IXINIUM

INSURED ASSETS

OFFICIAL IXINIUM WHITE PAPER

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INTRODUCTION

Background of the Ixinium vision is based on over 4 years of studies of fiat currencies, financial bank instruments, trading, market making, banking world overall and cryptocurrencies. In these studies, the primary focus was to find questions of “why”, regarding clients investment safety, transparency for the clients, client protection and structure of the asset values behind the actual product. These studies showed us, that in many cases words as transparent and clients investments safety was fully set on the side or even non insisting.

After pointing out several issues, Project Ixinium started to have a base structure, what is missing from the market and how it should work.

Ixinium, a crypto-financial hybrid, while Ixinium has a better client asset protection mechanism than any bank in the world can offer, usage of Ixinium cryptocurrency creates also value benefits to all it's users, while been insured from full value.

The vision of Ixinium is to deliver decentralized and transparent asset-backed cryptocurrency, which is fully insured for replacement value. With the evolution of blockchain, transparency can be taken to the very own levels. Price volatility, limiting cryptocurrencies holder's desire to be used as a tender is minimized in Ixinium.

Primary elements of Ixinium are:

- Value is 100% based on physical precious metals.
- All precious metals are vaulted and secured.
- Daily public asset account value reporting.
- 3th party public asset account auditing quarterly.
- All precious metals are 100% insured for replacement value.
- Full value force majeure client protection.

FIAT CURRENCY PROBLEMS

Fiat money is a government-issued currency that is not backed by a physical commodity, such as gold or silver. The value of fiat money is derived from the relationship between supply and demand and the stability of the issuing government, rather than the worth of a commodity backing it. Most modern paper currencies are fiat currencies. Historically, governments would mint coins out of a valuable physical commodity, such as gold or silver, or print paper money that could be redeemed for a set amount of a physical commodity.

Fiat Money Is Inconvertible And Cannot Be Redeemed. [(1)]

Because fiat money is not linked to physical reserves, such as a national stockpile of gold or silver, it risks losing value due to inflation or even becoming worthless in the event of hyperinflation. If people lose faith in a nation's currency, the money will no longer hold value. That differs from currency backed by gold, for example; it has intrinsic value because of the demand for gold in jewelry and decoration as well as the manufacture of electronic devices, computers, and aerospace vehicles.

Earlier in U.S. history, the country's currency was backed by gold (and in some cases, silver). The federal government stopped allowing citizens to exchange currency for government gold with the passage of the Emergency Banking Act of 1933. The gold standard, which backed U.S. currency with federal gold, ended completely in 1971 when the United States also stopped issuing gold to foreign governments in exchange for U.S. currency.

FIAT CURRENCY PROBLEMS

The mortgage crisis of 2007 and subsequent financial meltdown, however, tempered the belief that central banks could necessarily prevent depressions or serious recessions by regulating the money supply. A currency tied to gold, for example, is generally more stable than fiat money because of the limited supply of gold. There are more opportunities for the creation of bubbles with fiat money due to its unlimited supply.

The African nation of Zimbabwe provided an example of the worst-case scenario in the early 2000s. In response to serious economic problems, the country's central bank began to print money at a staggering pace. That resulted in hyperinflation, which ran between 230 and 500 billion percent in 2008. Prices rose rapidly and consumers were forced to carry bags of money just to purchase basic staples. At the height of the crisis, 1 trillion Zimbabwean Dollars were worth about 40 cents in U.S. Currency.

Fiat currencies require relatively insignificant physical, economic inputs to be produced. The lack of production requirements means that the value of fiat currencies hold no direct relationship to the economic reality of the physical world.

The value is determined by central planners. Therefore the quantity of currency in fiat currency is invariably and inevitably incorrect.

This inaccuracy causes price instability and artificially stimulates or depresses economic activity. Its ability to stimulate or depress an economy is a function of how much currency is created and how it is distributed. Essentially price stability can never be reached in fiat currency.

Since fiat currencies are loosely linked to physical, economic activity in the objective world, they tend to become increasingly decoupled and eventually “un-tethered” over time.[2]

FIAT CURRENCY PROBLEMS

An economy is the aggregate of millions of independent individuals, and there is no way that those responsible for distributing a fiat currency can guess the exact quantity.

However, they can identify inaccurate quantities after the fact by their consequences.

Incorrect quantities can induce credit booms, recessions, large-scale price bubbles and economic collapses.

Fiat currencies issued by governments or central banks represent intangible concepts of value like “full faith and credit.” However, the currency itself holds no enduring value.

Voltaire famously wrote that “Paper money eventually returns to its intrinsic value — zero.”

In debt-based fiat currencies, the currency needs to be continually inflated, or a vicious deflationary circle (a collapse of debt) will occur. Those responsible for the currency predictably produce more than is necessary to maintain stable prices or to sustain stable economic activity. They create an excess of currency to reduce the risk of deflation and for political promises and favors.

The increased quantity of fiat currency results in price instability and economic volatility. Currency debasement eventually undermines the underlying economic structure of society.

Arbitrarily increasing the supply of currency in an economy distorts the distribution of money. This distortion redistributes purchasing power, effectively taking wealth from the majority and then giving it to a privileged minority. One could say that government deficit spending operates as a dishonest, hidden tax on savers and wage workers.

Since monetary monopolies create fiat currencies through loan contracts, they provide a legal way of obtaining something for essentially nothing. As a result, those responsible for issuing fiat currencies have nearly unlimited influence over economic and political life for society.

FIAT CURRENCY PROBLEMS

Humanity isn't equipped to have a sustainable currency system that provides one group in society the means to obtain something for nothing. In fact, societies dominated by fiat currencies eventually develop a something-for-nothing culture. This culture of entitlement focuses primarily on individuals living at the expense of everyone else, rather than creating wealth.

Fiat currencies, represent a medium of exchange and rely on unstable subjective mental states such as confidence and trust to determine its value. As a result, the value is fragile and prone to suddenly fail when the population using them loses their belief in the "intrinsic" value.

Fiat currencies are controlled by the decisions of a few central planners and are regularly debased by their choices. This debasement causes price instability and increases economic volatility.

CRYPTOCURRENCY PROBLEMS

The cryptocurrency market seems to be growing in popularity every day. With the astronomical rise of cryptocurrencies like Bitcoin and Ethereum, there seems to be an influx of people into the market. Many cryptocurrency exchanges cannot even afford to have their account creation feature open all the time. Such is the demand for entry into the market that trading account creation for new customers is periodically disabled. The average daily trading volume of the market is usually in trillions of dollars. The total market cap of the entire market stands at more than half a trillion dollars which is an astonishing feat considering the market is less than a decade old.[3]

CRYPTOCURRENCY PROBLEMS

However, despite all of these large numbers, there are a number of major problems that plague the market. To use these numbers solely as an appraisal index of the state of the market would present a false narrative. There are structural and functional issues that affect the market. These problems stem from a variety of reasons such as the infant nature of the market, Lack of understanding of the cryptocurrency space, and some peculiar economics of cryptocurrencies ("tokenomics") just to name a few. The following are some of the major problems in the cryptocurrency market.

Price Manipulation

By far the biggest issue in the cryptocurrency market is the excessive volatility. The prices of cryptocurrencies on exchange platforms rise and fall dramatically over a short period of time. When a tradable asset can drop by as much as 49 percent in less than 24 hours, then the volatility of the market is high. There are a number of reasons that contribute to the excessive volatility in the market but perhaps the biggest contributor is the activities of "whales."

Whales are individuals that have large cryptocurrency holdings. They are able to swing the market by manipulating the price of a cryptocurrency. They do this by means of "buy and sell walls." A buy wall is simply when a "buy position" worth a lot of money (probably running into millions of dollars) is opened on a crypto trading platform. Regular investors who trade in small amounts will notice this big buy position that has been opened and interpret it to mean an imminent price increase. Once this happens, the price of the cryptocurrency will inevitably go up.

The problem with this regularly occurring scenario is that the whales can drive up the price without actually investing in the market. The actual trades that have boosted the price of the cryptocurrency has come from the smaller traders. When the price is at a level that favors the whales, they can adjust their buy and sell walls, cash in on the price spike and once they do so, the price of the cryptocurrency falls dramatically. This process gets repeated over and over with only the whales benefiting.

CRYPTOCURRENCY PROBLEMS

The biggest reason why this sort of asset price manipulation is possible is due to the lack of position price limits/fees on many cryptocurrency trading platforms. If adequate limits or fees are put in place, it will discourage the movement of large buy and sell market positions.

Pump and Dump ICO Schemes

ICOs have emerged to become an integral part of the cryptocurrency market. Many tokens are introduced to the market via ICOs with investors buying these tokens in exchange for fiat money. Pump and dump ICO schemes continue to be a problem for the market due to the lack of regulation. During the ICO, the entrepreneurs behind the token speculate massively on the coin, driving the prices up and getting investors attracted. Once this is done, they cash out, leaving the investors with worthless coins that have little or no value.

The Activities of Cybercriminals

The cryptocurrency market has right from its inception been beset by the activities of hackers and cybercriminals. There have been a number of high-profile cryptocurrency hacks and heists that have resulted in millions of dollars being stolen. Traders and investors have lost funds and some platforms have ceased to operate. In the aftermath of these hacks, the price of particular cryptocurrencies has dropped considerably.

In a bid to counter the activities of these cybercriminals, traders and platform operators have to take a number of precautionary measures. While some of these measures are indeed helpful, they create bottlenecks that hamper the cryptocurrency trading process. This then creates a trade-off between security and efficiency. Take, for instance, the need to provide adequate security for cryptocurrency held in wallet storage.

Due to the activities of hackers, some traders prefer to store the bulk of their cryptocurrency holdings in offline wallets. This means that anytime they wish to trade, they have to move from offline storage to online storage before participating in the trade. This constitutes another hassle in an already convoluted trading environment.

CRYPTOCURRENCY PROBLEMS

Transactions on a Blockchain are immutable and as such if funds get stolen, there is little chance of ever recovering such funds. Cryptocurrency trading platforms constantly have to improve their security framework in order to stay ahead of hackers and thieves. Many of these upgrades also make the trading process a lot more cumbersome with all the authentication steps that need to be carried out.

Lack of Price Uniformity

Price charting is an essential part of asset/commodity trading. It is often necessary to develop price charts in order to carry out investment analysis and develop trading strategies. The problem here is the price of a cryptocurrency can vary considerably on the different exchange platforms. With such extreme price differences for the same cryptocurrency, price charting becomes a difficult endeavor. Add to this, the sheer degree of volatility in the market and the problem becomes even more exacerbated.

Transaction Delays

The cryptocurrency market is plagued with a litany of delays across almost every type of transaction. From opening a trading account to verifying your identity and being able to make deposits and withdrawals, the system seems to be quite slow. Blockchain technology ought to make transactions occur faster but it seems to take forever for transactions to be approved on the various chains.

Issues having to do with scalability have been identified by experts as being the cause of transaction delays. As the blockchains become longer, more transactions are being held up in the queue awaiting approval. The market is volatile and as such, delays can be costly.

Traders end up missing out on favorable positions because the transaction didn’t get posted on time.

These are just some of the nagging issues in the cryptocurrency market that threaten to affect the quality of the trading experience. It is vital that key stakeholders in the market continue to work on efforts to combat these issues. As the market grows and evolves, it is hoped that some of these issues will become a thing of the past.

STABLE COINS PROBLEMS

Stable Coins have recently become the talk of the crypto world. Stable Coins often pegged to a fiat currency like the dollar, are supposed to be relatively immune to price volatility, though the recent price cash of USDT, the most well-known Stable coin, shows that this is not always the case. Since then other Stable Coins have risen to challenge USDT's lead, and appear to have a bright future. But there are dangers ahead.[(4)]

It's easy to understand the demand for Stable Coins, especially in countries like China. Last year China first restricted fiat transactions to cryptocurrency exchanges, and then shut down domestic exchanges altogether. For many Chinese, Stable Coins are a fiat alternative that can be used in exchange for crypto. The problem is that not only have Stable Coins inherited the pain points of traditional fiat currencies, but they also come with some new ones as well.

There is nothing new under the sun. Even though cryptocurrency is supposed to avoid the problem of central banks printing too much money, any stable coin issuer will be naturally and constantly exposed to the temptation to over-issue their own coin. After all, that kind of business can become extremely profitable with hardly any cost. A higher degree of trust is required for Stable Coins provided by centralized organizations because any risk inherent in these organizations can be instantaneously passed to the holders of Stable Coins they issued. Moreover, the level of trust will need to increase alongside the rise of Stable Coins' market capitalization. In most cases, a stable coin's level of trust will eventually fall far behind its market capitalization.

STABLE COINS PROBLEMS

Fiat-currency (EUR,USD,CHF etc) backed stable coin and the bank. How companies can create Stable Coins backed 100% by any fiat-currency, storage those assets at the bank and say it's safe?

> Fiat money is a government-issued currency that is not backed by a physical commodity, such as gold or silver. The value of fiat money is derived from the relationship between supply and demand and the stability of the issuing government.
>
> Main fiat currencies has yearly +2% inflation (yearly -2% drop of currency value).

How safe is the bank, for fiat currency based stablecoin?

US: FDIC, The FDIC (Federal Deposit Insurance Corporation) is an independent agency of the United States government that protects you against the loss of your insured deposits if an FDIC- insured bank or savings association fails. FDIC insurance is backed by the full faith and credit of the United States government. [(5)]

> All deposits owned by a corporation, partnership, or unincorporated association at the same bank are combined and insured up to $250,000. Accounts owned by the same corporation, partnership, or unincorporated association but designated for different purposes are not separately insured.[(6)]

For example: If a corporation has both an operating account and a reserve account at the same bank, the FDIC would add both accounts together and ensure the deposits up to $250,000. Similarly, if a corporation has divisions or units that are not separately incorporated, the FDIC would combine the deposit accounts of those divisions or units with any other deposit accounts of the corporation at the bank and the total would be insured up to $250,000.

Conclusion:

Stable coin worth of millions or even billions of US Dollars, by using any US bank is actually safe only up to $250'000. Example: For $100 million, the bank insurance policy covers up to 0.25% of the deposited USD for the stable coin.

STABLE COINS PROBLEMS

EU: The primary objective of the ECB's monetary policy is to maintain price stability. The ECB aims at inflation rates of below, but close to, 2% over the medium term.[7]

Deposit guarantee schemes (DGS) reimburse a limited amount to compensate depositors whose bank has failed. A fundamental principle underlying DGS is that they are funded entirely by banks, and that no taxpayer funds are used.

Under EU rules, deposit guarantee schemes protect depositors' savings by guaranteeing deposits of up to €100,000. DGSs set up and officially recognised in 1 EU country must cover the depositors at branches of their members in other EU countries. The directive maintains the deposit protection of €100,000, and includes a gradual reduction of the repayment times of deposit guarantees. It also restates the principle of resolving bank failures with the use of funds provided by financial institutions, and not by taxpayers.

Conclusion:

Stable coin worth of millions or even billions of Euros, by using any European Union bank is actually safe only up to 100'000 EUR. Example: For 100 million EUR, the bank insurance policy covers up to 0.1% of the deposited Euro for the stable coin.

The same kind of insurance scheme is in banks all over the world. There ain't 100% capital guarantee for bigger fiat currency deposits by the bank even existing.

STABLE COINS PROBLEMS

Most gold backed cryptocurrencies has a pricing problem.

Many golds backed cryptocurrency ICO's turn up to 30% of the ICO financing income to the management use while only up to 70% goes to actual gold purchases. By doing that, all participants actually lose 30% of the value of gold vs buying the same amount of gold from example gold jewelry store. Another problem is using only gold assets. What is the difference between real gold and gold-based token value? Basically nothing or -30% value loss for the token, thanks to its ICO structure.

Some Stable Coins use ETF's as back up assets. Unlike physical gold bullion —which is a tangible asset—ETFs are a financial product that has counterparty risk. Counterparty risk is present when there's a possibility the other party in an agreement will default or fail to live up to their obligations.

One of gold's primary benefits is being the only financial asset that is not simultaneously somebody else's liability. Therefore, these ETFs are a poor substitute.

ETF gold shares represent a paper claim on gold, not gold itself. The real irony is the price of gold could be skyrocketing and the ETFs could be going bankrupt at the same time.[8]

FINANCE MARKET PROBLEMS

A financial market is a broad term describing any marketplace where buyers and sellers participate in the trade of assets such as equities, bonds, currencies, and derivatives.

Financial markets are typically defined by having transparent pricing, basic regulations on trading, costs and fees, and market forces determining the prices of securities that trade.

FINANCE MARKET PROBLEMS

A financial crisis is any of a broad variety of situations in which some financial assets suddenly lose a large part of their nominal value. In the 19th and early 20th centuries, many financial crises were associated with banking panics, and many recessions coincided with these panics. Other situations that are often called financial crises include stock market crashes and the bursting of other financial bubbles, currency crises, and sovereign defaults. Financial crises directly result in a loss of paper wealth but do not necessarily result in significant changes in the real economy (e.g. the crisis resulting from the famous tulip mania bubble in the 17th century).

Many economists have offered theories about how financial crises develop and how they could be prevented.

There is no consensus, however, and financial crises continue to occur from time to time.[9]

Impact on Share Prices of Previous Financial Crises

Multiple financial crises often happen simultaneously. For example, the Global Financial Crisis in 2008 was initially focused on the housing market (an asset price bubble) but then spread into the wider banking system and onto government debt problems.[10]

		Peak to Trough Loss		Crisis Type				
Year	Crisis	UK	US	Asset Bubble	Sovereign Crisis	Currency Crisis	Inflation Crisis	Banking Crisis
1720	South Sea Bubble	80%	-	x				x
1825	The Country Banking Crisis	43%	3%	x	x			x
1845	Railway Mania Bubble UK	9%	5%	x	x			
1857	Railroad Mania Bubble US	13%	23%	x				x
1866	Collapse of Overend and Gurney	7%	6%					x
1873	Long Depression	33%	47%		x			x
1890	Baring Bank Crisis	9%	42%	x		x		x
1907	US 'Bankers' Panic'	19%	26%	x				x
1929	Wall Street Crash	52%	85%	x		x		x
1983	Latin American Debt Crisis	5%	20%		x	x	x	x
1987	Black Monday	31%	30%					x
1997	Asian Crisis	12%	6%	x	x	x	x	x
2008	Great Financial Crisis	44%	48%	x	x			x

Source: http://www.risk.jbs.cam.ac.uk

FINANCE MARKET PROBLEMS

The aftermath of the 2008 crisis saw plenty of hardship—millions of Americans lost their homes to mortgage foreclosures. The 2008 financial crisis led to the failure of a large number of banks in the United States. The Federal Deposit Insurance Corporation (FDIC) closed 465 failed banks from 2008 to 2012.

The failure of Lehman Brothers in 2008 roiled global markets. It was the fourth-largest U.S. investment bank and when it filed for bankruptcy on September 15, 2008, it led to an erosion of nearly $10 trillion in market capitalization in global equities in the following month. $10'000'000'000'000.00 [11]

Ten years on, everyone is trying to understand where risks are mounting and forming the next crisis. While some number of analysts have pointed to China and its indebted system as the next crisis point, others have suggested that high-levels of global debt that currently stand at a record $247 trillion. $247'000'000'000'000.00

The financial market problem is very clear. When a crisis hits, everything that has to something with the banking sector even somehow, assets will melt down and fast, globally.

BANKING PROBLEMS

Banks work by paying its customers to lend them money. When a person deposits money into their bank account, the bank can then lend other people that money. The depositing customer gains a small amount of money in return (interest on savings), and the lending customer pays a larger amount of money to the bank in return (interest on loans). More specifically, banks collect interest on loans and interest payments from the debt securities they own, and pay interest on deposits, CDs, and short-term borrowings. The difference is known as the "spread," or the net interest income, and when that net interest income is divided by the bank's earning assets, it is known as the net interest margin. [12]

BANKING PROBLEMS

The loan to deposit ratio for EU banks stands at 1.16 or 116%. The loan to deposit ratio for US banks stands at 0.77 or 77%. European Union total debt (Debt of general governments and the private sector) as percentage of GDP is now over 300%. Relative to gross domestic product (GDP), total debt is 3.5 times GDP in US.

Banks live by loaning. More loaning means more debt. More debt means less money in use for average people. Less money in use means people will need more loan to survive. And the circle goes around and around. Result: continuous rising prices and bigger debt.

When bank fails, it's not covered with full value. Clients deposits are insurance covered only for to certain amount. What goes over it, goes to the bank debtors, even if it's your money, in your account.

How good bank is to “hold” your assets?
Here is European Union answer:

> *Capital conservation buffer*
> All banks have to hold a capital conservation buffer of the highest quality of its capital (common equity tier 1 capital) equal to 2.5 % of a bank's total risk exposure. The purpose of the buffer is to conserve a bank's capital.[13]

THE IXINIUM SOLUTION

Cryptocurrency is backed by precious metals, blockchain transparency, and auditable transactions. Fully transparent physical precious metals auditing to proof for everyone Ixinium's assets structure and market value 24/7, being insured with will value by Lloyd's of London making Ixinium more safer than any bank in the world, we can say that Ixinium is the solution.

BENEFITS OF THE IXINIUM XXA

Low volatility unlike most of the cryptocurrencies. Build in yield mechanism to raise base- and market value. Packed by precious metals, not just other lines of code cryptocurrency. Finance markets safe heaven product. Very good value increases the effect in stock market crashes and global turmoil's.

DECENTRALIZED DIGITAL ASSETS (CRYPTOCURRENCY)

The Internet is a centralized mess, and decentralization may be the answer. Decentralization describes the design of a network that isn't managed by a central party. Instead, peer-to-peer interaction drives the network, as no third party is needed!

Decentralization is "the movement of departments of a large organization away from a single administrative centre to other locations." A decentralized network relies on a host of computers. As a result, blockchain technology resides on a P2P network. It physically cannot work with a single computer or point-of-connection. Instead, it requires a slew of other computers to join in, in order to complete a specific task on the network.[14]

Ixinium is a digital asset designed to work as a medium of exchange that uses strong cryptography to secure financial transactions, control the creation of additional units, and verify the transfer of digital assets. Ixinium uses decentralized control as opposed to centralized digital currency and central banking systems. The decentralized control of Ixinium works through distributed ledger technology, a blockchain, that serves as a public financial transaction database.

PHYSICAL ASSETS

Ixinium (XXA) value is fully reserved, unlike fiat currencies or fiat currency based on so-called stable coins (USDT, TUSD, USDC, GUSD, etc.). Ixinium cryptocurrency is backed with gold, silver, palladium, and platinum.

Gold:

A relatively rare element, gold is a precious metal that has been used for coinage, jewellery, and other arts throughout recorded history. In the past, a gold standard was often implemented as a monetary policy, but gold coins ceased to be minted as a circulating currency in the 1930s, and the world gold standard was abandoned for a fiat currency system after 1971.

PHYSICAL ASSETS

A total of 186,700 tonnes of gold exists above ground, as of 2015. The world consumption of new gold produced is about 50% in jewellery, 40% in investments, and 10% in industry. Gold's high malleability, ductility, resistance to corrosion and most other chemical reactions, and conductivity of electricity have led to its continued use in corrosion resistant electrical connectors in all types of computerized devices (its chief industrial use). Gold is also used in infrared shielding, colored-glass production, gold leafing, and tooth restoration. Certain gold salts are still used as anti-inflammatories in medicine. As of 2017, the world's largest gold producer by far was China with 440 tonnes per year.[15]

Silver:

Silver has long been valued as a precious metal. Silver metal is used in many bullion coins, sometimes alongside gold while it is more abundant than gold, it is much less abundant as a native metal. Its purity is typically measured on a per-Mille basis; a 94%-pure alloy is described as "0.940 fine". As one of the seven metals of antiquity, silver has had an enduring role in most human cultures.

Today, silver metal is primarily produced instead as a secondary by-product of electrolytic refining of copper, lead, and zinc, and by application of the Parkes process on lead bullion from ore that also contains silver. In such processes, silver follows the non-ferrous metal in question through its concentration and smelting, and is later purified out.

For example, in copper production, purified copper is electrolytically deposited on the cathode, while the less reactive precious metals such as silver and gold collect under the anode as the so-called "anode slime". This is then separated and purified of base metals by treatment with hot aerated dilute sulphuric acid and heating with lime or silica flux, before the silver is purified to over 99.9% purity via electrolysis in nitrate solution. Commercial-grade fine silver is at least 99.9% pure, and purities greater than 99.999% are available. In 2014, Mexico was the top producer of silver (5,000 tonnes or 18.7% of the world's total of 26,800 t), followed by China (4,060 t) and Peru (3,780 t).[16]

PHYSICAL ASSETS

Palladium:

More than half the supply of palladium and its congener platinum is used in catalytic converters, which convert as much as 90% of the harmful gases in auto mobile exhaust (hydrocarbons, carbon monoxide, and nitrogen dioxide) into less noxious substances (nitrogen, carbon dioxide and water vapor). Palladium is also used in electronics, dentistry, medicine, hydrogen purification, chemical applications, groundwater treatment, and jewellery. Palladium is a key component of fuel cells, which react hydrogen with oxygen to produce electricity, heat, and water.

As overall mine production of palladium reached 208,000 kilograms in 2016, Russia was the top producer with 82,000 kilograms, followed by South Africa, Canada and the U.S. Russia's company Norilsk Nickel ranks first among the largest palladium producers globally, it accounts for 39% of the world's production. [17]

Platinum:

Platinum is used in catalytic converters, laboratory equipment, electrical contacts and electrodes, platinum resistance thermometers, dentistry equipment, and jewellery. Being a heavy metal, it leads to health problems upon exposure to its salts; but due to its corrosion resistance, metallic platinum has not been linked to adverse health effects. Compounds containing platinum, such as cisplatin, oxaliplatin and carboplatin, are applied in chemotherapy against certain types of cancer.

Because of its scarcity in Earth's crust, only a few hundred tonnes are produced annually, and given its important uses, it is highly valuable and is a major precious metal commodity. [18]

Ixinium precious metals purchase allocation is not locked to a certain percentage between gold, silver, palladium, and platinum. Every purchasing is used between all four precious metals, but the allocation is based on supply/demand, availability and market prediction. Still, every purchasing is allocated fully between all four precious metals.

PHYSICAL ASSETS

Difference to normal business is assets usage for backing up the Ixinium (XXA) cryptocurrency price value. While the normal business model is to buy, hold, exchange and/or sell, the Ixinium purchase program is only to buy and hold. Meaning, all precious metals what Ixinium buys, is off from the market availability forever.

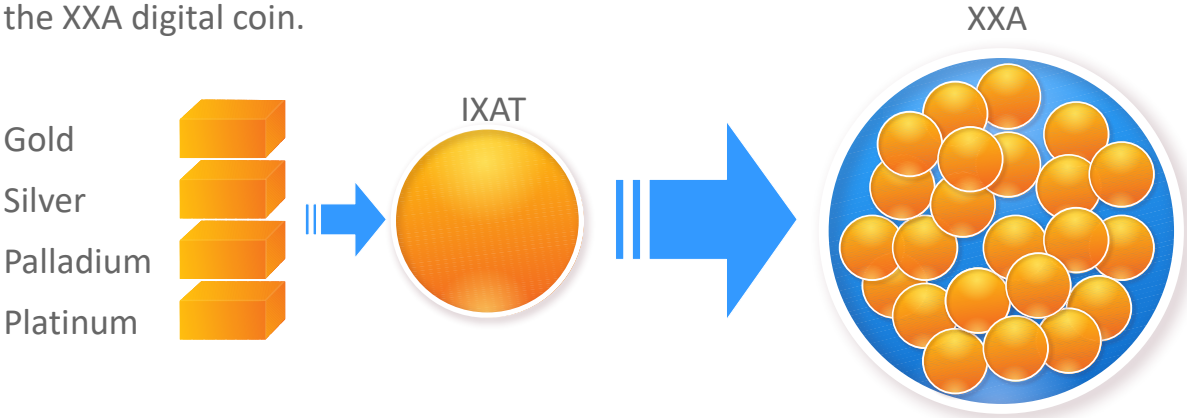
None of Ixinium precious metals purchase produces recycling like for example the car industry. In the long run, Ixinium can be a major holder for some rare precious metals, creating market conditions where rare precious metals might have pressure for higher prices. The more Ixinium holds precious metals, more free availability is off from the global precious metals market. Example with platinum, Ixinium holding amount and continuous purchase program might end the situation, where Ixinium could buy platinum +10% over platinum global market price just to fill Ixinium's demand, while it might do shortage to car industry demand, because of their catalytic converter parts budget.

For precious metals storage, there are seven global vaults: New York, Salt Lake City, London, Zurich, Australia, Toronto, and Singapore; run by Brinks, Loomis, and MalcaAmit.

Auditing of physical holdings is done by Inspectorate and all Ixinium precious metals are fully insured for replacement value by Lloyds of London.

MINTING AND ISSUANCE OF A IXINIUM CRYPTOCURRENCY

Ixinium ICO presents the advent of the creation of XXA by “minting” and backing the created coins with physical precious metals bullions. Ixinium uses asset feeder token IXAT, to move physical precious metals value to the XXA digital coin.



Ixinium ICO presents the advent of the creation of XXA by “minting” and backing the created coins with physical precious metals bullions. Ixinium uses asset feeder token IXAT, to move physical precious metals value to the XXA digital coin.

IXAT value is 1:1 to $1.00. When Ixinium purchases precious metals, the same amount of IXAT tokens will be created and transferred under XXA ownership as is precious metals USD value what was just purchased. In the IXAT production code, IXAT has only one address where it can be transferred, XXA address. After IXAT transaction, IXAT is automatically locked to its place under XXA ownership. No other transaction is possible in the future for just transferred IXAT.

IXAT works like an asset-based investment portfolio. Initial XXA works like a share of the portfolio and value of the portfolio comes of the assets that the portfolio owns. In this way, Ixinium brings physical precious metals value to the digital form. Every IXAT asset transaction can be verified from the blockchain as well as physical precious metals asset value is viewable at Ixinium web site, where precious metals holdings are updated daily and precious metals current market price is updated in every 10 minutes.

USAGE BASED YIELD FUNCTION

Ixinium includes yield function, what is build to rise Ixinium (XXA) base- and market price. 75% from Ixinium XXA exchange income is used to purchase more precious metals, forcing the rising value of the Ixinium cryptocurrency. As Ixinium XXA coins will be manufactured in a limited amount, product market change will always increase contributed to the precious metals inventory balance as a result.

VAULTING

Precious metals vaulting run by Brinks, Loomis and Malca-Amit. Ixinium uses only LBMA membership vaulting partners.[19] LBMA's membership represents traders, refiners, producers, miners, fabricators, as well as those providing storage and secure carrier services around the world. LBMA is the preeminent standard-setting body for the global wholesale market for precious metals. LBMA have some 150 members based in over 30 countries and they encompass every part of the journey in precious metals production.

Brinks:

NYSE: BCO Brink's was founded in 1859 and headquarters are located in Richmond, Virginia. Brink's is the world's largest cash management company including cash-in-transit, ATM replenishment and maintenance, international transportation of valuables, cash management and payment services. Brinks customers include financial institutions, retailers, government agencies (including central banks and mints), jewellers and other commercial operations around the world.

Loomis:

Loomis was founded in 1905. Loomis International operates high security warehouses in the world's most important financial centres, and offers a range of attractive options for long-term, short-term and in-transit storage, including bonded warehouse.

VAULTING

Malca-Amit:

Malca-Amit was founded in 1963. The Malca-Amit Group of Companies consists of an international team of experts, including logistics, security, customs house and special operations professionals, who work tirelessly to ensure smooth, expedient and professional service tailored to the precise specifications and needs of the global luxury goods industry and international banks. Malca-Amit's highly-secured, strategically located storage facilities are recognized as market leaders.

INSURANCE

Currently, precious metals are stored in protected and insured vaults in New York, London, Zurich, Singapore and Australia. All precious metal transportation and storage is fully insured by GBI's vaulting partners through Lloyd's of London.

Lloyd's of London:

In the 17th century, London's importance as a trade centre led to an increasing demand for ship and cargo insurance. Edward Lloyd's coffee shop became recognised as the place for obtaining marine insurance and this is where the Lloyd's that we know today began. Over the past 330 years Lloyd's has become the world's leading market for specialist insurance. Lloyd's unique insurance market has an unrivalled concentration of specialist underwriting expertise and every day, more than 50 leading insurance companies, over 200 registered Lloyd's brokers and a global network of over 4,000 local cover holders operate in and bring business to the Lloyd's market. The Lloyd's market has been at the forefront of its industry for more than 300 years, pioneering new forms of protection for a rapidly changing world. Lloyd's insures people, businesses and communities in more than 200 countries and territories.

AUDITING

Precious metals are audited by Inspectorate. Inspectorate was acquired by Bureau Veritas in 2010 as part of its successful global commodities strategy. With capabilities in an extensive range of commodities, Inspectorate provides independent inspection, sampling and testing services 24 hours a day, 365 days of the year.

Bureau Veritas:

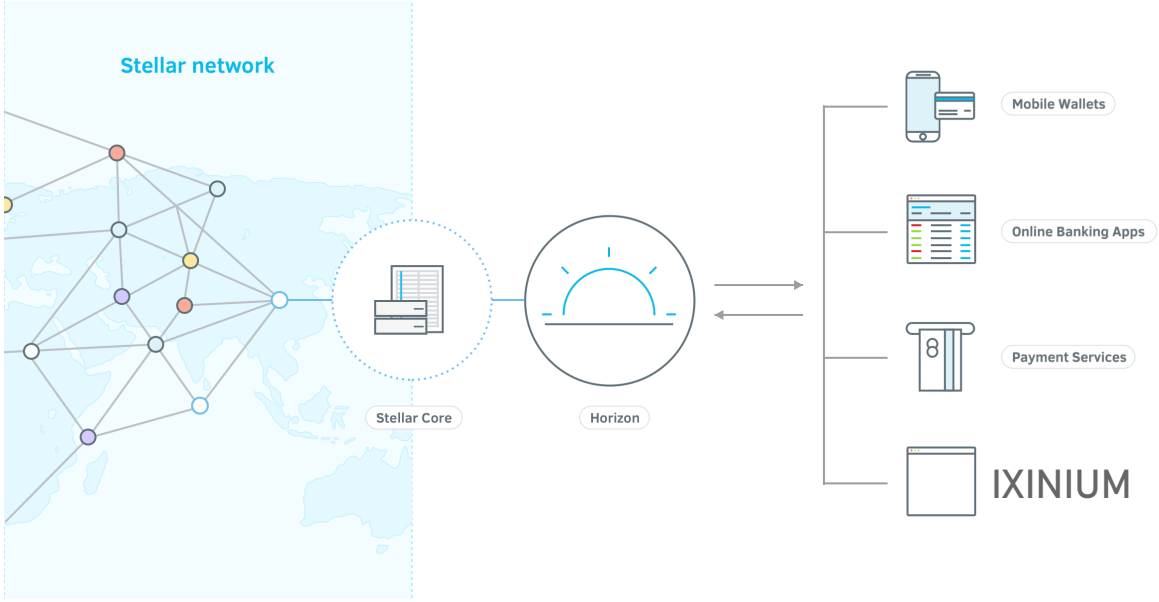
Bureau Veritas is a world leader in laboratory testing, inspection and certification services. Created in 1828, the Group has around 76,000 employees located in more than 1,400 offices and laboratories around the globe.

Key Benefits Storage Facility Auditing Solutions

- Independent check of stock, e.g. each individual gold bar against your inventory list
- Check weighing of a statistically representative random sample of bars
- Summary reports which confirm stocks and list any anomalies that have been found
- Individual audit reports from multiple global vault sites, can be combined into one report

BLOCKCHAIN

Ixinium uses Stellar blockchain. Stellar is a platform that connects banks, payments systems, and people. Integrate to move money quickly, reliably, and at almost no cost. Transactions on the decentralized Stellar network resolve in 2-5 seconds. (21)



Complying with Anti-Money Laundering (AML) laws requires financial institutions (FIs) to know not only who their customers are sending money to but who their customers are receiving money from. In some jurisdictions banks are able to trust the AML procedures of other licensed banks. In other jurisdictions each bank must do its own sanction checking of both the sender and the receiver. The Compliance Protocol handles all these scenarios.

BLOCKCHAIN

One of Stellar's most powerful features is the ability to trade any kind of asset. This works in Stellar because an asset is really just a credit from a particular account. When you trade Ixiniums on the Stellar network, you don't actually trade physical Ixiniums—you trade Ixinium cryptocurrency credited from a particular account. Ixinium asset account is held in precious metals vaults. Ixinium works in *ISO4217 code.*

IXAT token uses the AUTHORIZATION REQUIRED flag, which requires that the issuing account also approves a trustline before the Ixinium account is allowed to be paid with the asset. AUTHORIZATION REVOCABLE flag allows Ixinium company to freeze issued IXAT assets in case of theft or other special circumstances. In Ixinium case, this means that when IXAT tokens has transferred under Ixinium cryptocurrency account ownership, nobody can't make any transactions in the future for locked IXAT tokens.

Stellar uses industry-standard public-key cryptography tools and techniques, which means the code is well tested and well understood. All transactions on the network are public, which means the movement of funds can always be audited. Each transaction is signed by whomever sent it using the *Ed25519 algorithm*, which cryptographically proves that the sender was authorized to make the transaction. While all transactions are public, banks using Stellar to exchange funds on behalf of individual account holders can keep information about the individuals sending and receiving it private by storing encrypted or unique identifiers in the transaction's memo field. This allows banks to meet regulatory compliance requirements and keep transaction history verifiable while still keeping privileged information secure.

CRYPTOCURRENCY SECURITY

We suggest all users to use StellarGuard[20] application. StellarGuard utilizes the Stellar network's multisignature functionality to protect your account. That means that even if a hacker steals your secret key or the wallet you're using has a security flaw, StellarGuard will prevent them from taking your Ixinium cryptocurrency.

How does StellarGuard work?

StellarGuard uses the Stellar's built in multi-signature technology to require a transaction to be signed both by you and by StellarGuard before it is considered valid. To activate StellarGuard, you first need to add your StellarGuard signer public key as an additional signer on your account. You also have the option to add a backup signer. The application makes it easy to build this transaction so you can submit it to Stellar. After adding StellarGuard as an additional signer you must click activate to finalize the link to your StellarGuard account. After this is done your account is protected by StellarGuard. After you have a verified your email address, when you submit a transaction to StellarGuard an email authorization code will be sent to you. This code will be required to authorize the transaction and submit it to the Stellar network.

You may also choose to add enhanced security by enabling two-factor authentication via an authenticator application. When you add two-factor authentication to your account, a rotating passcode that is generated by a mobile app will required to sign in or authorize transactions.

How much does it cost?
StellarGuard is currently 100% free.

In the future, if a paid plan is introduced you will ALWAYS have the option to remove the StellarGuard signers from your Stellar account, even if you have not yet paid.

COMPANY SUPERVISION

IXINIUM is operated by Baltic Representative Office OÜ.

Company

Baltic Representative Office OÜ
https://www.ixinium.io

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Tallinn 13619
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Supervision

The Financial Intelligence Unit executes governmental supervision over the fulfillment of requirements of the activity licences and the area of money laundering and terrorism financing prevention.

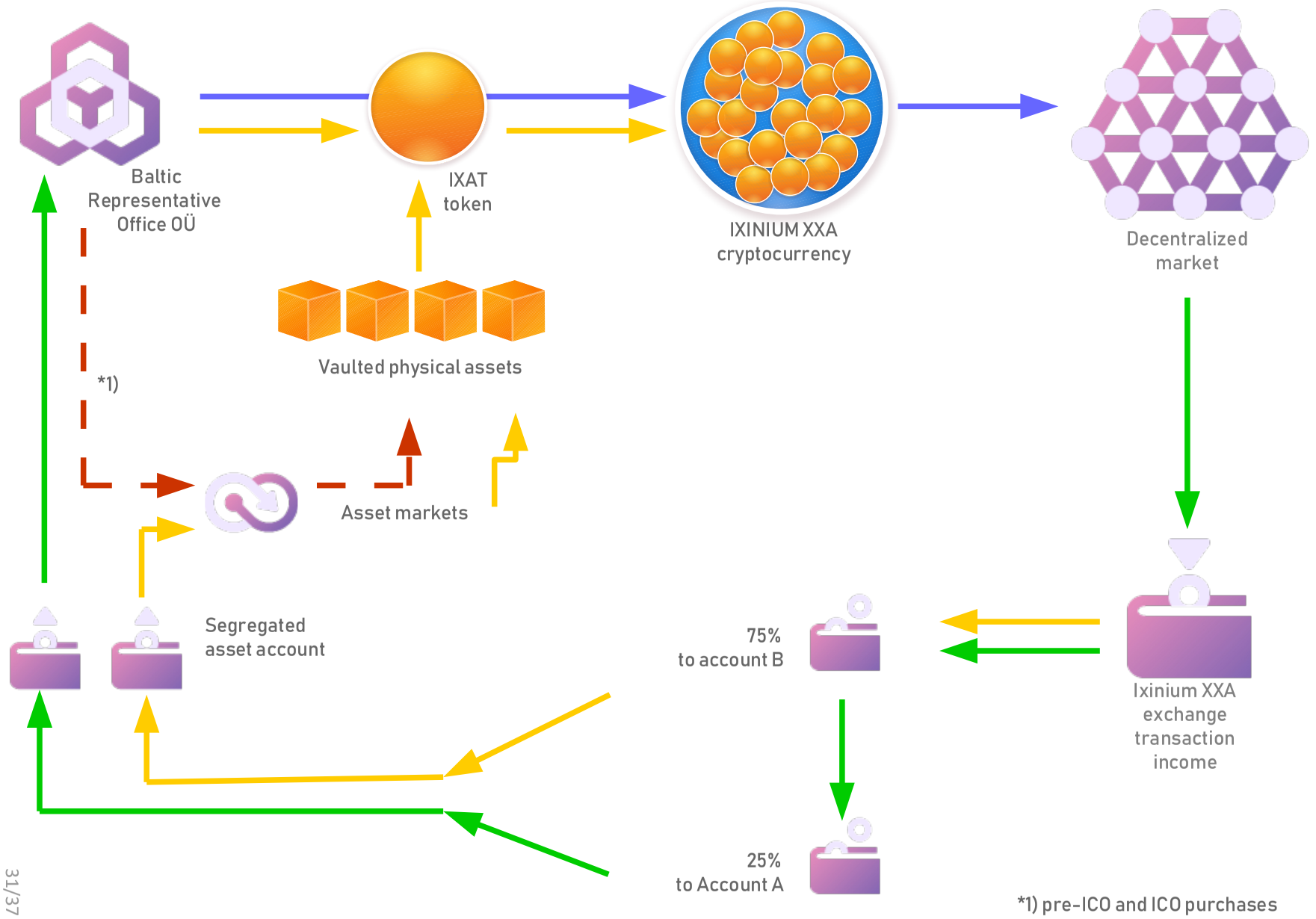
The Consumer Protection and Technical Regulatory Authority executes governmental supervision over the field of consumer rights.

Licensing contact details

Substantive information
Financial Intelligence Unit, tel: +372 612 3840, e-mail: rahapesu@politsei.ee

Registry information and technical questions
Register of economic activities, tel: +372 668 7080, e-mail: register@mkm.ee

TECHNICAL LAYOUT



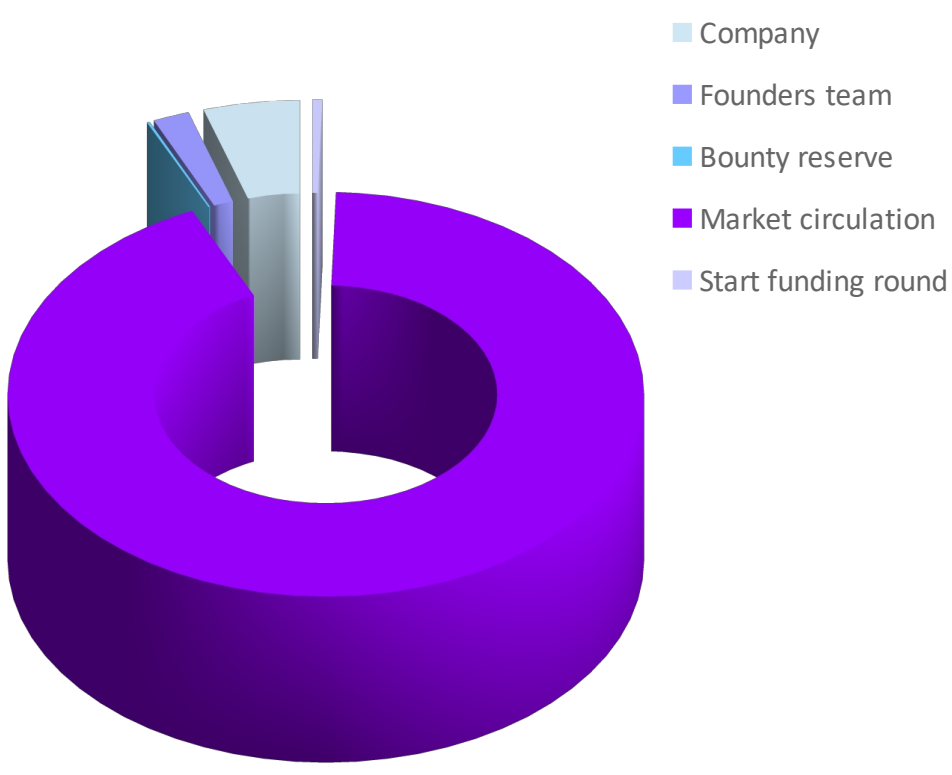
*1) pre-ICO and ICO purchases

IXINIUM MARKET PRICE & SPECS

Ixinium cryptocurrency specs:

Max supply of XXA	540'000'000	100.00%
Company (locked 5y)	26'460'000	4.9%
Founders, team	10'000'000	1.85%
Bounty reserve	800'000	0.15%
Start funding round	2'740'000	0.51%
Market circulation	500'000'000	92.59%
Ixinium price	$8.87 (estimated)	

Ixinium asset 100% vaulted precious metals gold, silver, palladium and platinum



IXINIUM ROADMAP

2016

Draft of Ixinium token technical description, market analysis, blockchain functions for physical assets precious metals refinery supply analysis.

2017

Start funding round token layout, precious metals vaulting analysis, insurance policy offers, accounting partners, blockchain developers meetings, decision for Ixinium production blockchain, precious metals auditing options, precious metals advisory to the team.

2018

ERC20 start funding token creation, White Paper draft, Stellar network protocols market analysis including wallet and exchange providers, decision to change blockchain from Ethereum to Stellar network, Pre-ICO and ICO structure development, precious metals auditing structure finalization.

2019

White Paper finalization, Ixinium production development including Pre-ICO and ICO scheduling for 2019, advisory group layout, web site development, precious metals auditing structure. Cryptocurrency license for digital asset exchange, obliged to comply European laws.

XXA: exchanges and wallets availability

2020 – 2021

LBMA (London Bullion Market Association) membership application

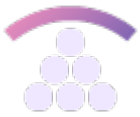
PRE-ICO & ICO

PRE-ICO

In Pre-ICO, 90% of raised funds will be used to for precious metals purchasing to setup physical asset base for the Ixinium cryptocurrency.

Time:

- 3 months starting at 01.06.2019 and ends at 31.09.2019
- 54'000'000 XXA will be available for -60% discount (1 XXA = $3.548)
- Soft Cap: none
- Hard Cap: $191'592'000.00

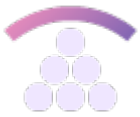


ICO

In ICO, 100% of raised funds will be used for precious metals purchasing to add physical asset base for the Ixinium cryptocurrency.

Time:

- 3 months starting at 01.10.2019 and ends at 31.12.2019
- Up to 35% of XXA's, tokens are available for -25% discount (1 XXA = $6.6525)
- Up to 60% of XXA's, tokens are available for -15% discount (1 XXA = $7.5395)
- Up to 85% of XXA's, tokens are available for – 5% discount (1 XXA = $8.4265



CONCLUSION

One of the primary promises of blockchain technology has been that digital representations of value, known as coins or tokens, could employ cryptology to become useful as trust fewer forms of currency for use in internet commerce. Unfortunately, after nearly a decade since Bitcoin emerged on the scene as the first cryptocurrency, that promise has yet to be fulfilled. Problems have arisen which has prevented wide acceptance of any cryptocurrency as a medium of exchange in such commerce. Issues of stability, economy, speed, and scalability have plagued those cryptocurrencies that would assume the mantle of a universally accepted form of payment over the internet.

However, a unique new type of cryptocurrency, combined with an innovative new platform for its implementation, has delivered solutions to the problems which have heretofore prevented the widespread acceptance of any cryptocurrency.

In this White Paper, we have introduced Ixinium, an asset-backed growth token issued by Ixinium and created for use on the Stellar network. Ixinium will be transfused with tangible value from its inception, with a viable plan to increase its value over time.

Built on the ultra-rapid Stellar network, Ixinium will enable swift, secure, economical transfers and transactions for any amount, large or small, either domestically or internationally.

Because Ixinium is backed by precious metals, it is expected to have a high degree of stability with a likelihood of increasing in value, making it a perfect store of value.

In short, Ixinium has been designed to encompass all of the qualities that any currency, digital or otherwise, should have to be accepted as a universal medium of exchange. With this in mind, we feel that we have adequately delivered proof that Ixinium, issued by Ixinium for use on the Stellar network, is indeed a cryptocurrency designed for universal acceptance and everyday use in internet transactions.

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