



# BitCapitalVendor Blockchain Digital Asset Management Service Engine White Paper



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## Statement

This document is the 2.0 version of BitCapitalVendor blockchain digital asset management service engine white paper. Based on the 1.0 version, we add the product development plan, the public chain technology roadmap, the community development, and strategic goals of BitCV so as to demonstrate the development status of BitCV more accurately.

For the latest information of BitCV, please feel free to visit the website <https://bitcv.one> and follow us on our WeChat official account: bitcv002 to get it.

## Copyright statement:

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## Disclaimer

For better promotion of the BitCV project, we will constantly improve the team's strategic planning, technical solutions and organizational structure. We believe that only by always maintaining an empty cup mentality and constantly self-iterative upgrading can we meet the ever-changing development trend of the blockchain era.

## Abstract

We are on the start point of the new wave of the transformation from physical assets to digital assets. The digital asset allocation of the blockchain has developed from the early Geek to the stage where the public investors understand and participate initially today, which is great development. Yet it can still be witnessed that there are plenty of problems and deficiencies in the digital asset investment allocation of the blockchain as well as in the services, and some are even directly opposed to the idea of blockchain. What the blockchain pursues is disintermediation and transparency; nevertheless, in the early investment process of digital assets, numerous activities of relying on intermediaries, relying on people, relying on information sources, intransparency, etc. are found, which involve a lot of risks. And for the later asset allocation management, the service is also limited. Faced with a market that may reach as much as \$10 trillion in the future, users need a basic service that is not limited to transactions, payments, etc., and can provide users with a scientific and rational all-round application scenario, and is consistent with the future blockchain community thinking. Such a platform can also promote the development of the industry ecosystem.

BitCV makes the most of the team's accumulation and advantages in the areas of distributed technology, Internet technology, investment,

finance, and media, focusing on users' experience, and develops BitCV wallets that support cross-chain and multi-currency and have an original behavioral mining economic system. BitCV will use the wallet app as an entrance to connect with the third-party service providers, so as to provide users with a full set of digital assets-related ecological services, and establish the BitCV digital asset management community.

At the same time, the BitCV team, based on the technology accumulation on the platforms of Bitcoin, Ethereum, and BitShares, is developing the BitCV asset management public chain that is excellent in both performance and security, and supports efficient cross-chain storage and conversion technologies. When it is put online, all transaction services of BitCV Wallet will be put on the chain.

BitCV's vision is, based on blockchain technology, to embrace blockchain thinking and provide a win-win consensus mechanism for users and service providers, so as to create a digital asset management platform that can self-operate from a long-term perspective.

BCV Token, as the key token of the digital asset management platform, serves the BitCV economic system, which is used to pay for various service fees and platform usage fees in the process of digital asset management and service.

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## Chapter 1: Background

### 1.1 The Explosive Development of the Blockchain Digital Asset Allocation

Since the advent of bitcoin in 2009, there has been ups and downs for several years, especially in the past 3 years, the blockchain digital asset allocation has been recognized more and more. This industry has also been developing rapidly. In terms of the digital asset types, so far, there are over a thousand of digital assets around the world, and they all fall into the two categories: copycat coins (such as Leticoin) and innovative blockchain assets with value (such as Ethereum). In terms of market capitalization, the growth is very rapid. In September 2013, the total market capitalization of digital assets is about \$1.5 billion; in September 2016, this figure has reached \$12 billion; and now the global market capitalization of the digital assets is over \$500 billion, in which the share of bitcoin is about \$300 billion, and other digital assets account for about \$200 billion. In other words, over the past 4 years, the market capitalization of digital assets has increased by more than 350 times, and even the last single year has increased by more than 40 times.



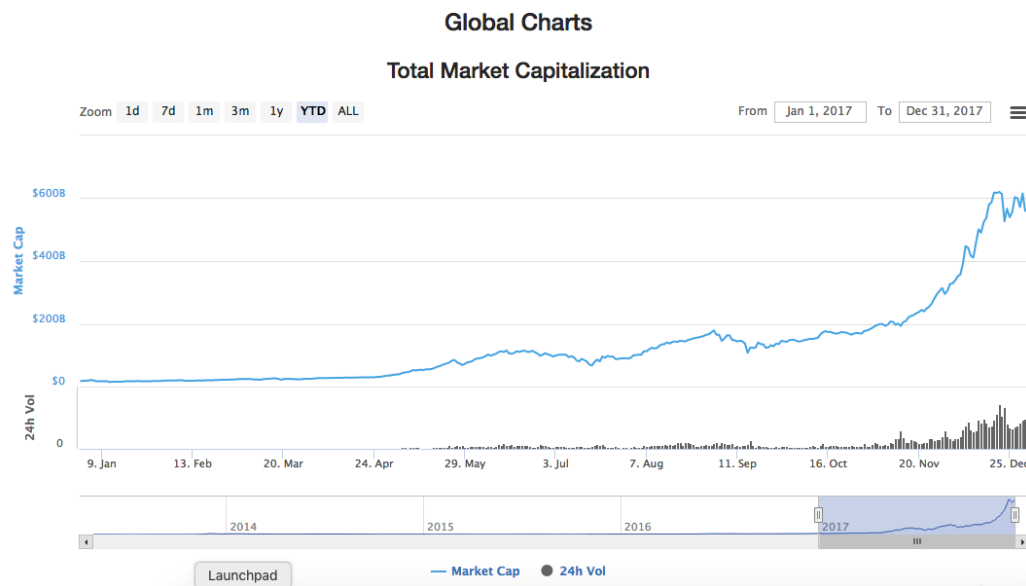


Chart 1. The Global Market Capitalization of the Digital Assets. Retrieved from coinmarketcap.

Even though having increased by several hundred times, the digital asset management still has a considerable market in the future. According to the statistics from the World Bank website and China's National Bureau of Statistics, the world's GDP is close to \$100 trillion, with China's and the US's GDP above \$10 and \$17 trillion respectively. Then, we analyze how much investable assets exactly the world has. For now, the market capitalization of the United States, China, Japan and France is \$27 trillion, \$7.32 trillion, \$4.96 trillion, and \$2.16 trillion, respectively. In terms of household savings, by the end of May 2017, China's household savings has reached 62.6 trillion yuan, which is nearly \$10 trillion, and the net savings (savings minus liabilities) is 4 trillion yuan.

Chinese net household savings plus the market capitalization is of the same order of magnitude of GDP, which is over \$10 trillion, and we

assume the global household savings and investment quotas to be half of the world' s GDP, namely \$50 trillion. Yet, the market capitalization of the digital assets is slightly over \$0.5 trillion, around 1% of the estimated investment quotas. A 1% market capitalization accounts for only a tiny share of the total global assets, far less than gold, real estate and other traditional assets. Compared with traditional assets, digital assets have the advantages of diversified attributes, decentralization, high credibility, strong liquidity, and high incentives, etc. In the future, with the development of blockchain technology and complementary technologies such as quantum communication and artificial intelligence, the application of digital assets will become more and more extensive, asset value will increase, and digital assets will also be more and more popular among holders.

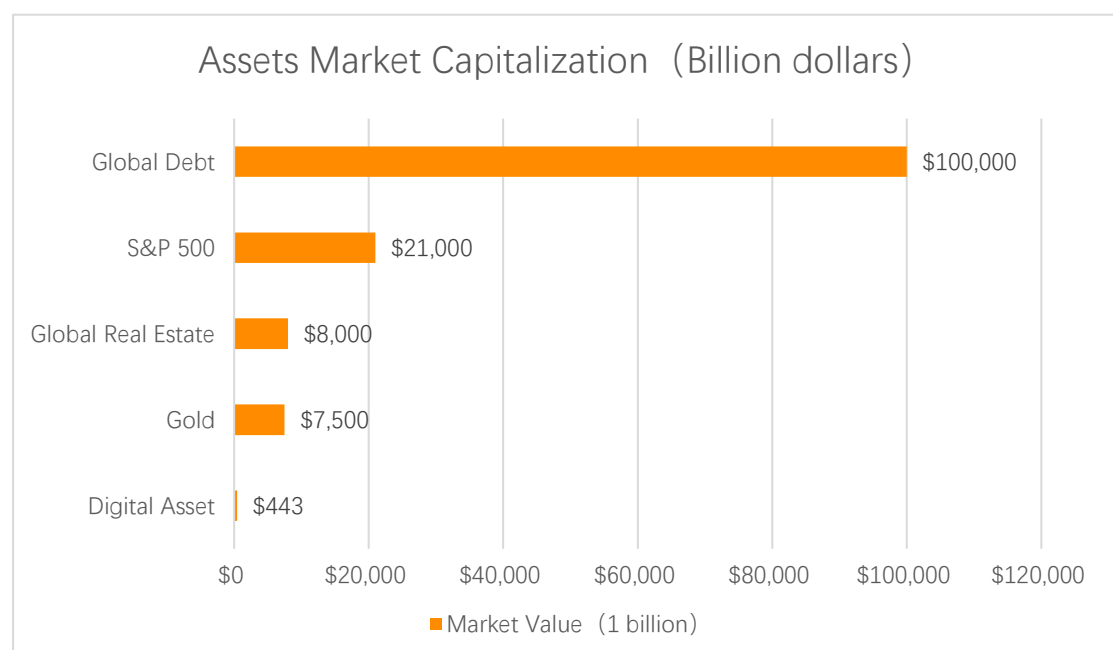


Table 2. Global Assets Market Capitalization

Behind the fast growth of the industry assets and market capitalization is the booming of numerous projects, which not only includes pure blockchain projects, but also contains projects that aim to blockchainize the existing Internet programs, even the traditional industries. However, the relevant asset management service still need improving, and the underlying infrastructures and technologies are imperfect, which are inappropriate to carry out rapid research and development on the upper applications. The lack of talents also poses problems in the construction of a better asset management service. Those problems are precisely what BitCV blockchain asset management chain is to cope with.

## Chapter 2: Macro-Status of Digital Asset Management

The advent of digital assets is based on the blockchain, and the blockchain itself also influences and changes the relations of production. Apart from the underlying public chain and infrastructures, there are two patterns that rely on the application of the blockchain: one is the accounting system whose projects rely on the blockchain to deal with and enhance itself, and the other is the digital assets system that exists with the project value promotion. Yet as we can see, with the rapid growth of digital assets transaction is the dramatic demand for the investment and financing management, investors relationship management, talent, project technology service, etc. Despite the promotion in benefit brought by the growth of the digital assets, the lack of standardization increases the risks in every aspect.

“Digital Asset Management” (DAM) refers to the comprehensive financial service of the commissioning management, use and disposal of the digital assets, including the digital assets and digital assets in the form of equity, debt, options and other properties and asset portfolio, for the purpose of preserving and creating wealth, etc. The main market forms of the digital asset management will be reflected in Fund business, Entrusted asset management and Trust Industry. Digital asset

management is a big industry, whose scale deserves our attention, but except the wallet software, payment and exchanges, other digital asset managements' professional service is still at a relatively early stage. Especially, technical service is commonly lacking, because digital asset management is more greatly dependent on technology than traditional asset management and finance. We will now analyze in three aspects: the first is the weakness of the underlying infrastructure, the second is the lack of personal asset management, and the third is the drawback of comprehensive digital asset management.

## **2.1 The Weakness of the Underlying Infrastructure**

Transactions and services involving multi-reliant assets are currently the most suitable and most needed operations for accounting on the blockchain, but today's public chains are largely unsuitable for vertical field asset accounting. The first-generation public chain represented by Bitcoin has only the transfer function. Although the second-generation public chain, represented by Ethereum, can execute intelligent contracts, it still cannot carry high-concurrency applications. Besides, the intelligent contracts system is also prone to many security risks; the transfer fees are also very high; the transfer time is also very long; and it cannot be applied to payment scenarios. Specifically, if the existing public chain is used, since all the data is stored on the entire node, it occupies a very limited

storage space. For special data that can only exist in special fields such as input, it cannot support a large number of personalized operations. As for display, if personalized, it still needs its own specialized block browser to solve it. For the convenience of data management, transactions are mixed with millions of transaction, which poses problems for finding; and it costs too much to store books. Finally, compared with the vertical accounting with the public chain, the miner's fee of the block booking is high. The more the input data are, the more it costs, so does the execution cost of the intelligent contracts. Therefore, based on the current blockchain technology, it is difficult to build a digital asset management platform with excellent user experience.

## 2.2 The Lack of Personal Asset Management

The number of digital assets currently exceeds 2,000, and grows at a rate of dozens per month. Some of these assets are simply Coin of distributed book attributes, and some of them are Tokens, belonging to more than 50 subdivision categories respectively. There is no management tool on the market now that can support all currencies in a scientific and reasonable manner. Digital asset holders must use multiple management tools at the same time to properly manage their digital assets.

For individuals, most of the digital assets currently exist in wallets

and exchanges. Exchanges are for transaction and the wallets currently serve the asset storage scenario. There are many deficiencies in further asset management. The first is the high threshold for users. Digital assets are based on blockchain technology. The concepts of public key, private key, and address are not familiar to the public. The process of registering and backing up addresses and private keys is very complicated. Users who are first exposed to digital assets usually have trouble in understanding, which is also very easy to produce security risks. In addition, the channels and procedures for purchasing digital assets are also complex. New users are often blocked outside the gates of digital assets by high-cost learning resources, impeding the development of the digital asset industry.

Secondly, from the point of view of experience, purely decentralized wallets, although to a certain extent more in line with the blockchain spirit, do not save the user's private keys, which greatly increases the user's usage threshold and increases the likelihood of asset loss for the new users.

The third is that a very important feature of digital assets is its liquidity. There should be more scenarios for development, and current products are very inadequate. The main use of current digital assets is exchange-centric investment behavior and secondary market trading. With the development of public-chain technology, in the near future, the main use

scenarios of digital currency will shift from transaction-oriented to consumption-based. Currently, all asset management tools on the market are transaction-oriented tools. There is no consumption-oriented product, so there is still huge room for development.

## **2.3 The Drawback of Comprehensive Digital Asset Management**

The Digital assets are subject to the traditional financial field. Due to the characteristics of the tokens, circulation, equity, and incentives, the field of digital asset management may be broader than that of traditional financial, and assets management will also be more abundant. The needs of investors are also more diverse. Digital asset allocation will not only be limited to the primary and secondary markets, but will also be more clear in the professional service creation activities and value-added links at all nodes and levels. Providing category layouts and investment pipelines at the digital assets side, developing digital asset allocation tools, and guiding innovative product investments will become increasingly important. According to different attributes of investors and digital asset projects, different digital asset allocations will become professional behaviors. Most of them will rely on system implementation, which will also be the core competitiveness of digital asset management.

In terms of specific applications, the properties of digital assets are



complex. The project parties can assign digital assets such as income rights, ownership, use rights, dividends, payments, circulation, voting rights, and other complex functions. Outside payment, transfer, transaction, and other general application scenarios, many digital assets have their own independent use scenarios. The tools of the related project parties are isolated from one another. The economic systems of the assets are also independent of each other and they cannot communicate with each other. There is currently no product in the industry that can support all usage scenarios. Digital assets are inherently derived from technology, so they reflect the characteristics of cross-domain, industry, and technology aspects relative to other asset management. For practitioners and product R&D personnel, they need not only the experience and concept of financial product management, but also a comprehensive grasp of the technical aspects of digital assets, and the flexibility to use various digital asset tools, while BitCV is based on its own assets. The chain serves as the underlying infrastructure, with wallets as the center's operating platform and portal, and provides a wealth of asset management tools for wallet-based services to provide investors with intermediary services. Of course, BitCV is mainly used as a platform. Real tools and services are hoped to be developed and provided by the third party.

Digital assets themselves will add value, but there are also a large

number of investors who store digital assets in their wallets and naturally have a solid foundation for investment. Therefore, adding value to digital assets in wallets has become a simple and easy operation. For investors with low risk appetite and low price volatility, the management of digital asset appreciation has become a necessary service. BitCV purchases the investment goals and assets provided by BitCV with the investors' explicit knowledge and participation. BitCV can also assist asset appreciation through program management and other asset management methods. Of course, no matter where you invest, you need a clear and transparent service platform. BitCV is responsible for a technical bottom-line service and manual support service.

## 2.4 Conclusion

The present situation of digital asset management is that most are still hyping the digital assets, and except the rapid development of wallet and payment, application and professional financial tools are still in rather basic stage. At a time when the digital assets increase by tens or even hundreds times, with the growing number of asset types and the involvement of investors, the demand will increase dramatically. Lacking awareness of digital assets management and management tools and professional service, the whole industry will suffer unhealthy development, even encounter some big obstacles.

BitCV digital asset management platform, we hope to serve the projects and investors from the start of the project to its release, and based on the standard system and the blockchain technology, we will solve the problems of disintermediation, credibility and transparency in the process of the management service. At the same time, on the basis of the technical realization, we can provide the decentralized and professional digital asset management service, so as to facilitate the healthy development of industry ecosystem.

## Chapter 3: Digital Asset Management Solutions

The digital asset management of the project requires massive technical services, specifically for two reasons: one is that the digital asset of the project itself needs plenty of knowledge and accumulation of technology; the second is due to the lack of standards in technology and service in the process. All these have brought us an enormous number of opportunities.

### 3.1 BCV Chain

Blockchain technology naturally supports peer-to-peer payment systems, and also serves the financial areas naturally. And digital asset management is also a sub-section of digital finance, therefore, the blockchain technology of decentralization and tamper resistance, certainly can and must play the bottom role. In order to make our bottom layer easier to use and convenient for our services, we have developed the BitCV digital asset management chain based on the Ethereum platform to provide a decentralized, underlying service platform for future digital asset management services, and provide SDKs to serve the project party, so that digital asset management can be efficient, safe and reliable.

Digital asset management chain in the entire asset management system reflects the following four characteristics:

### **1、 Decentralization**

In the traditional asset management activities exists a large amount of manual participation and auditing of central agencies. In the bottom layer of BitCV digital asset management which is based on the blockchain and intelligent contract technology, every digital asset transaction is tracked and recorded on the blockchain, and the execution is triggered automatically according to the logic preset in the intelligent contract. This not only takes good advantages of the unforgeability and tampering resistance of the blockchain, but gets rid of the auditing of the intermediaries and centralization. The service is provided by people and meanwhile investors communicate with the professionals point-to-point. What BitCV provides is the technology platform and services.

### **2、 Credibility and transparency**

The non-transparency of the traditional assets management process, that is, the opacity of capital flow, has led to the loss of control of assets management and even more serious consequences. The BitCV digital asset management chain allows every capital flow of investment and financing as well as the exchange to be clear and traceable, as well as unforgeable and tampering resistant. The value-added return on asset management and the source of transaction funds are also very

clear, which makes asset management more credible, transparent and healthy. Although anonymous on the blockchain, some of the asset flows may need to provide genuine names, such as an asset proprietary account that should show real asset, which is necessary for credibility and transparency. For individual clients, it is certainly anonymous for privacy protection.

### **3、Cross-chain exchange**

The exchange of assets is fundamental in digital asset management. What makes it distinguished from ordinary exchanges is that mutual exchange is based on the BTC, ETH, USDT and other major assets, therefore asset management platform should support the exchange of any kind of digital assets. The bottom layer, based on the intelligent contract interface, allows the existing wallets to accept any existing or future digital assets or tokens without changing the digital asset contract password, such as the current ERC20 token that can be easily stored in Ethereum wallet. Payment for the new ERC20 token can be done automatically without changing the program structure. Therefore, the user's own digital assets can be configured in the background when creating a project and exchanged automatically. For ordinary digital assets, a pool of funds or cross-book agreement is used to support cross-digital assets payment.

### **4、High efficiency**

Payments and debits of digital assets within a managed system, if based on the traditional Bitcoin network and the Ethereum network, has an extremely terrible user system. Thus the high efficiency of assets exchange is demanded. The outside trading platform used by the account management mechanism is applied, with the support of a more efficient trading mechanism. In the implementation of the specific blockchain technology, we use sidechains to ensure efficient and secure cross-chain transactions. But essentially, blockchain assets are difficult and unnecessary to realize the value of efficient transactions and payments on their own, and it is more about the value of assets.

This is the description of the characteristics of BCV Chain, and the specific technical solutions are seen later.

## **3.2 The Secure and Easy-To-Use BitCV Wallet**

### **Convenient and easy to use**

BitCV Wallet, based on the safety and reliability of assets from the initial stage of prototype design, puts reducing the cost of user learning at its core. Both the registration process and the transfer and collection steps have undergone a great deal of optimization, expected to be as close as possible to the habit of traditional financial products users and make BitCV Wallet the first product for users to enter the field of digital assets. BitCV Wallet is a cross-chain multi-currency wallet, currencies

currently supported including Bitcoin, Ethereum, ERC20 Tokens, and Dogecoin. More currency support will be added in the future. BitCV Wallet has a built-in hot wallet function. Users can transfer funds in the wallet to the account within seconds, which solves the problem of slow transfer.

### **A wallet capable of mining**

As a blockchain-based product, BitCV Wallet embraces the decentralized mindset of the blockchain. We believe that users using BitCV Wallet contribute to the BitCV community. Activities such as daily login, transfer, use of third-party services, and recommending to friends increase the activity of the BitCV community and such users should be awarded accordingly. The BitCV Foundation distributes 120 million BCVs for wallet mining purposes. According to the total activity of users, a certain amount of BCVs will be distributed to users every day. All funds will be distributed until 2038.

### **A combination of hot wallet and cold wallet**

In order to take account of transfer speed and security at the same time, BitCV Wallet will support both cold wallet and hot wallet. Users can store small assets in hot wallets to get a better experience, and store large assets in cold wallets which is more secure. On the server side, a strict hot and cold wallet signature communication mechanism has been designed from the very beginning to ensure the security of assets.



## 3.3 The Open Tools and Services

### **Create needs for abundant application scenarios**

The wallet is taken as the carrying platform and entrance for users. In addition to providing users with digital asset storage and transfer functions, BitCV Wallet, especially the hot wallet section, hopes to give digital assets more application scenarios, such as payment, quiz, and financial management. The development of more service scenarios cannot rely solely on the current teams and development forces. It is required that the development of tools and services are opened to third-party service providers to provide more scenarios for users' digital asset management and applications, these scenarios including but not limited to investment and financing management tools, game services, and other scenarios involving digital asset management.

### **BitCV SDK provides API support for the third party**

In order to serve the community for the better, BitCV will provide the third-party developers with SDK and API interface services. Developers can use the BitCV SDK to call transfers in BitCV wallets, create addresses, inquire account credit, etc. and serve and gain in the BitCV community. At the same time, we will provide the underlying support of the wallet for blockchain applications. With simple connection, applications can get secure and easy-to-use wallet functions and services, as well as access to the payment interface of BitCV wallets. Besides, the back-end statistics

are also provided for the management convenience of the project party.

### **Wallet as a platform**

The traditional digital asset wallet application is a low-frequency used tool that users only use when transferring funds and viewing their own assets. The behavioral mining mechanism of BitCV Wallet and the hot wallet system and service number system create more usage scenarios for users. The use-frequency of BitCV Wallet is very high, making it a convenient interface platform for C-side users and B-side services.

### **Open community**

The decentralized community organization is the organizational structure most consistent with the blockchain model. BitCV digital asset communities are divided into users communities and developers communities. In the community, whether it is a service provider or a user, BCV awards can be obtained for any activities that increase community activity. BCV is also the token circulated in the community, which can be used to purchase digital asset management services. In the developers communities, BCV can be obtained as a miner' s fee for nodes that provide BCVChain main network support, and community members who contribute to the BitCV open source community and BitCV Chain technology can also receive BCV awards.

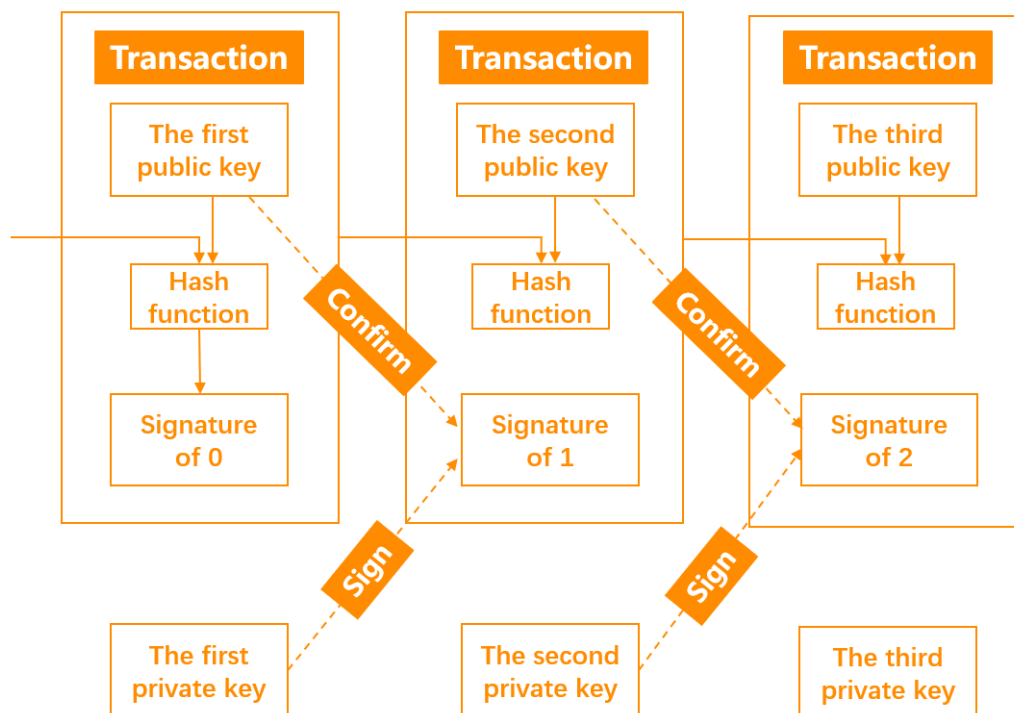
## Chapter 4: Project Technical Architecture and Operation Mode

### 4.1 Basic Techonology of BitCV Chain

BitCV is an application-based blockchain product, so we are using the blockchain and existing technologies to serve the field of digital asset management. In principle, we do not conduct our own research and development of the underlying chain design on a large scale, but according to the current preliminary research and development, we use and enhance the use of the following technologies.

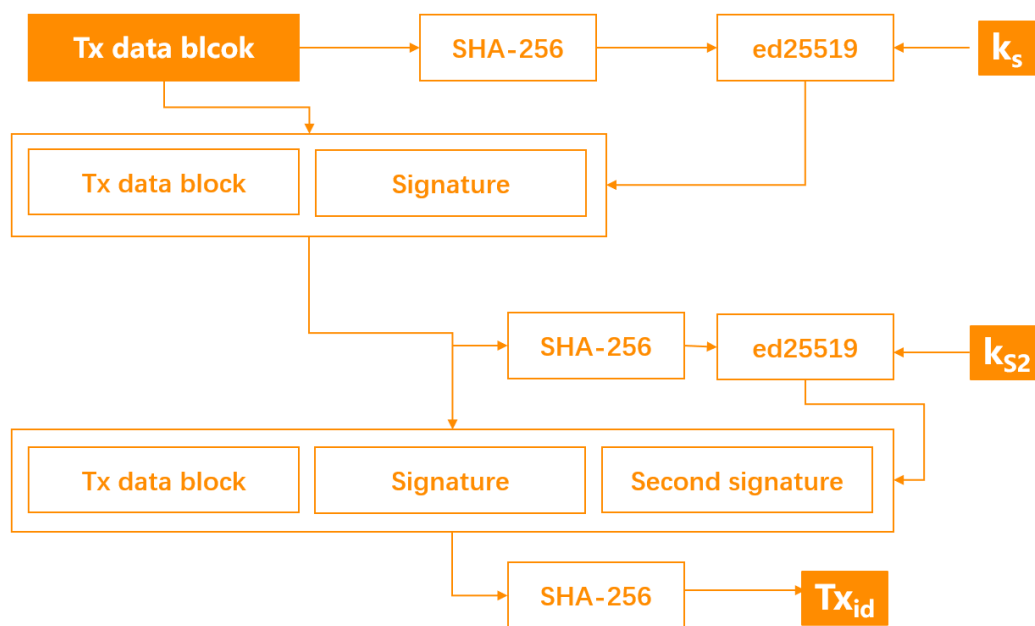
#### 1、 **Blockchain distributed ledger technology**

The reason for the use of the blockchain technology in the bottom layer of bitcoin is that the point-to-point payment resolved by bitcoin needs to be built on a credible bookkeeping. While the blockchain technology, because each account is connected with its last and next, as is presented in the following diagram:



In the next transaction, the verification and signature of the previous transaction is saved. To modify one of the transactions, all subsequent transactions must be modified, and the transaction itself is rapidly growing, especially in large-scale distributed situations, which makes tampering and counterfeiting virtually infeasible.

In terms of specific technical implementation and transactional activities, after a transaction data block is generated, we generate a signature using the SHA-256 algorithm in conjunction with the initiator's private key, and append it to the data block, and then repeat; if a transaction has multiple steps, then add more step signatures. As is shown below:



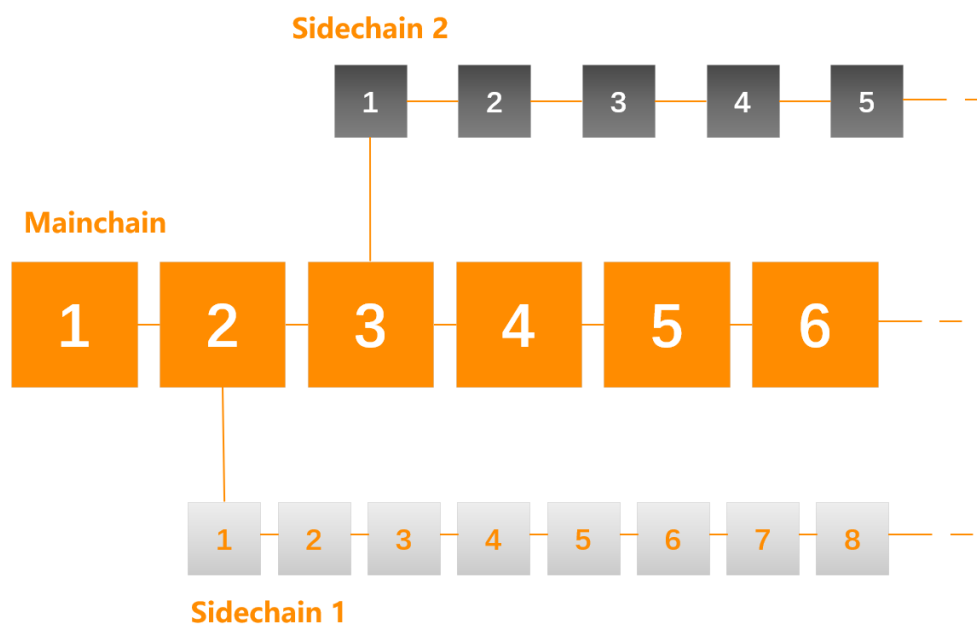
BitCV uses blockchain technology to record all transactions involving funds. Records and transactions are conducted first on the sidechains or out of the chains, and finally on the mainchain, which ensures that the asset management mainchain is an unforgeable and tempering resistant blockchain that grows with the transaction records.

## 2、 Sidechain cross-chain trading technology

One of the biggest problems and bottlenecks of the current blockchain technology is the delay of transaction and the relative complexity of confirmation. This mechanism of consensus acknowledgement is acceptable for a basic platform; even acceptable for cross-border payments. After all, the delay of the traditional cross-border payment is calculated by the day. But for small high-frequency trading, the user experience is extremely poor in the current

transaction system. So in the BitCV asset management platform, we use two techniques to speed up the confirmation of the transaction, and finally put them to the main chain.

Point-to-point high-efficiency distributed bookkeeping. This bookkeeping is rather common, for example, in the exchange, whether it is OTC or transactions between digital assets, real-time arrival is assured. Yet the problem of this bookkeeping is the traditional database operation, the blockchain digital asset transfer still requiring additional maintenance. What the clients see is the database takes effect quickly, but the underlying transaction processing, in fact, is delayed. We want to ensure the trading of the blockchain digital assets themselves more real-time and support cross-link as well, so BitCV uses sidechains. After comprehensively evaluating the technologies, we choose the LISK platform.



Here's a general introduction of sidechains:

Sidechains are designed to solve the problem of complex and long-term transaction confirmation on the main chain. To a certain extent, low-confirmed but efficient transaction can be achieved on the sidechains while keeping the funds on the mainchain locked. After the transaction is completed, return to the main chain.

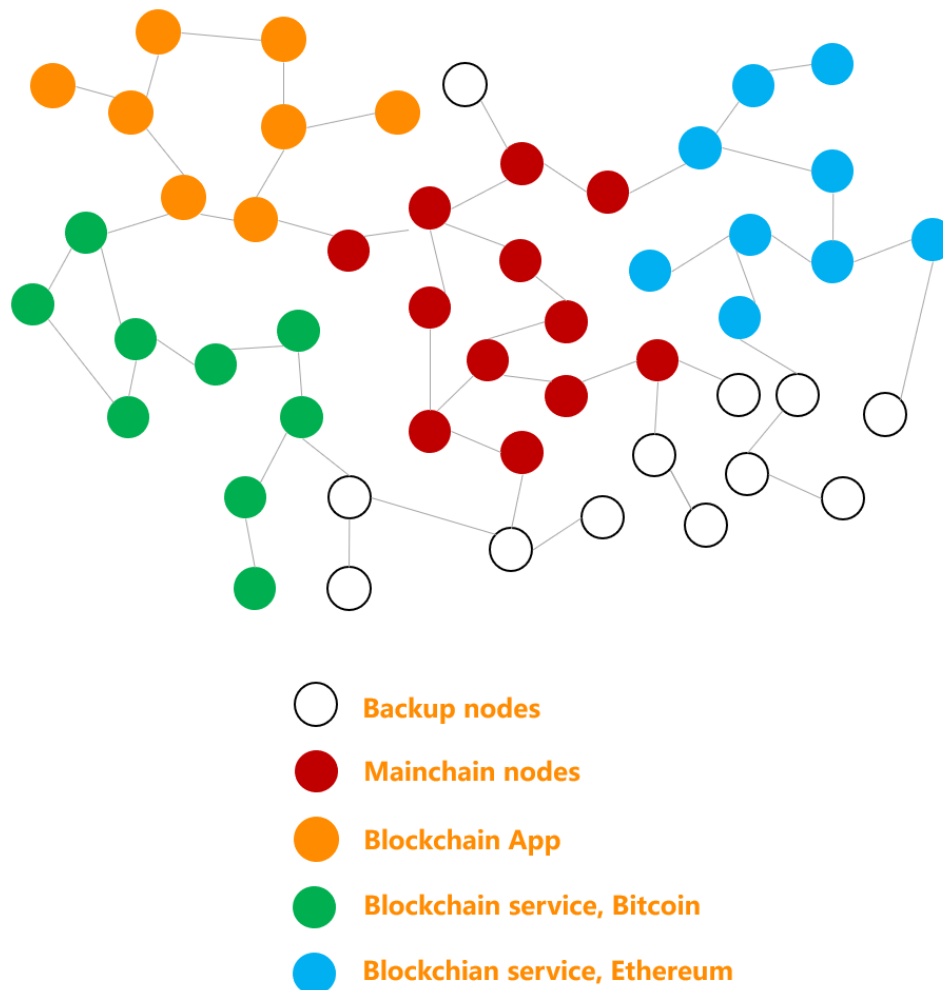
Of course, apart from this, we also consider to use an intermediate funds reserving pool to support the rapid exchange and transfer of various digital assets.

### 3、 DPOS consensus algorithm

BitCV is currently building its own asset management chain based on Ethereum and LISK, using the DPOS consensus algorithm.

The traditional POW workload proof method is suitable for

scenarios that require a large amount of computation and work proof, that is, scenarios that use computational power to generate digital assets. What BitCV needs is the quick, efficient confirmation of the transaction, so we use the DPOS algorithm invented by BitShares.



Because of the cross-chain transactions involved, in the figure above, we show the DPOS Consensus process under various blockchain services.

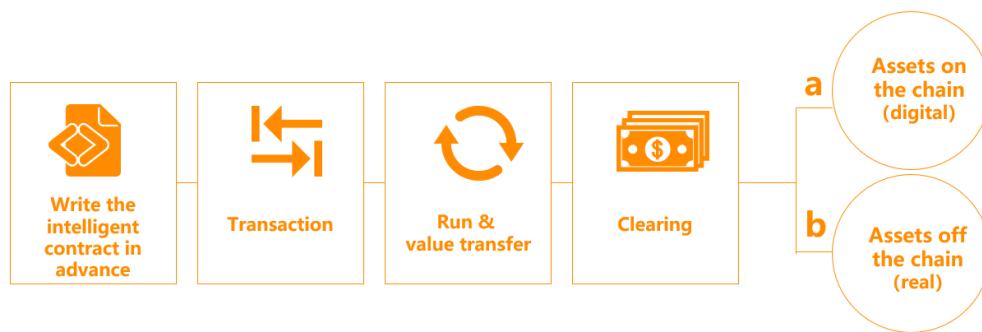
Within a blockchain service system, there are innumerable nodes



in the DPOS algorithm, which are generated by decentralized vote among blockchain network nodes, sign the blocks, thus ensuring correctness and unbiasedness. At the same time, the blocks currently being signed have the proof that the previous block was signed by the trusted node. DPOS eliminates the time consumption needed by the transaction confirmation. Among blockchain systems, a mechanism of intermediate accounts will be used to swap assets quickly.

#### **4、 Intelligent contract technology**

The emergence of digital assets makes payment truly be point-to-point, and behind the payment is usually the fulfillment of the contract. Therefore, Ethereum system improves the bitcoin contract and makes the intelligent contract be easily achieved. An intelligent contract is an application or code running on an Ethereum Virtual Machine (EVM). An external transaction request (not necessarily a payment request, a 0 payment command also included) and an event can trigger the contract logic written previously to complete new transactions and events. An intelligent contract can even trigger another intelligent contract.



For each transaction of asset management, in addition to recording on a blockchain basis, an intelligent contract is written in advance and deployed on the Ethereum platform, waiting for the occurrence of the transaction between the two sides and instructions to trigger intelligent contracts. For example, if the user buys a subject of the value-added services, the purchase cycle of the product is 30 days, and the annual income is 15%, time, earnings ratio, etc., all will be written in the intelligent contract. After the purchase, the relevant assets will be sent to the intelligent contract to complete the transfer, and finally into the subject account. When the time expires, the earning intelligent contract will be automatically triggered, the relevant proceeds will be automatically deducted from the subject account, and returned to investors. The transaction record is stored, the payment process ends with the service, and the intelligent contract is automatically executed until the transaction is closed. Some may think this operation can be conducted by the traditional timing procedures, but the practice in

the past is centralized, and the contract is not open to the public.

However, based on the blockchain technology, the intelligent contract of the Ethereum platform or other basic chain platforms is decentralized and the contract code is open to everyone.

To sum up, BitCV asset management chain is an application-oriented product, and we rely on the blockchain technology to construct, expand and enhance the underlying technology. But for the time being, it is a viable approach to use relatively mature technology to land quickly.

## 4.2 Specific Realization Design of BCV Chain

In 2008, Nakamoto released the Bitcoin white paper, which was followed by blockchain technology and the first digital asset Bitcoin. The era of "Blockchain 1.0" is represented by Bitcoin. It uses blockchain distributed ledger technology as a carrier of digital assets to solve the decentralization of money and payment instruments. However, it is very limited in functionality and cannot provide other services except for transfer. other service. With the arrival of Ethereum's intelligent contract technology, the blockchain has entered the 2.0 era. Blockchain as a carrier can help the Turing computer programs run, creating more possibilities for the application of blockchain technology. However, due to the performance limitations, besides running the

transfer of ERC20 tokens, no killer app is born. In 2018, the third-generation public chain technology represented by EOS began to land. The DPOS consensus mechanism solves the problems of Ethereum's performance and costs, and is favored by many professionals in the industry.

Blockchain technology is now in an era of contending, and the birth of the IPFS protocol provides a solution for blockchain application storage and database technology. Projects such as Yilaiyun, which are relatively forward-looking, aim to link global computers together and establish a globally integrated computer system.

Bitcoin's POW consensus mechanism is very sophisticated and secure, but its performance can not meet the high concurrency needs, and caused a lot of waste of power, meanwhile each transfer must be charged for miners' fee. The DPOS consensus mechanism represented by BitShares, although improving the performance of blockchain networks and reducing the handling fees, contains many security risks in the relatively centralized node architecture. Ethereum 2.0 and Zilliqa's sharding mechanism solves the blockchain performance problem to a certain extent, but it increases the complexity of the system.

HashGraph's Ashton theory can generate multiple blocks at the same time, but reduces the efficiency of the system search. R-chain's Namespace solution can help project parties build their blockchain very

easily, but adds uncontrollable human factors to the management of the public chain.

Vitalik Buterin, the founder of Ethereum, proposed a blockchain ternary paradox: in a blockchain system, Scalability, Decentralized and Security, you cannot have three but two at most. Although many project parties have proposed a variety of solutions to improve the performance, security, and decentralization, under the current hardware foundation, it is almost impossible to take care of all at the same time. It is necessary to make the most reasonable design and make appropriate compromises according to the requirements of the application scenarios of the project in order to develop a public chain that can meet the needs of users and truly land.

In order to solve the ternary paradox, BitCV Chain introduces three modules with two-thirds advantages, and uses the dislocation mechanism to make its bottom layers complement each other. In the form of modular modules, it provides users with the public chain that balances scalability, decentralization and security.

#### 4.2.1 Module 1 – Basic Chain

The basic chain serves as the core of the BitCV Chain system, providing users with the most stable and safest services. The basic chain uses distributed block bookkeeping of blockchain technology. Each full

node records all book information and is decentralized. The ledger is transparent and can not be tampered with. The basic chain focuses on "decentralization" and "security", but compromises are made in terms of "scalability". The basic chain also provides support for intelligent contracts, only dealing with the necessary amount of computation and bandwidth. At the same time as the public main chain, the basic chain can access any new node at any time. The consensus mechanism adopted by the basic chain refers to the DPOS consensus of the BitShares and is optimized.

#### 4.2.2 Module 2 – Additional Chain

In order to make up for the lack of scalability of the basic chain, the BitCV chain is designed with additional chain modules. The additional chain is connected to the main chain in the form of a node. According to different business requirements, the company optimizes the design specifically to handle specific business services. Each additional chain is relatively independent, but is connected to the basic chain. The internal of the additional chain is a high-performance and high-concurrency private chain, operated by project parties or independent organizations. The design concept of the additional chain is to make up for the lack of the "scalability" of the basic chain under the premise of guaranteeing certain security, but it will involve the risk of "centralization". The main

network transmission and data processing of independent services should be performed by additional chains as much as possible, and only necessary confirmation hash and data should be submitted to the basic chain for processing and preservation. In addition, the BitCV chain system also supports multi-level additional chains, ie, additional chains can also generate secondary chains by configuring its own additional chain, which gives BitCV chain system a powerful request processing capability.

The BitCV chain also specifically designs an additional chain that communicates with the external network, specifically for the cross-chain transfer and decentralized exchanges. Each cross-chain additional chain will establish a communication pipeline with the external public chain. The pipeline is multi-way high concurrent. Multiple users can initiate requests within the pipeline at the same time, and there is a central buffer pool to solve the problem of speed mismatch between different chains, which gives users the best cross-chain transfer and trading experience.

### 4.2.3 Module 3 – Storage Network

The distributed ledger of the basic chain cannot store too large files. For example, transaction records, historical data and other complicated data streams require special storage space. In order to

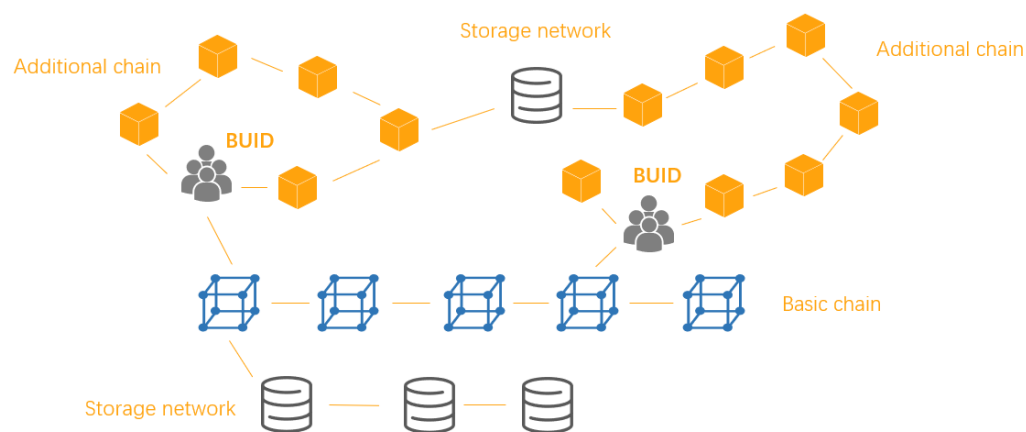
support the rapid storage and query of data, we have introduced the traditional database slicing technology and formed a "scalable" and "decentralized" open storage protocol. Each query and write of the storage network can be jointly participated by multiple nodes. A storage node can be associated with multiple additional chains while providing data storage services for multiple additional chains.

#### 4.2.4 Public User System BUID (Bit User ID)

The traditional blockchain system only has the concept of address and has no user concept. It has certain anonymous attributes. The address of the distributed ledger system can be generated randomly. Each user can have multiple addresses. Although transaction records for all addresses can be transparently queried on the blockchain, it is difficult to associate addresses with users. In addition, each public chain has an independent address system. While helping users to manage assets, if these addresses and related information can be integrated according to users, not only can they better serve users, they can also better conduct credit information and safety monitoring. However, if information is directly bound, it not only loses the anonymity of the blockchain, but also increases the security risks of user information. The BitCV chain user system uses an encryption algorithm to encrypt user information by level. For applications with different security levels, only



when the relevant permission information is obtained can the access be gained, and the user data is all recorded on the blockchain and cannot be tampered with. At the same time, the BUID also serves as a trust certificate between the additional chain and the main chain and the additional chain and between the outer chain and the chain. BUID also supports functions such as guaranteed accounts, custodial accounts and reduces financial operating costs.



### Interactions between modules

When a node applies for adding additional chain authentication to the main network, the node will generate an independent identity BUID, and by issuing an intelligent contract with the basic chain, thus the height of the start block of the additional chain is defined. The communication between the additional chain and the basic chain is completely controlled by this independent BUID. Other accounts cannot operate, ensuring the independence and security of the interaction.

When the user applies for a transaction to the basic chain, the BUID acts as an authentication medium for transfer. The trust mechanism of the additional chain originates from the basic blockchain. During the transaction processing, it is protected by the basic chain and BUID signature. The transaction result and the final decision power are attributed to the basic blockchain.

In addition, for the system's multi-adaptability, the BitCV chain allows the additional chain to formulate its own consensus mechanism and token system, which means that users can easily set up their own token economy systems on the BitCV chain and build their own blockchain.

### **4.3 Reliable and scalable microservices architecture design**

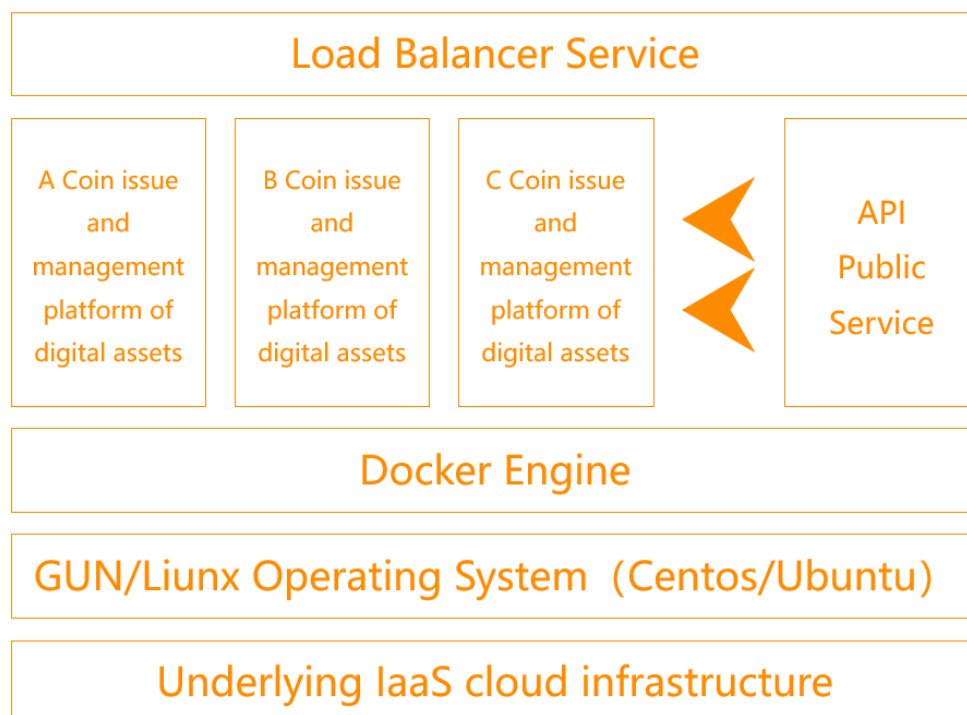
As the digital asset service engine platform at the bottom of the blockchain, SaaS cloud service needs to be provided first. Because every project is intended for global clients and provides multi-end support, it is necessary to ensure that the service is reliable and easy to expand and maintain. The goal of reliability should be 99.99%.

Second, as a digital asset management service platform, a large number of digital asset exchange data of the clients are involved. Although after the clients purchase the digital assets, the corresponding

tokens or the digital assets themselves will be sent into the official crowdfunding wallet, the statistics, as well as the middle storage, are still stored inside the platform, therefore the security, encryption and isolation of the data are strictly required.

In the architecture design, container cloud service is adopted. Each project is implemented according to SaaS and configured with an independent domain name. Independent container services are implemented to separate application data. One project is equipped with one or more containers to support services automatically, according to the requirement of capacity. The front-end uses the load balancer to distribute pressure.

The basic architecture design is as follows:



In a specific container, or public API services, the distributed architecture deployment is adopted according to the needs of the pressure and expansion. As for the specific development and implementation, the first step will be the use of mature Internet infrastructure facilities. For instance, for the Web development, use the scalable LAMP architecture; for the back-end strong pressure in the Web scripts to the database, use the middleware to process and store data efficiently, and finally store the data in the database. Different processing logic will be matched with different mature architectures, such as Redis, Kafaka and so on.

## 4.4 Community Operation Mode

BitCV, as the blockchain asset management underlying service engine, provides tools and underlying infrastructure, and the upper operation is of the community mode. In this mode, BitCV serves as the equivalent of a community contributor to operate and serve the entire ecology, rather than as the crucial decision maker. This will be elaborated as the following two points:

### 4.4.1 Consensual value discovery of the community

Holding BCV means joining the community and gaining unique services and benefits. For example, they can enjoy priority participation

in the opening of the fund and investment and financing. In addition to the technical evaluations of the relevant project evaluations, important decisions are also given to important community nodes to decide together, even the ideal future of the community. BitCV will gradually abolish review, edition and the centralized operation management team. The owners of BCV can vote for the projects that are about to be invested as one of the participation nodes, and the weight of each vote will be measured by the number of BCV and other forms of community prestige. The project will enter the session of professional accreditation once it reaches certain votes, and the last step is to open investment and financing. The centralized accreditation has the disadvantages of session redundancy, high subjectivity and disqualified reviewers, etc., which fails to meet the need of investors in current market and misses opportunities. The community operation mode avoids these drawbacks.

#### 4.4.2 Point-to-point professional tools and services

The architecture of BitCV contains three sessions, the underlying infrastructure, the application tools platform and the professional asset management services. Of the three sessions, the underlying infrastructure and the application tools platform such as wallets are developed by the BitCV team to perform and design rules in the blockchain, however, the asset management tools will be open for the

third party to provide. Tools themselves can't go without professional services. The professional services are open for the community members to participate in. The platform, which provides tools to help the services, allows the members who need asset management services and the professionals to communicate directly. One of the crucial links, besides the tools, is the judgment of professional level. The judgment is based on two sides: one is the previous performance and achievements, and the other is the vote and recognition of the professionals who have been judged and recognized. In this way, the frauds in the process of services will be detected. Throughout the entire process, for individuals, holding BCV is the basis for enjoying the service. When the fee is paid, users can enjoy different service preferences based on the amount of BCV held. The project party can also enjoy customized services on tools and services, free or discounted, based on the status of BCV held.

## 4.5 Specific landing and realization of the product

Since the release of the 1.0 version of the white paper, BitCV has been able to quickly land on the market according to the market need and has developed a number of products and tools. BitCV has accumulated a considerable amount of experience in the application of products, and explored a clear path for development. Here are some representative tools and products selected to introduce.

### 4.5.1 Yubi Bao

It is a product that provides users with currency management services. Users can deposit relevant currencies and obtain interest income. At present, the amount of investment in the BCV Yubi Bao project exceeds 20 million BCV. This product also makes it more convenient for the project party to stimulate communities and provide lock-in positions. Besides, it can be used for more currency investments.



### 4.5.2 Daifa Bao

Daifabao is a service tool that helps users to transfer assets to

multiple addresses in one click. It also supports Excel spreadsheet reading function, which greatly simplifies the process in mass transfer. Since it was put online in March 2018, a total of assets worth more than 4000ETH have been sent.

[首页](#)  
[代发账户](#)  
[发放记录](#)

①

上传
 

②

确认
 

③

发放

上传成功

#	地址	数量	状态
3	0x86cc17083043df9f52792a70bb0ba839c60ffc4	1	上传成功
4	0x27be39d0e80e21afe5ff10efce03ef627c0d591	1	上传成功
5	0xe7752b027dec190c3754da9aa4088e416ce197e4	1	上传成功
6	0xb18428cd392cc03516ce8f9b0b5102488476000f	1	上传成功
7	0xca7b7cefb6914630583278e2d9b5010aa8381e97	1	上传成功
8	0x98b715cf8b2e0eaa7b9d4dc037277dc9b2a0048	1	上传成功
9	0xcfeeb5339f1a7b0b053c3a2cf3189d621e1ec353	1	上传成功

总数量

38枚
 

总地址

10条
 

错误数据

0条
 

确认

### 4.5.3 BCV Index

The BCV 30 index and the BCV 150 index use an objective and scientific method to select on the mainstream exchanges the digital currency with the highest listing value and the best liquidity after eliminating the stable currency. The calculation method of the market-capitalized weighted index is used to display the change of the transactional





digital currency in the overall market value. When calculating, no component currency weight is artificially specified, which ensures it truly reflects the overall picture of the digital currency market.

In addition, wind vanes and programmatic trading systems have also been developed.

#### 4.5.4 BCV Sugar Packet

It is a red packet application of virtual assets. Users can send red packets of virtual assets to friends and communities. Users can receive the red packets without addresses. Since the release, it has been highly evaluated by users and project parties and has received customized invitations from many project parties. Sugar packets can support multiple social communication scenarios such as Telegram, QQ, WeChat, and even Weibo.



#### 4.5.5 BCV Wallet

BCV Wallet Version 2.0 includes: Support for ETH and more than 30 ERC20 Tokens; support for BTC and DOGE, which makes it become a

true cross-chain wallet; support for behavioral mining economic system (Spinach Manor); built-in World Cup events, coinage, etc.; support for data analysis of indices, wind vanes, etc.; support the mobilization of embedded sugar packets. The first and foremost pursuit of BCV Wallet is to make it safe and easy to use. The technology is guaranteed to be safe, and the experience is guaranteed to be convenient. The combination of hot and cold wallets reduces the threshold for digital asset storage for new users, and also ensures digital asset security for users. BCV Wallet is the world's first digital asset wallet that allows users to participate in behavioral mining and enjoy benefits. Through the blockchain, through the token, a win-win mechanism is designed to be applied in the product, and all users will be transformed from passive users to producers and share profits together.



## Chapter 5: BitCV Foundation' s Governance Framework

### 5.1 BitCV Foundation' s establishment

The BitCV Foundation (hereinafter referred to as the Foundation) is a BVI company established overseas based on the international position and influence of BitCV asset management chain. The Foundation is committed to the development, improvement and construction of the system platform of BitCV asset management chain, advocating transparent governance and the DAO model management, making the Foundation truly belong to the participants and enthusiasts of digital asset management and value chain, and promoting the safety and harmonious development of the open source ecological society.

### 5.2 BitCV Foundation' s Governance Framework

The BitCV Foundation' s governance framework includes operational processes and rules that govern everyday work and special circumstances. BitCV praises highly the naturally decentralized DAO governance model and believes that all BitCV project participants are members and natural personnel of the BitCV Foundation, who share the developmental value of BitCV and the joint decision-making power. BitCV's major issues are settled by the vote of all members, and participants can organize at any

time followers to propose the development and decision-making issues.

The first decision-making committee of BitCV Asset Management Chain Foundation is composed of 5 core founding members with a term of 4 years. The core founding members have extensive industry experience in the areas of blockchain, technology, finance and media. After the expiration of the term, 50 community representatives will be elected by the community according to the holding share and age of the BitCV chain digital assets, from whom 5 members of the decision-making committee will be elected eventually.

## **5.3 BitCV Foundation' s transaction security and audit**

### **5.3.1 BitCV' s transaction security**

BitCV asset management chain uses the technologies of the blockchain consensus and intelligent contracts and measures like digital signatures and user-end encryption wallet to ensure the security of the user' s account and fund;

BitCV asset management chain provides efficient integration of data storage, network and platform resources on the financial level of security, and integrate data, applications and transactions into the blockchain cloud to build a secure transaction network environment. Also BitCV works with the most trusted trading platform and technical experts to secure transaction.

### 5.3.2 Audit

The Investment Committee of the BitCV Asset Management Chain Foundation will maintain a high standard of high-integrity and ethical business practices, and comply with the relevant laws and regulations and industry self-discipline principle;

Each year, BitCV asset management chain will invite internationally renowned third-party auditors to audit and evaluate the use of capital, cost and profit distribution regularly.

BitCV asset management chain will release without reservation the results of assessment and audits from the third-party institution.

## Chapter 6: Introduction of the Team and Investors

### 6.1 Core members

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**Wu Xing**

**Co-founder**

Member of Global Entrepreneur Leadership Program of Tsinghua University PBC School of Finance; graduated from Beijing Technology and Business University in 2004; core member of the sixth self-organizing board team of Hejun Business School; Member of the foundation team of Happy Net; advanced full stack architect. He founded UCAI, a domestic IT vocational education brand, and got many rounds of financing. He once managed the design and performance optimization of hundreds of millions of UV in Happy Net, and achieved more than 99.99% reliability services. Duties: Leading technology and the overall strategic planning of the foundation project.

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**Xiong Jiagui****Co-founder**

Graduated from Tsinghua University; senior R & D engineer in Sina; python group leader in iAsk; chief architect in Happy Net. He is proficient in Linux, Unix infrastructure research and development, and provide independently storage, communications and other middleware services. He once managed the design of millions of concurrent online instant messaging system in Happy Net. Duties: Leading the design of the underlying protocol of the digital asset management chain and highly reliable underlying platform.

**Liu Zhihua****Co-founder**

Full stack architect, Beijing Technology and Business University Department of Computer Science graduated in 2004, once worked in Halliburton, serving CNPC, Sinopec and other giant oil service information system development, is an early Kaixin technical team members, has been responsible for sales operations support Management technical work. In 2013, he worked as a technology leader in developing a digital campus at Renmin University of China. In 2014, he joined the talent CTO. Proficient in Internet



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product architecture design, good before and after the end of a variety of technology development and management.

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**Wen Ling**

**Co-founder**

Received Master's degree in Investment Management at Peking University; assistant of Apple's Angel investor Mr. Li Zongnan in China; the China market leader of United States Shan Kwong Capital; former market director assistant of Sinovation Ventures; co-founder of Internet K12 online education. She is now the founder of PPTEAM Project, which provide magic performance technology service for the first-class Internet startups and first-class investment agencies senior executives, and cooperation companies include Tencent, Toutiao, the State Grid Cooperation of China and so on.

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**Ruan Ying**

**Co-founder**

Graduated from Nankai University and received the Bachelor's degree, then studied as a member of the 33th Exed of Chinese business managers of Guanghua School of Management in Peking University. She was a member of the founding team for Renren Games, and the earliest web game

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pathfinder as well as the pioneer of the overseas operation mode. Later she joined the Happy Net and became a member of the management team, responsible for the overall products and operations.

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**Duan Sicheng**

**Quantification and  
Risk Control  
Director**

Hong Kong resident; a computer science professional by training; received the Master's degree in the United States; former full-stack engineer of Chicago Futures Exchange, who once participated in the research and development of core products such as Globex, SpanMargin, and FedWatch. He has a deep understanding of futures and options trading, and maintains positive returns in the market for a long time. Responsible for quantification, risk control and market value management at BCV currently.



**Zhang Yingying**

**Sales and CR  
Director**

In 2007, she got the first big order worth a million yuan in a renown Internet communication service company, ranked among the Topsales many times, and then led the team to create sales with annual revenue of 10 million yuan. In 2013, she was in charge of the market of universities across

the country and the government in a global leading foreign financial big data company. In 2017, she founded Sharespace, and established partnership with companies such as Didi, Sootoo.com, the well-known artificial intelligence company Haizhi Tech, and subordinate enterprises of the Propaganda Department of the Central Committee of the CPC.

**Zhao Yanhe**

**Business  
Development  
Director**

Once served as a business manager at TOPRAND, clients including Huawei, Kingkey Real Estate, Hong Kong Arran Group, Yang Meihong Education Group, and Hongdian Stock. In 2014, he joined YoucaiChuangzhi as BD & Marketing Director responsible for marketing, business, and branding. He frequently participates in the technical community and has founded and managed several full-stack and open source technical communities. Responsible for the market and community management at BCV currently.

## 6.2 Project consultants

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**Feng Xin**

Founder of Carbon 9 Accelerator



**Qiao Shuai**

Partner of Qingke Chenguang

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**Zhu Bo**

Founder of Inno Valley Foundation



**Liu Jiang**

Co-founder of Sparkling Star  
Capital

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**Wu Shu**

Angel investor



**Huang Tianwei**

Founder of Bit Time

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**Jiang En**

Chairman of Gougoucoin



**Chen Caigen**

Partner of Weiyou Capital

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**Xu Jizhe**

Co-founder of Smartweb Elastos,  
expert in blockchain



**Li Yuechun**

Founder & CEO of Kongyi  
College



**Cheng Binghao**

CEO of Happy Net, investor



**Luo Fei**

Domestic expert in AI research  
and development



**Xu Xinquan**

President of LeTV in Russia and  
Eastern Europe



**Wang Chaowei**

Founder of Weiling Wealth

## 6.3 Institutions

# GENESIS

创世资本

Genesis Capital



Sparkling Star Capital



Carbon 9 Accelerator



Guanghe Capital



Block Dream Fund

## Chapter 7: The Issue and Use of Token

### 7.1 Description of BitCV token(BCV)

BitCapitalVendor token, or BCV, is a native encrypted digital token officially released by the BitCV Foundation, which is generated based on ERC20 according to intelligent contracts at Ethereum and used for settlement, trading, and intelligent contract fulfillment.

A total of one billion BCVs will be issued and created by BitCV at one time. The total cap is set and can not be changed. BCVs are distributed to different holders according to certain rules and proportions. A certain percentage of BCVs will be raised from the suitable groups and used for the construction of the infrastructure of the blockchain, the research and development of product modules, the application of ecology layout, the overall operation and maintenance of the Foundation, etc.

The holders of BCV can vote to select the booker, and can also participate in the decision of the foundation and the BCV asset management chain platform and other related major issues.

### 7.2 BitCV token (BCV) distribution plan

Percentage	Quantity	Plan	Remarks
25%	300 million	Directional fund distribution	For the foundation operations, including development, marketing, operations and other costs.
20%	240 million	Team motivation	Teams that make effort and contributions in the development process. Tokens will be locked within four years and can not be circulated in one year. It will then be released at a monthly rate of 3% for 33 months after one year.
20%	240 million	Asset management ecological construction	The construction of the digital asset management platform requires a large number of partners and the integration of upstream and downstream ecological resources to provide better services.
30%	360 million	Foundation	The 30% for the Foundation is divided into 3 parts, 10% for the follow-up foundation development fundraising, 10% for the consumption of BCV Chain and miners incentives, and 10% for the incentive and behavior mining of wallet core economic system
5%	0.6 亿	Consultants, outside brainpower and resource team	The construction of the digital asset management platform requires the support of external technical experts, industry experts and consultants.

### 7.3 BitCV Token issue plan

The issue of BCVs will be strictly in accordance with the laws and regulations around the world and group-oriented in the appropriate way. The total number of BCVs issued is 1.2 billion, currently 720 million locked for intelligent contract (240 million for the team, 360 million for the foundation and 120 million for the asset management ecological construction).



## 7.4 BitCV's economic system model

BCV is mainly used in the following three main application scenarios to increase the circulation of BCV throughout the system.

1. BCV is used to pay for various services in the digital asset management and service process, including the cost of the system, consulting services, as well as debiting the point-to-point labor. Rapid payment and transaction exchange within the platform are achieved.

2. BCV is used for internal economic system incentives for wallets, to motivate users to be active and motivate users to hold BCVs, thereby gaining more privilege and asset income.

3. For digital asset management chains, BCV is used for incentives and related transaction consumption for chain operations.

BitCV will expand areas of application, increase the richness and variety of the operation and use of self-operating communities in BCV economic system, so that users can repurchase the BCV tokens in the exchanges and ensure the long-term, steady growth of BCV's market capitalization, eventually benefiting BCV holders.

### 7.41 An allocation algorithm for behavior mining

1. 120 million Bcvs used for behavior mining are released over a 30-year period with a logarithmic normal distribution.

2. The daily amount of BCV released is related to the number of active

users, and if the number of active is lower than expected, the number of BCVS planned for the day increases accordingly. The increased paying upfront part is equivalent to the portions of BCV that should be released in the future, thus reducing the number of BCV payments in the future.

3. The BCV release plan remains unchanged when the actives for the day meet expectations.

4. The calculation procedures of Daily BCV release amount.

1) Determine the parameters of the normal distribution:

- the Average  $\mu$  and the standard deviation  $\sigma$ . The average recommendation range is between 5.5 and 7, the larger the average, the more the vertex of the distribution curve (the highest value) moves backwards, and the vertex is shorter. Standard deviation of the proposed range is 1 to 1.8, for 2.2 times of the average, the smaller the standard deviation, the more symmetrical the distribution curve, the more concentrated in the middle of the release volume, otherwise concentrated in the front.
- The cumulative distribution function of the normal distribution  $N(\mu, \sigma)$  is set to  $\Phi(x)$ .
- We have  $\mu=5.78652376136808$ ,  $\sigma=1.18151916006996$ .

2) Identify the variable

- The date is defined as  $d$ , such as the 100th day, then  $d=100$ .

- The ratio of actual active number of the day and the expected active number is defined as K, if K is less than 1 means not up to expectations, the day's release amount will increase. Artificially increase the amount of the day by changing the K value to less than 1.
- Distribution parameters  $S_d$  is calculated from the first day, the zero day is defined as  $S_0=1$ , the 1st Day

$$S_d = S_{d-1} + \frac{w \times e^{\max(1-k,0)}}{7}$$

- w is the control parameter 0.9, the reference interval is 1, the curve is smoother when w is smaller.

### 3) Calculate the release quantity for D-day

- Assume that the K value for the next day is 1 (meets expectation)
- Calculates the s from the zero day to the 7300th Day (20 years)
- Release amount:

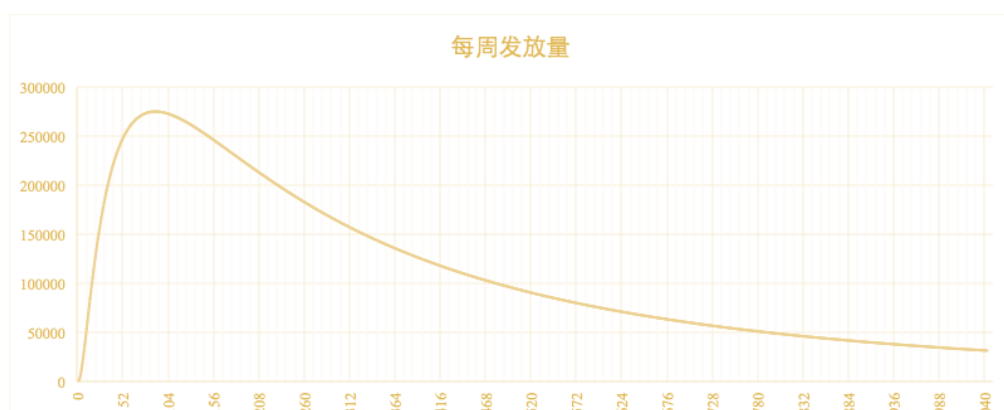
$$V(d) = 1.2 \times 10^7 \times \frac{\Phi(\ln(S_d)) - \Phi(\ln(S_{d-1}))}{\Phi(\ln(S_{7300})) - \Phi(\ln(S_0))}$$

- At the time of calculation, the  $\Phi(\ln(S_d))$  precision requirement is 16 digits after the decimal point, and V(d) is rounded to 4 digits after the decimal point.
- K will affect  $\Phi(\ln(S_d))$  and  $\Phi(\ln(S_{7300}))$  when it

changes, , the smaller the  $k$  , the larger the  $\Phi(\ln(S_d) \cdot f_0)$ , and the smaller the change of  $\Phi(\ln(S_{7300}) \cdot f_0)$ , which increases the release amount of the day.

4) There are three parameters that can be adjusted in the calculation model, respectively is the average  $u$ , the standard deviation  $\sigma$ , and the control parameter  $w$ , these three parameters control the shape distribution of the release map, the parameters can be adjust according to the requirements, such as the daily limit, the first days to reach the maximum value, the first three years' release amount.

When  $u=5.78652376136808$ ,  $\sigma=1.18151916006996$ ,  $w=0.9$ , the daily limit is 2.4 times of the average, it will reach maximum in the 89th week, the first three years' release amount accounts for 29.43% of the total, as following figure.



## Mark-up Coefficient of Contribution Value

- 1) When the user holds BCV, the daily Contribution Value is added with a mark-up
- 2) Coefficient calculation: The number of BCVs the user holds is  $P$ , and when  $p$  is greater than 1, the contribution value is calculated by (There is no mark-up when  $P$  is less than 1):

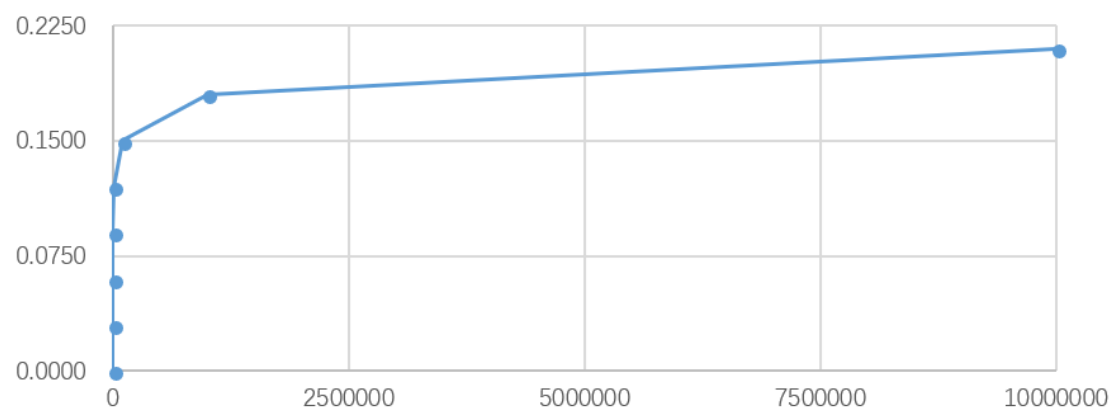
Final Contribution value of a day =

$$\text{contribution value} \times (1 + \log_{4660000} P)$$

- 3) According to the formula above, when the user holds 100000BCV, the Contribution Value is rewarded as 15%. As shown in the following table:

Hold amount	1	10	100	1000	10000	100000	1000000	10000000
Mark-up Coefficient	0.0000	0.0300	0.0600	0.0900	0.1200	0.1500	0.1800	0.2099

### Mark-up Coefficient



## Chapter 8: Project Milestones and Roadmap

Mid-Jan. 2018:	Angel Investment starts
Late Jan. 2018:	The issue and exchange of BCV starts
Early Feb. 2018:	The operation of project presentation platform and Yubibao starts
Early Mar. 2018:	BCV enters the exchange; the financing platform starts the test run
Late Mar. 2018:	The development of the core wallets starts
Mid-May. 2018:	Wallet version 1.0 is put online; the basic ETH network support is realized
Mid-Jun. 2018:	The cross-chain function is put online. Wallet 2.0 and economic system support
Late Aug. 2018:	Open platform support and localization support
Late Sep. 2018:	The test run of BCV Chain starts; private transplant
Late Dec. 2018:	BCV Chain runs on the main network, open access

## Chapter 9: Legal Affairs and Risk Statement

### 9.1 Legal structure of BitCV asset management chain

BitCV project will set up a BVI company overseas, namely BitCV Foundation. The foundation, as the dependent legal entity, will be solely responsible for organizing the teams to develop, promote and operate the projects of BitCV asset management, and be liable for all the responsibilities.

BitCV Asset Management Chain Foundation will target specific groups to raise money and distribute BCVs, in accordance with the local laws and regulations. Due to the restriction of law and communities, BCV token will not conduct crowdfunding or public raising in some countries. BCV token, as a virtual commodity and token of practical uses, is not a security nor a speculative investment vehicle.

The revenue that BitCV Asset Management Chain Foundation receives in the sales of BCV tokens will be mainly used for daily operations, such as R & D, marketing, community building, financial audit and business cooperation, etc.

The BitCV asset management chain is still likely to be inquired and regulated by authorities in different countries throughout the world. In order to meet and comply with the local laws and regulations, the BitCV

asset management chain platform may not be able to provide proper services in some areas.

## 9.2 Risk statement

- **Policy risk**

At present, the regulatory policies for blockchain projects and swap financing in China are still unclear. There is a certain possibility of loss for participants due to the policy reasons. In the case of market risk, if the overall value of the digital asset market is overestimated, then the risk of investment will increase, and participants may expect the growth of swap projects to be rapid, when these expectations may not be realized.

- **Regulatory risk**

Digital asset transactions, including BCV, are highly unstable. Due to the lack of strong regulation in the field of digital asset transactions, there is a risk that electricity tokens may soar and slump in prices and be subject to banker manipulation. Individual participants, if lacking of experience when entering the market, may not be able to withstand the asset shock and psychological pressure caused by the market instability. Although academics and official media have occasionally warned the danger of participation, there are still no regulatory methods and provisions; therefore, such a risk



is hard to avoid. It is undeniable that in the foreseeable future, there will be regulations promulgated to regulate the area of the blockchain and digital tokens. If the regulatory body supervises this area, the tokens purchased during the swap may be affected, including but not limited to fluctuations or restrictions in price and marketability.

- **Team risk**

The fact that there exist numerous blockchain technology teams and projects makes the competition intense, therefore the pressure from market competition and project operation is very strong. Whether the BitCV program can stand out among many outstanding programs and become widely recognized is not only linked to its own team capabilities and vision planning, but also influenced by many competitors in the market, such as the possibility of vicious competition. BCV, based on the contacts accumulated by founders' years of experience, brings together a team of people who are both dynamic and capable, attracting experienced practitioners in the financial media and the blockchain industry as well as experienced technical developers. The stability and cohesion within the team are crucial to the overall development of the BCV.

In the future, it is not excluded that core personnel will leave and clashes occur within the team, which will have a negative impact on the BCV.

- **Comprehensive arrangement risk**

The BCV founding team will spare no efforts to achieve the development goals set forth in the white paper and extend the space for project growth, and currently the BCV team has accumulated enough business and background resources. However, given the unforeseen factors in the industry as a whole, the current business model and the overall planning approach may not perfectly match the market needs, which could make the profits unsatisfactory. In the meantime, since this white paper may be adjusted as the details of the project are updated, if the updated details of the project are not promptly available to the swap participants, or the public is not aware of the latest progress of the project, the information asymmetry may lead to the inadequate awareness of the project from the participants or the public, thus affecting the follow-up project development.

- **Technical risk**

First of all, this project is based on the blockchain and computer R & D technology, and the rapid development of technology is bound to bring about the potential risk of cracking. solutions.

Second, technologies such as blockchain, distributed ledger, decentralization and disagreement with tampering are the root of the core projects, and the BCV team can not fully guarantee the implementation of the technology. Third, during the update and adjustment process, vulnerabilities may be discovered and can be remedied by releasing the patch, but the damage caused by the vulnerabilities can not be predicted.

- **Security risk**

In terms of security, the amount of money in individual supporters is small, but the total number is large, which also places high demands on the project security. Electronic tokens are anonymous and difficult to trace, which can be easily used by criminals, or hacked by hackers, or may involve illegal assets. As the blockchain technology and the whole industry develop, BCV may face some unforeseen risks. Before the participants decides to participate, it is advisable to investigate the background of the team, learn the overall framework and ideas of the project, adjust your vision reasonably and participate rationally.

## 9.3 Disclaimer

This document is for informational purposes, and is for consultation only. It does not constitute any investment advice, solicitation or

invitation to sell shares or securities in BCV and its related companies. Such invitations must be made in the form of a confidential memorandum, and subject to the relevant securities laws and other laws. The contents of this document may not be construed as compelling to participate in the exchange. No activities relevant to this white paper may be considered as participation in the exchange, including the requirement to obtain a copy of this white paper or to share this white paper with others. Participating in the exchange means that the participants have reached the required age and possess full capacities for civil acts, and the contract with BCV is real and valid. All participants signed the contract willingly and have a clear and necessary understanding of the BCV prior to signing the contract.

The BCV team will continue to make reasonable efforts to ensure that the information in this white paper is true and accurate. During the development process, the platform may update information, including but not limited to platform mechanisms, tokens and their mechanisms, and the distribution of tokens. Parts of the document may be adjusted in the new white paper as the project progresses, and the team will release the updates by posting announcements or a new white paper on the website. Please make sure to get the latest white papers, and make timely adjustments to your decisions based on the updates. The BCV team should make it clear that we will not be responsible for:

- (i) Relying on the contents of this document;
- (ii) The inaccurate information in this document;
- (iii) Any loss caused by the activities related to this document.

The team will spare no efforts to achieve the goals mentioned in the document, but due to the existence of force majeure, the team can not guarantee to fully fulfill its commitment.

BCV is an important tool for the platform to take effectiveness, not an investment product. Possession of BCV does not represent ownership, control, or decision-making rights granted to its owner for the BCV platform. BCV as a digitally encrypted certificate does not fall into one of the following categories:

- (a) Any kind of currency;
- (b) Security;
- (c) Equity in the legal entity;
- (d) Stocks, bonds, notes, warrants, certificates or other instruments that confer any right.

The appreciation of BCV depends on the laws of the market and the application requirements after landing. It may not have any value. The team does not promise its appreciation and assumes no responsibility for the consequences caused by the increase or decrease in value.

Within the maximum scope permitted by the applicable law, the team is not liable for damages and risks arising from participating in the swap,

including but not limited to direct or indirect personal damage, loss of business profits, loss of business information or any other economic losses. The BCV platform complies with any regulatory regulations that are conducive to the healthy development of the swap industry and the self-discipline of the industry. Participants' participation means they fully accept and comply with such inspections. At the same time, the information disclosed by participants which is used to complete this kind of inspection must be complete and accurate. The BCV platform has clearly conveyed to participants the possible risks. The very participation of the participants confirms that they understand and accept the details of the term, accept the potential risks of this platform, and bear the consequences on their own.