

# XferMoney

Empowering Peer-to-Peer Global Money Transfers

**White Paper**

Version 1.1



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# A Vision for the Future



## Introduction

XferMoney is a secure, transparent peer-to-peer (P2P) foreign currency exchange platform built on Ethereum blockchain to enable instant, reliable international money transfers. Platform is designed to disrupt and replace the traditional way of money transfers by connecting participants directly to exchange money and cut down the middleman, banks or brokers plus costs associated with them. Our main goal is to empower retail customers to exchange money globally with any person, business, or their own accounts in another country at a negligible cost. This should benefit all the consumers who have been paying heavy fees to the existing banks, institutions or brokers to transfer funds across borders. Our expertise in the fields of software development, blockchain, and forex exchange market give us the confidence in creating an unique P2P solution to benefit the end users and provide a better platform for currency exchange around the world. This document gives an overview of our approach.



## Forex Markets Today

The foreign exchange market is a global decentralized or over-the-counter (OTC) market for the trading of currencies. This includes all aspects of buying, selling and exchanging currencies at current or determined prices. In terms of trading volume, it is by far the largest market in the world, followed by the Credit market.

The main participants in this market are the larger international banks. Financial centers around the world function as anchors of trading between a wide range of multiple types of buyers and sellers around the clock, with the exception of weekends. Since currencies are always traded in pairs, the foreign exchange market does not set a currency's absolute value but rather determines its relative value by setting the market price of one currency if paid for with another.

The foreign exchange market works through financial institutions, and operates on several levels. Behind the scenes, banks turn to a smaller number of financial firms known as "dealers", who are involved in large quantities of foreign exchange trading. Most foreign exchange dealers are banks, so this behind-the-scenes market is sometimes called the "interbank market" (although a few insurance companies and other kinds of financial firms are involved).

The foreign exchange market assists international trade and investments by enabling currency conversion. For example, it permits a business in the United States to import goods from European Union member states, especially Eurozone members, and pay Euros, even though its income is in United States dollars. It also supports direct speculation and evaluation relative to the value of currencies and the carry trade speculation, based on the differential interest rate between two currencies.

In a typical foreign exchange transaction, a party purchases some quantity of one currency by paying with some quantity of another currency, and pays the intermediary bank or broker the margin charges around 1 to 5 % plus a transaction fee. Retail customers pay much more margin charges as compared to institutional clients.



## The Market Problem & Challenges

All currency exchange transactions take place via third parties such as banks, brokers and other intermediaries. This adds costs, time and complexity to the process. Retail customers generally have to pay a stiff price for the privilege of exchanging one currency for another. By the time commissions, fees, and massive bid-ask spreads are factored in, a retail client could easily be looking at a total spread of 5% or more between the bid and ask price of a currency.

For example, if a US resident is looking to buy €5,000 and his financial institution is quoting a price of \$1.17 / \$1.23 (based on a spot price of EUR 1 = \$1.20), it would cost him \$6,150. This is a full 2.5% more than he would pay if the transaction were done at the spot rate of \$1.20, in which case he would have paid \$6,000 to buy his euros.

In the foreign currency exchange world, the banks that dominate the \$5-trillion per day currency trading business reserve the best rates for their biggest customers such as large corporations, governments, and institutions. The bid-ask spreads for such clients are wafer-thin because of the competitive nature of the forex business.

But retail clients, and to some extent small and medium-sized enterprises (SMEs), have long had to contend with significantly higher prices because of the power of the entrenched middlemen (i.e., the banks) and the lack of alternatives for exchanging currencies. However, they now have a viable and much cheaper alternative in the form of peer-to-peer (P2P) currency exchange networks.

In recent time some P2P forex platform has come into market who claim to charge very nominal fee. However, our research shows that even in that process customer has to pay overall 0.75% transfer fee which is not nominal. In short nobody has democratized this space in reality and still there is lot to be done to make these money transfer pain free for retail customers.



## Market Opportunity

Blockchain and P2P networks have already proved to be disruptive technologies with the power to challenge the status quo and eliminate the middleman in many different business areas. There are numerous factors in the market that are converging to create a favourable environment for P2P platforms based on blockchain.

Currency exchange is going to be the next frontier for P2P, as hefty fees by the banks or brokers are no more acceptable to the consumers and they are always finding better exchange rates with quicker transfer options. XferMoney is the solution to their needs and very well placed to capture this market with its vast experienced and talented team while being the first P2P platform to bring an international remittance system over blockchain to serve globally.

Our P2P platform over blockchain will not only reduce the infrastructure cost but will also give us an edge to extend our platform to adapt with new set of emerging digital currencies.



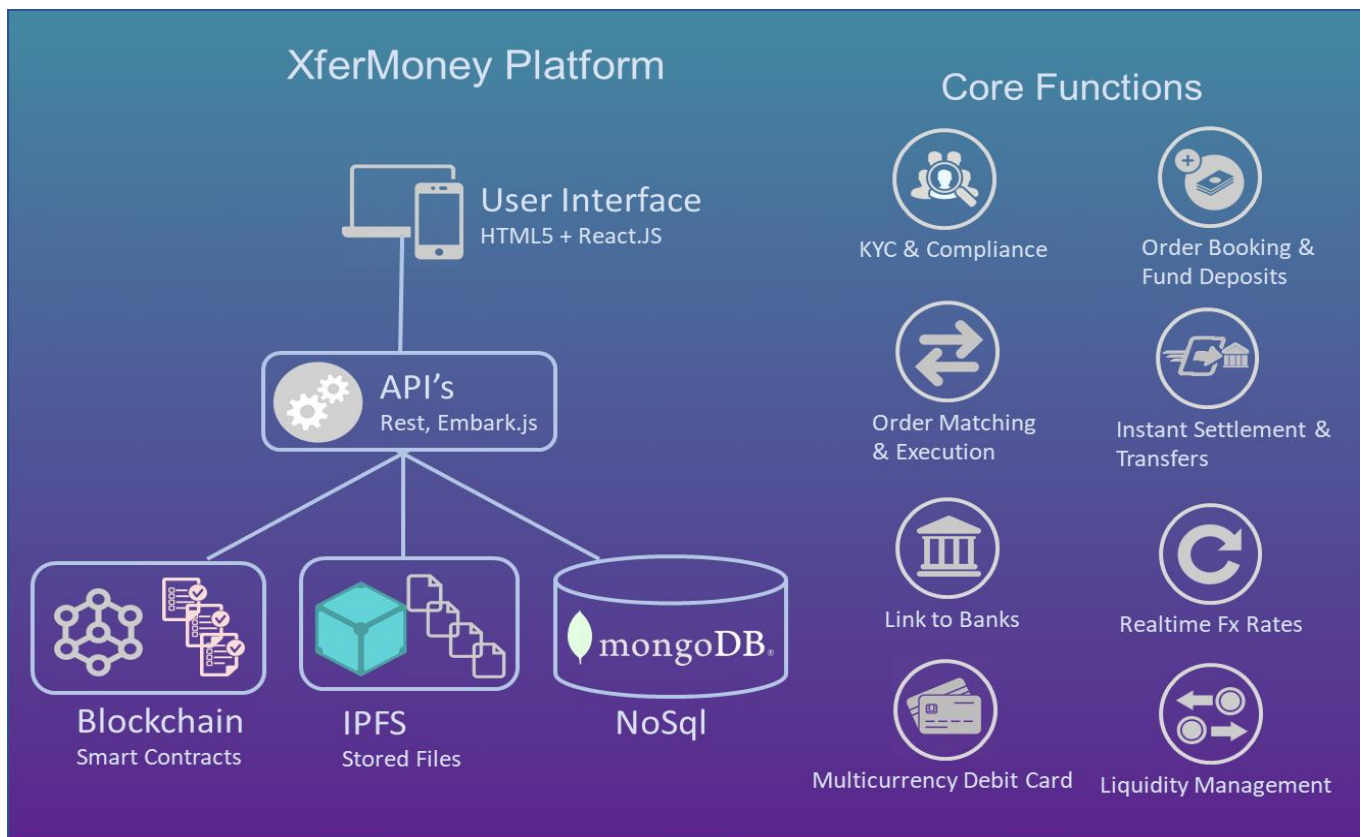
# Connecting Participants Around the World



# The XferMoney Platform

XferMoney empowers its users to send money across countries in a quick, easier and secured way at almost zero cost. Platform is built with advanced technology stack integrated into blockchain ecosystem and comes with Interactive user Interface that makes money transfers a very easy process and gives its users more confidence with advance security controls in place through distributed ledger processing. Transactions are processed via automated order matching process that is performed through our state of the art algo engine which seamlessly connect various participants across countries on our platform.

XferMoney core functions and high-level architecture.





## WHY XferMoney

XferMoney platform is designed to disrupt and replace the traditional way of money transfers by connecting peers through the platform in different countries to exchange money directly and cut down the middleman, banks or brokers plus costs associated with them.



### Cheaper

No other charges other than small platform fee makes it closer to zero cost transfers.



### Faster

Instant money transfer takes less than a second upon order execution.



### Safe & Secure

All transactions executed over blockchain with full transparency and customers having full control on their funds.



### Customer Support

Customer Support with live online chat facility to provide quicker response to all customer queries.



### Unbeatable FX Rates

Easy to use, accessible from anywhere around the globe.

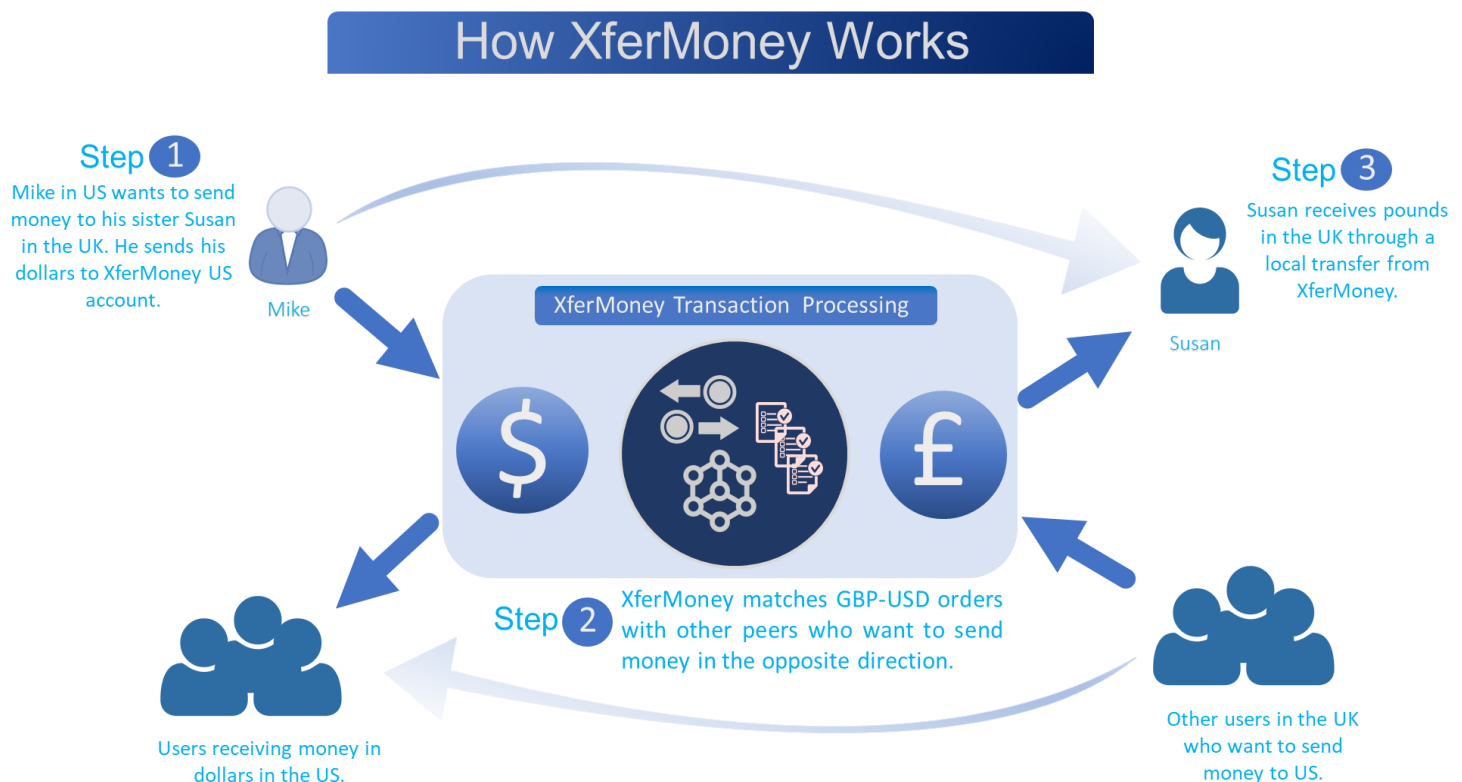


### 24/7 Availability

Platform is available 24/7, accessible around the globe.

## How It Works

With XferMoney, anyone can send money overseas and it works in simple steps. A user(Sender) opens an account with XferMoney and deposits money in his/her account in local currency. He or she then places an order into the desired currency with designated account in foreign country, then XferMoney matches the order with other users having orders in opposite direction and processes the transaction. Receiver (Designated account by sender) receives the money through local transfer from XferMoney, same applies to opposite direction orders.



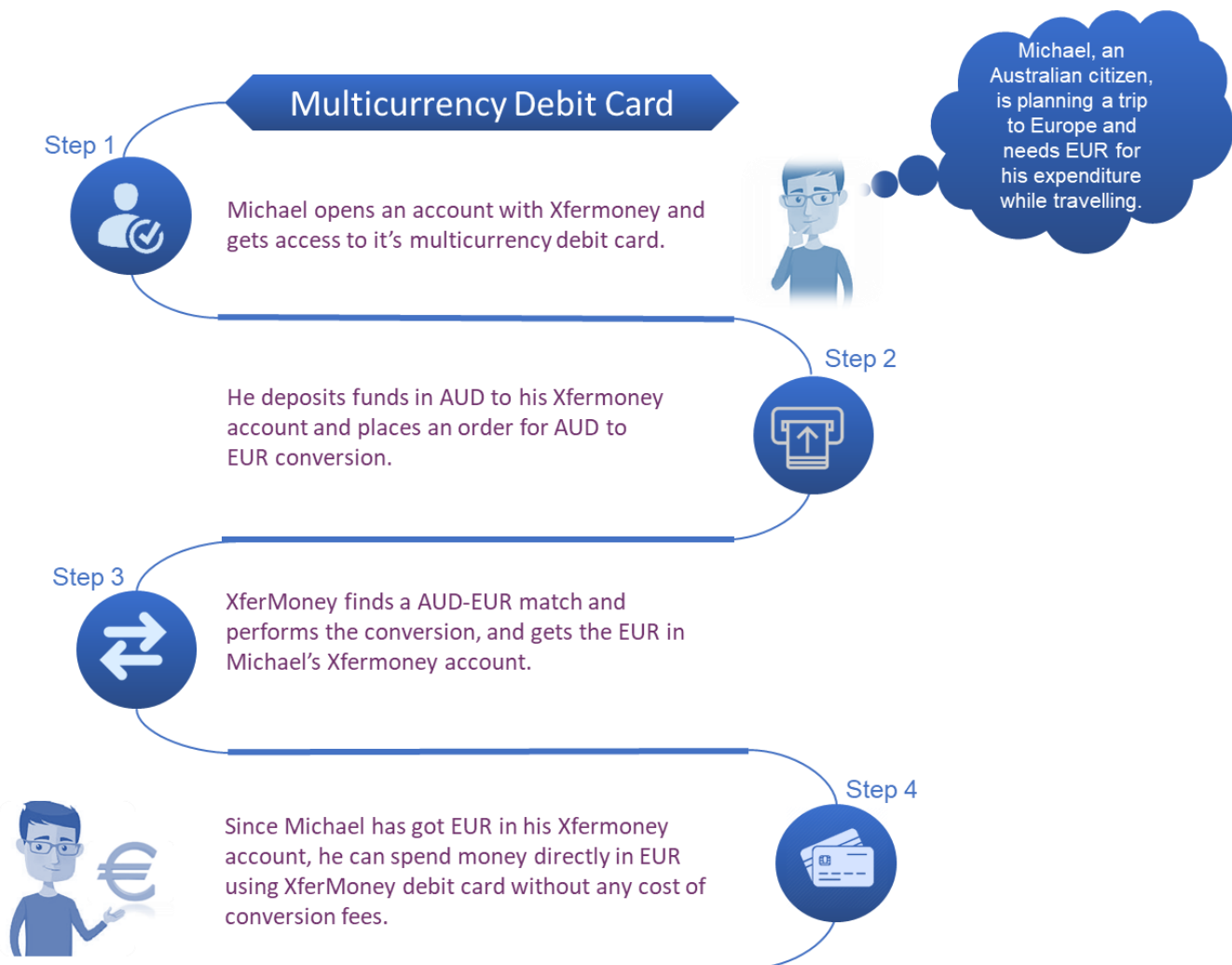
Essentially, the money never leaves its borders and all fund are transferred locally via XferMoney. This way XferMoney platform makes it possible for the currency conversions to work at zero spread and brings it to the negligible cost in a very democratized process.

## Multicurrency Debit Card

XferMoney will bring multicurrency debit card and all customers open account with XferMoney will get access to it. Customers with the debit card will be able to spend money overseas as a local currency what they hold in their XferMoney account.

Primarily, customers who doesn't own a bank account overseas e.g. tourists, travelers will enjoy the benefits of our multicurrency debit card as they will be able to convert their money and spend it overseas without any charge.

For example: Customer in Australia opened account with XferMoney, have deposited amount in AUD and he then converted his AUD amount to EUR. He is now able to spend EUR amount with his XferMoney debit card in the countries accepting EUR as main currency without any charges.



## Liquidity Management

Liquidity is something that cannot be guaranteed 100% in any market, P2P currency exchange market is no exception. We expect to have 85% liquidity on the XferMoney platform through P2P transactions and plans to manage the rest by integrating best 3rd party broker services available and provide most competitive rates available in the market.

## XferMoney Rates & Order types

- Indicative Market Rates – Market rates will be the primary method in the platform for most of the transactions and works as preferred and default option for its customers.
- Bid based pricing - this allows customers to place buy or sell bids for the currency rates (within defined range) they wish to execute the transactions. Amount involved in the bid based transactions will be locked until the transaction is executed or cancelled.
- Integrated Brokers – While market rate is the preferred way for the platform, there could be liquidity crunch in specific currency markets. To cater this problem, XferMoney is integrating multiple 3rd party broker services that will provide best rates available in the market.

## Target Audience

Our primary focus is to bring all customers across countries and segment into one place where they can democratically bid and transfer money without much hassles. Worldwide, approx. 230 million people send around \$500 billion in remittances each year. This remittance primary customer base is overseas workers, expats, small businesses, international students and foreign property owners. Not only this, global international tourism annual market is \$1.2 trillion. Bringing these participants together directly will result in an efficient, cost-effective and transparent marketplace which is the need of time in this emerging technology era.

XferMoney is best fit for transaction types below but not limited to these:

**Recurring remittances:** Overseas workers often send money to their home country on a regular basis, typically monthly. Lowest fees charged by XferMoney will result in substantial savings. For example, a worker who remits \$4,000 per month through a bank that charges her 2.5% would pay \$1200 annually in fees and commissions, whereas the same amount sent through a XferMoney that charges close to 0 would save her 95% of the amount.

**Travellers:** our platform would be Ideal for tourists, travelers who need money for overseas spend. They can get the forex at negligible fees and on demand basis with XferMoney multicurrency debit card which allows them to spend money overseas.

**Rental and pension income:** XferMoney is also ideal for those with currency mismatches on a regular basis, such as investors with overseas rental property or retirees who live abroad. Investors with overseas assets may receive income in a foreign currency that they may desire to convert to their local currency. On the other hand, retirees abroad receive pension income in their home currency but would need foreign currency for their living expenses.

**Small and medium business enterprise:** This business segment is most affected by the exorbitant exchange rate and fees. Xfermoney will be best fit for these businesses which need very frequent and quicker transfer and it can give them huge cost advantage.

**One-time payments:** Ideal for smaller amounts, because the negligible fees by the platform makes it much more cost-effective than traditional channels.





## Mission Statement

Our endeavor is to empower retail customers to exchange money globally at a negligible cost. This should benefit all the consumers who have been paying heavy fees to the existing banks, institutions or brokers to transfer funds overseas.

To achieve this, the company relies heavily on its core values:

**Technology:** Giving access to highly-advanced technologies that previously were only available with large banks, institutions and brokers.

**Transparency:** Providing investors with 100% visibility into their XferMoney investments, including all trades and transactions.

**Security:** Leveraging blockchain technology to record and protect all XferMoney transactions that makes it transparent, secure, distributed and accessible by its users as transactions execute.

**Compliance:** working under the ambit of local and international regulatory framework and demonstrate trustworthiness of XferMoney. All XferMoney customers will have to go through the KYC process and adhere to their respective country regulations.



# A step towards collective success

## The XFM Crowd sale

### XFM Token

The XFM is an ERC 20 token built on top of Ethereum network and it is used to power the XferMoney platform. XFM works as a mean to reward or get rewarded for participation in the platform and each fund transfer activity has an associated cost specified in XFM. As fund transfer transactions are carried out on the platform, the platform will be rewarded a fee from the participants involved in the transaction.

### XFM Distribution Details

The total supply of XFM tokens that will ever be created is 250,000,000. All XFM Tokens will be generated in a seed block and allocated as given in the chart below. The information provided on token creation, process, allocation and use of sale proceeds is the current plan, but is subject to change in XferMoney's discretion.

## Tokens Allocation

### XferMoney Team and Founders

20% of XFM tokens will be retained by XferMoney and reserved for team, and founders who will continue to enhance the XferMoney platform with valuable updates and their use of these tokens will also be time released.

### Token Sale

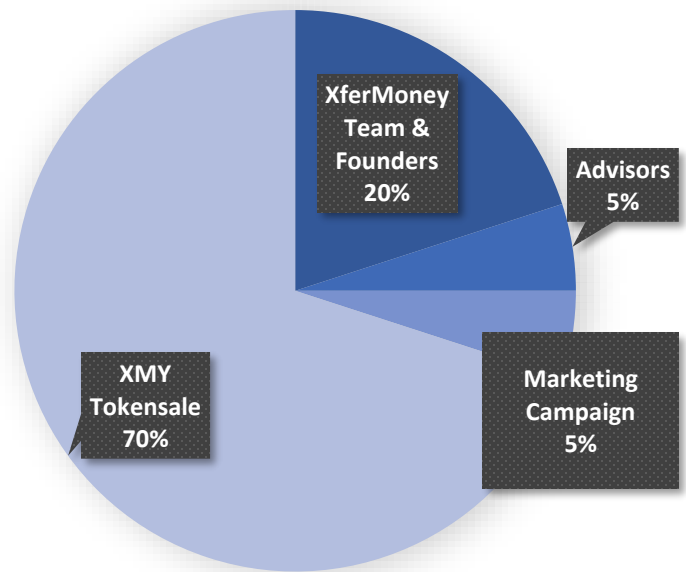
70% XFM tokens are allocated for the entire token sale. Token sale will take place in two phases. Both phase will have same number of tokens allocated each. Second phase will take place after beta launch for product expansion.

### Marketing Campaign

5% of XFM tokens will be allocated to market campaign and brand awareness activities including XferMoney bounty campaign.

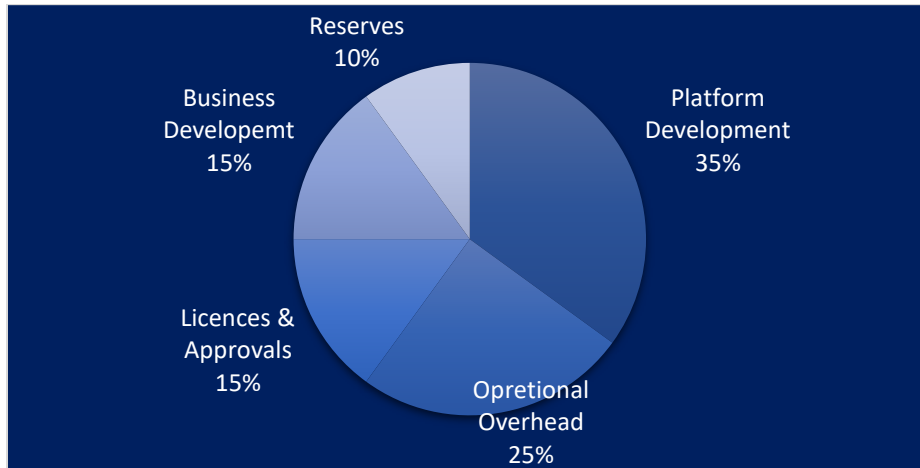
### Advisors

5% of XFM tokens will be held by the early contributors and advisors. Advisors will receive tokens for the advisory work they will be doing for XferMoney. These tokens cannot be immediately transferred due to time-based restrictions on their use.



## Allocation of Proceeds

The funding raised through the crowd sale will be used to accelerate the building of the XferMoney platform. Funds will be allocated as given below.



## XFM token distribution

|                           |   |
|---------------------------|---|
| Timelines (Phase 1)       | Crowd-sale - 16 Feb 2018 to 31st Mar 2018 |
| XFM Total Supply          | 250,000,000                               |
| Crowdsale Allocation      | 87,500,000                                |
| XFM Retail Sale Price     | 1 ETH = 8000 XFM                          |
| Individual Investment CAP | None                                      |
| Presale Available         | Yes                                       |
| Presale Quota             | No limit, same as Crowdsale allocation    |
| Crowd sale price          | 1 ETH = 8000 XFM tokens                   |
| Hard Cap                  | 5M(USD)                                   |

Phase 2 Token Sale will be carried in 2019 only after the successful launch of Xfermoney Beta platform. 50% of XFM tokens will be distributed during Phase 2 token sale.

## XFM Ownership

Ownership of XFM carries no rights other than the right to exchange and claim over the platform. XFM does not represent or confer any ownership right or stake, share or security or equivalent rights, intellectual property rights or any other form of participation relating to the XferMoney Platform.

## Legal Requirements

The blockchain and smart contracts are nascent technologies. The application of existing laws to new technologies is often unclear. There could be laws that may be implicated by the XferMoney Platform and tokens given its worldwide reach. As a result, any legal and regulatory issues surrounding the XferMoney Platform and tokens are undefined at this time. For any such issues, modifications may need to be made to the XferMoney Platform and XFM tokens to comply with applicable law.



# Product Roadmap





# Legal Disclaimer

**READ THIS NOTICE VERY CAREFULLY. CONSULT YOUR OWN LEGAL ADVICE BEFORE ENGAGING IN ANY ACTIVITY.**

Neither we nor any third-party service provider shall be liable for any kind of damage or loss, including direct and indirect, that may fall upon you as a result of reading this whitepaper, materials produced by XferMoney or using the XferMoney website at: <https://xfermoney.io>

## NO OFFERS OF SECURITIES, ADVICE OR SOLICITATION

This whitepaper is intended for informational purposes only. It is not intended to be investment advice, solicitation of any kind nor an endorsement. Any decisions or actions taken on the basis of information presented in this whitepaper, the XferMoney website or other content is done at your own risk and discretion.

## FORWARD-LOOKING STATEMENTS

Certain information set forth in this whitepaper includes forward-looking information regarding the future of the project, future events and projections. These statements may be identified by but not limited to words and phrases such as „will “, „estimate “, „believe “, „expect “, „project “, „anticipate “, or words of similar meaning. Such forward looking statements are also included in other publicly available materials

such as videos, blog posts, interviews, etc. Information contained in this whitepaper constitutes forward- looking statements and includes, but is not limited to:

- The projected performance of the project
- Completion of the campaign
- The expected development of the project
- Execution of the project 's vision and strategy
- Future liquidity, working capital, and capital requirements

The forward-looking statements involve a variety of risks and uncertainties. Should any of these risks or uncertainties materialize, the actual performance and progress of XferMoney might differ from expectations set by the forward-looking statements. These statements are not guarantees of future performance and no undue reliance should be placed on them. XferMoney undertakes no obligation to update forward-looking statements if circumstances change. By acting upon forward-looking information received from the whitepaper, XferMoney website and other materials produced by XferMoney, you bear full responsibility in the case of forward-looking statements not materializing.

## NO GUARANTEES

There is no guarantee that the value of XferMoney tokens will rise. You are advised to thoroughly assess the risks and uncertainties involved before making any decisions. No promises in terms of token value or future performance are made.

## EXCLUSION OF LIABILITY

XferMoney makes no representations or warranties whatsoever and disclaims all liability and responsibility to the maximum extent of the law for any statement or informative material communicated. The XferMoney team takes all reasonable steps to ensure the integrity and accuracy of information communicated.

## REFUND POLICY

If Xfermoney is unable to reach soft cap of \$1M USD by the end of crowd sale, Xfermoney shall refund all the contributed amounts to the respective contributor's wallets. Contributors will have to return the XFM tokens first and then only their refund will be initiated. Refund amount will depend on the expenses and the transaction costs during the tokensale.

## REPRESENTATION AND WARRANTIES FOR THE READER

Upon taking action on the basis of information presented in this whitepaper, the XferMoney website or other content produced by XferMoney, you confirm that:

- This whitepaper, the XferMoney website or any other material produced by XferMoney is not an offering, solicitation or prospectus of any kind
- XferMoney is exempted from any direct or indirect liability to the maximum extent of the law
- XferMoney tokens are not regarded as securities in any jurisdiction and that XferMoney token is classified as a utility token.
- You have a good understanding of the key components of blockchain technology and understand how blockchains operate. In addition, you fully understand how to use blockchain wallets, including safeguarding private keys
- you are aware of risks in the cryptocurrency industry and are able to bear potential losses in full
- You are not a citizen or a resident of the Hongkong, Singapore, India or any country that doesn't permit its citizen to invest in ICO directly or Indirectly.

## The Core Team

### **Sumit Kumar, Founder & CEO/CTO**

Entrepreneur and Block chain enthusiast with great exposure to banking products in the area of FX, Payments and Capital markets. Previously, worked with Standard Chartered Bank as Business Development Manager, Hongkong and prior to that he has worked in American Express on FX products.

Sumit is a big fan of blockchain technology and has been involved in the technology since 2015, worked on multiple projects with successful implementations in his previous organization. Sumit has great expertise in remittance and forex business, he started exploring the idea of P2P Fiat Money transfers over blockchain in April 2017 and founded Xfermoney. He is working hard with his team to bring this concept into reality and confident of making his startup a great success.

### **Shivam Kumar, Technology Lead**

Shivam has very solid experience in technology product conceptualization and industrialization. He is a tech geek and have been working on blockchain projects and he has previously launched payments and smart system products being a founding member at Infinite Tech.

### **Dipankar Mishra, Senior Business Advisor**

Head of TCS BFSI, Hongkong. Dipankar has 20+ years of experience in Banking and IT industry. He has worked for major banks on street like Citi, Barclays, Nomura and Standard Chartered, HSBC. He has enriched experience in financial products and business development. He is our senior business advisor and assisting us with his domain expertise for our product implementations, marketing and outreach.

### **Gaurav Jha, Technology Consultant**

CEO/MD at Microlucid Technology India. He has spearheaded the technology and business at Microlucid with variety of products and mobile apps. He will be advising our technology team in the initial stage and will join the team full time once his current product launch is completed (March 2018).



**Chetas Shankhesara, Senior Software Programmer**

Chetas has 10+ years of experience in software development specially in mobile and payments technology. He has worked in Singapore post and was the main developer to design their core modules for payments system.

**Syed Hamza, Senior Business Advisor**

Product SME at HSBC with 15+ years of experience in Banking and IT industry. He has worked for many reputed banks and financial product companies like Mysis, Murex, HSBC and Standard Chartered. He has enriched experience in financial products and its know-how. He is our senior advisor and works closely with our technology and product strategy team.

**Vipin Goyal, Project Resource Manager**

Vipin has 13+ years of experience in IT industry with proven track record of setting up team and operations for small/mid-size companies. He is our primary resourcing manager and setting up our team in India.

# Follow Us

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Twitter - <https://twitter.com/XferMoney>

Telegram - <https://t.me/xfermoney>, <https://t.me/xfermoney.chat>

Bitcointalk - <https://bitcointalk.org/index.php?action=profile;u=1537294>

Reddit - <https://www.reddit.com/user/xfermoney>

Medium - <https://medium.com/@xfermoney>

Contact emails - [info@xfermoney.io](mailto:info@xfermoney.io), [ico@xfermoney.io](mailto:ico@xfermoney.io),

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