



EXCHANGE UNION

BRIDGING DIGITAL CURRENCY EXCHANGES GLOBALLY

WHITEPAPER



CONTENTS

1. Ecosystem of digital currency exchanges

1.1 Overview of digital currencies and exchanges

1.2 Industry pain point: the isolation of exchanges

2. Overview of Exchange Union

2.1 Vision and mission

2.2 Technical mechanism

2.2.1 Architectural diagram

2.2.2 User case

2.2.3 Technical process

2.3 About us

2.3.1 Core members

2.3.2 Advisors

2.3.3 Global partners

3. Roadmap of Exchange Union

4. Overview of Exchange Union Coin

4.1 XUC supply

4.2 The value of XUC

5. Rules of XUC



1. Ecosystem of digital currency exchanges

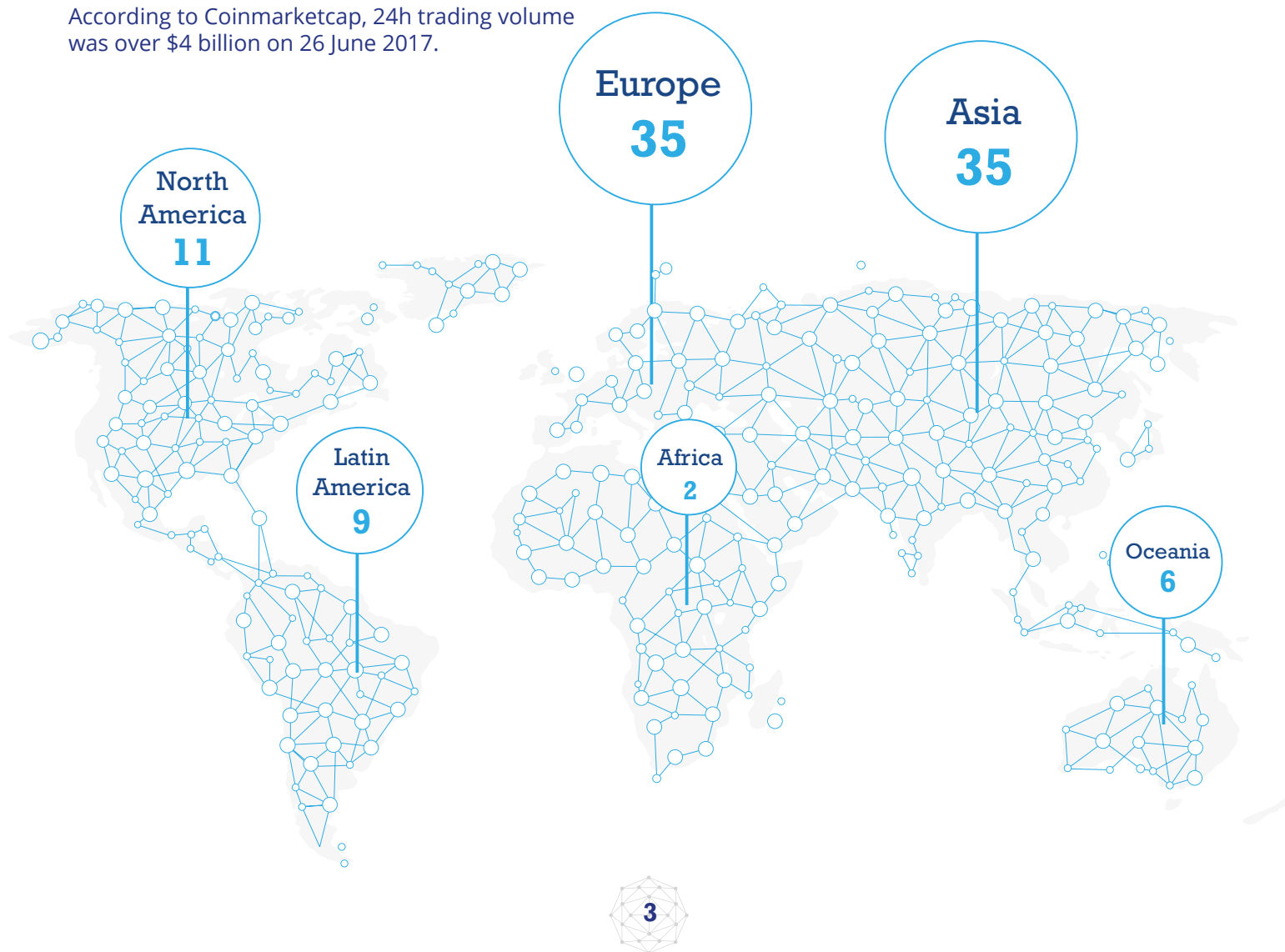
1.1 Overview of digital currencies and exchanges

By 26 June 2017, 941 kinds of digital currencies were recorded on Coinmarketcap and the total market capitalization exceeded \$100 billion, which is 50 times larger than 5 years ago. Since 2017, growth rates of market capitalization and volume traded for the top 20 cryptocurrencies has been 383% and 985% respectively.

The secondary market has witnessed the growth in value of digital currencies. There are around 98 digital currency exchanges and tens of millions of active investors worldwide.

According to Coinmarketcap, 24h trading volume was over \$4 billion on 26 June 2017.

Currently, East Asia, North America and Europe are the biggest markets of crypto currencies. The percentage of trading volume for the three markets is about 63%, 25% and 11% respectively. The price of coins differs among these markets. In East Asia, Bitcoin and Ethereum are often sold at a premium of 3-5%. Early in July, Ethereum in South Korea was nearly 10% more expensive than the global average. By contrast, the price of Bitcoin and Ethereum in Europe and North America are lower than the global average.



1.2 Industry pain point: the isolation of exchanges

For regional reasons, fiat currency, language and the investment environment, digital currency exchanges tend to be localized and isolated. Not all digital currencies are available to customers in every region and the prices vary quite substantially. In addition, services provided by exchanges differ and not all trading information can be found on the open market. This becomes an obstacle to cross-country or cross-region trading, clearing, deposit and withdrawal – a major inconvenience for investors.

Furthermore, this could affect global digital currency liquidity, market-oriented distribution and best price discovery, limiting the nature and advantage of digital currencies.

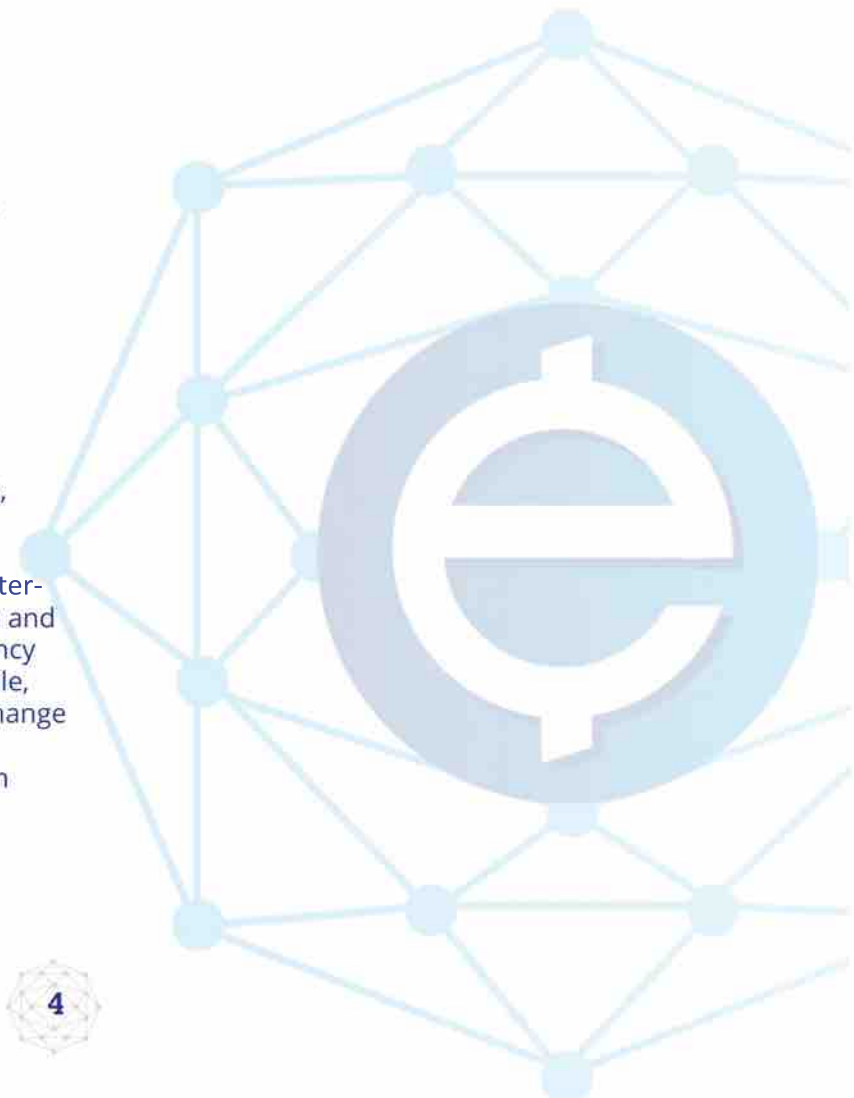
2. Overview of Exchange Union

2.1 Vision and mission

To bridge digital currency exchanges around the world and realize investors' cross-exchange trading, cross-exchange clearing, deposits and withdrawals among different digital currencies and assets.

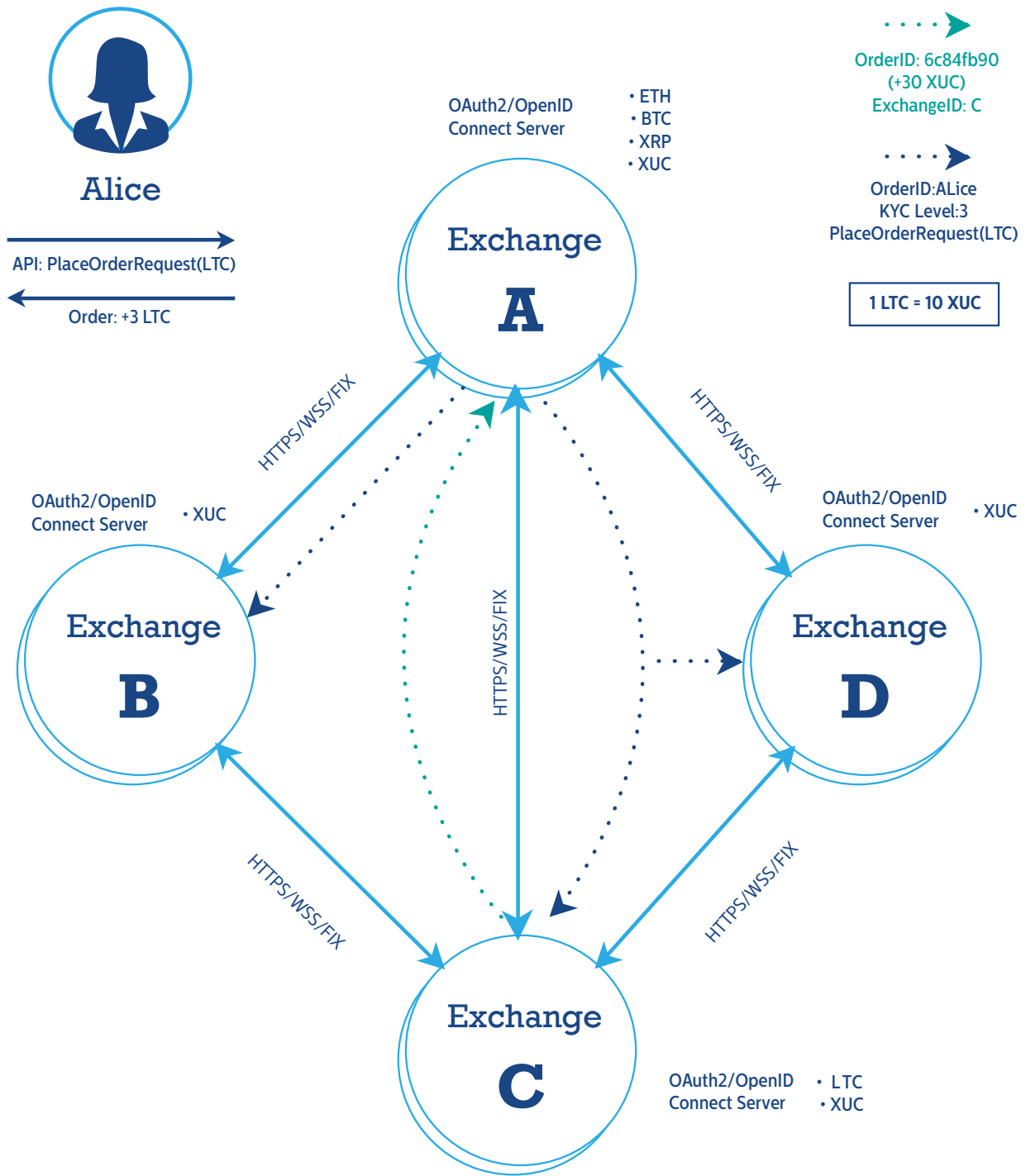
Improve trading efficiency and performance of exchanges and realize the market-oriented distribution of digital currencies' liquidity and best price offers.

First, bridge exchanges in terms of trading, deposits, withdrawals and clearing through agreements among digital currency exchanges mechanism and rules of interconnection and inter-work. Soon afterwards, build Exchange Union Chain and realize the full interconnection among digital currency exchanges through blockchain technique. Meanwhile, we will sustain the ecosystem and branding of Exchange Union Chain. As the mandatory, we will help manage the Exchange Union Chain; assets and team for the holders of XUC.



2.2 Technical mechanism

2.2.1 Architectural diagram



LWdfXUxLBV9nCJ6yk5Ed2BNhV7kTaTQJ (Alice)
LMNxt1Nsq5rxvtvUttbsfLtteXEblt7KZ3 (Bob)

Exchange C System

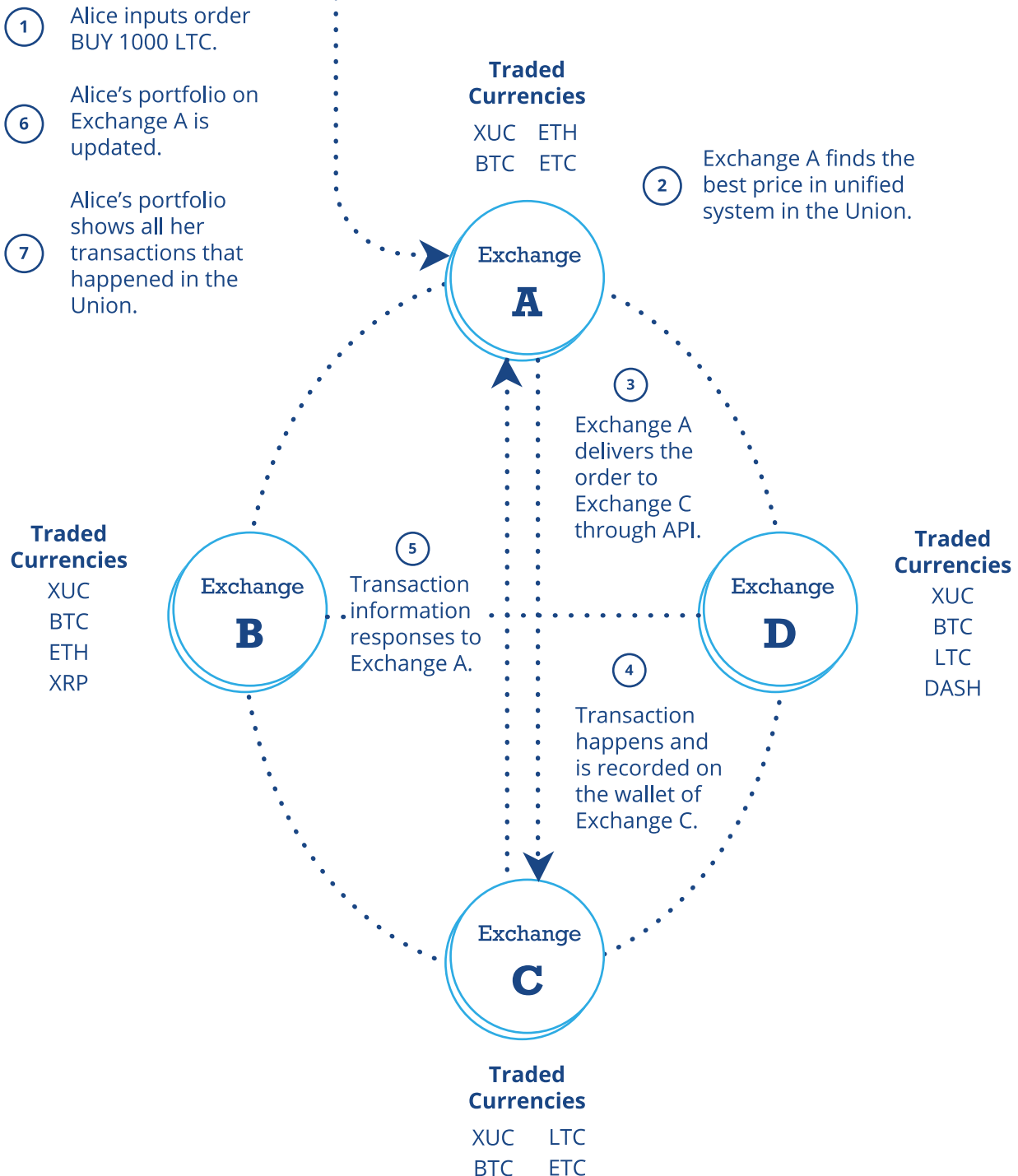
2.2.2 User case



Alice

Portfolio	
BTC	...
LTC	1000
XRP	...

Alice is registered in Exchange A only but wants to buy LTC.



2.2.3 Technical process


• First step

i. Invest in digital currency exchanges around the world

We will make strategic investments in digital currency exchanges in order to build the Union.

ii. Synergies will be developed amongst members of the Union (on a contractual basis).

 XUC will be traded on exchanges in the Union.

 On the backend, the Union will have a unified system which contains, for example, order books; customers' portfolios; KYC information, etc.

Intra-union communication and information sharing will be executed by HTTPS/ WSS/ FIX.

 Clearing within the Union will be done through XUC.

User Case scenario: Alice will pay the trading fees with a cross-exchange transaction by XUC. The trading fees will be shared between Exchange A & Exchange C according to the rules and agreements within the Union and will make real time clearing.

iii. Why XUC?

No exchange has the complete list of different digital currencies. XUC serves as a “universal coin” among cross-exchange and multi-currency trading.

• Second step

i. The Union will build the Exchange Union Chain and set its own consensus algorithm. To be considered valid, transactions will need to be approved by at least 80% of the Union. This process should take less than 1 second.



Benefits of the Exchange Union Chain



Faster

Quick transaction confirmation on Exchange Union Chain.



More secure

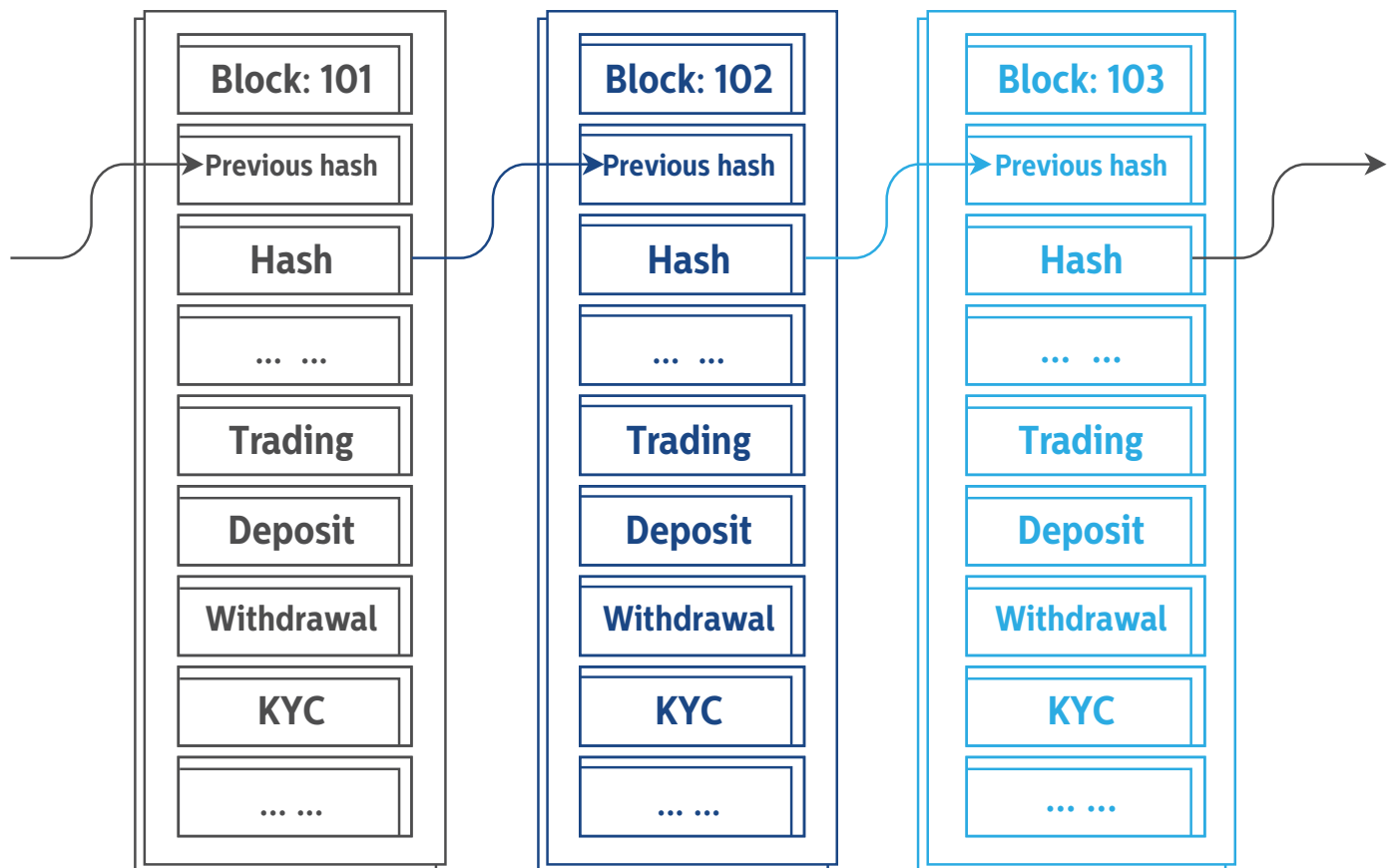
Build by leading digital currency exchanges, consensus algorithm is secure and credible.



Cheaper

No transaction fees on Exchange Union Chain.

ii. More information is recorded on Exchange Union Chain block to increase its credibility and reputation. For example, trading, deposit, withdrawal, KYC information, etc.



2.3 About us

2.3.1 Core members



James Wo:

Founder & Chairman of Board of Digital Finance Group, the world leading blockchain focused venture capital. Board member of Purse and Ripio.



Mikael Wang:

Former CTO of BTCC. Former chief solutions architect of Ericsson.



Terry Culver:

Vice Dean for Development, Columbia University School of International and Public Affairs.



William Hou:

Former vice president of AJ Securities, one of the earliest financial institutions in China.

2.3.2 Advisors



Brendan Eich:

Father of the JavaScript. Founder & CEO of Brave. Former CEO & CTO of Mozilla.



Kevin Zhou:

Co-founder of Galois Capital, a crypto trading fund. Former head of trading and advisor of Kraken.



Paul Chou:

Co-founder & CEO of LedgerX, the fully regulated institutional trading and clearing platform in US.



Gabriel Kurman:

Co-founder of RSK Labs, one of the best solutions for bitcoin scaling debate.



Sathvik Vishwanath:

Co-founder & CEO of Unocoin, the largest bitcoin exchange in India.



Simon Dixon:

Co-founder & CEO of BnkToTheFuture. An active Fintech investor.



Sunny Ray:

Co-founder & President of Unocoin.



Igor Telyatnikov:

President & COO of AlphaPoint, the leading financial technology company that provides asset digitalization with ADLP.



Sebastian Serrano:

Co-Founder & CEO of Ripio, the leading Bitcoin exchange and payment company in Latin America.



Shenghong Wang:

Emeritus principal of Fudan University. Renowned educationalist and scientist.



David A. Johnston:

Chairman of the Board of Factom, world leading data verifying company.



Yonghong Fan:

Co-founder, former general manager & vice chairman of China Asset Management. Chief Investment Officer of China Life.



Andrew Lee:

CEO of Purse, the world's largest marketplace for Bitcoin.



Star Xu:

Co-founder & CEO of Okcoin, Former CTO of Docin.



Ryan X. Charles:

Co-founder & CEO of Yours. Former cryptocurrency engineer at Reddit.



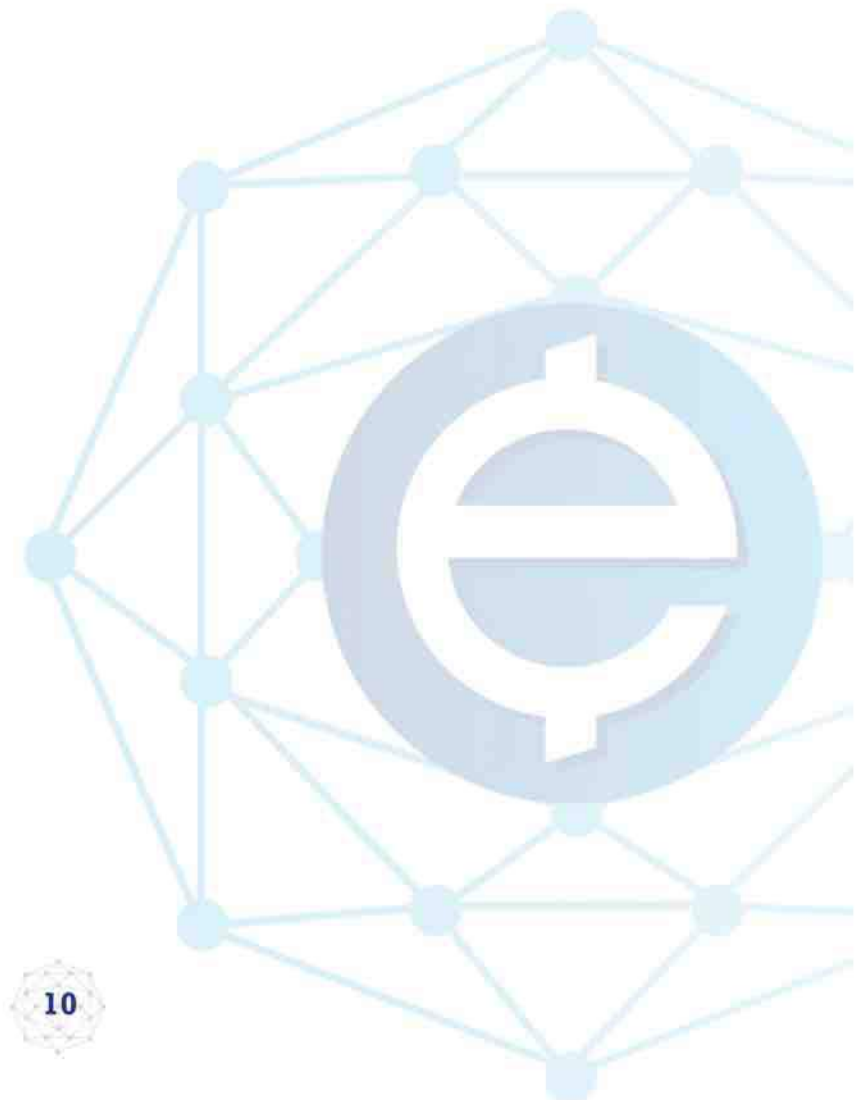
David Lee:

Co-founder and CEO of CHBTC.

2.3.3 Global Partners

Digital Finance Group:

World famous blockchain focused venture capital. It has \$80 million in funds for the first stage and over 20 portfolio companies around the world, including digital currency exchanges, blockchain user cases and infrastructures. The majority of the investments have shown great performance. For example, the returns on investment were 5-10x for Brave, Bitso and Unocoin. Digital Finance Group has done comprehensive research on global digital currency exchanges. It owns equity shares of digital currency exchanges such as LedgerX, Ripio, Bitso, Unocoin and has established connections with major digital currency exchanges globally. Exchange Union will have all-round cooperation with Digital Finance Group within digital currency exchange investments and will create synergy among them.



3. Roadmap of Exchange Union



4. Overview of Exchange Union Coin

4.1 XUC supply

XUC: an ERC 20 token built on top of Ethereum
Total XUC supply: 3,000,000,000

4.2 The value of XUC



XUC liquidity premium



XUC universality premium



XUC holders enjoy all the privilege in exchanges.

5. Rules of XUC

This project doesn't do Initial Coin Offering.
All the exchanges joining in Exchange Union
must follow local laws.

