receiving payment** – it's either pre-paid (in crypto/stablecoin form) or guaranteed by an off-exchange custody agreement. In summary, the **crypto-versus-fiat handover is simultaneous** in a trade: either pre-funded (fiat converted to crypto first) or done via a trusted settlement network. Binance ensures that for API/broker trades the **user's sub-account has the necessary funds or credit**, so that when the order executes the trade settles immediately – crypto delivered to the user and the corresponding fiat or stablecoin deducted or later settled

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