



**LinkCoin**  
*White Paper*  
*Internal Use Only*

**DRAFT**

March 2018

# Catalogue

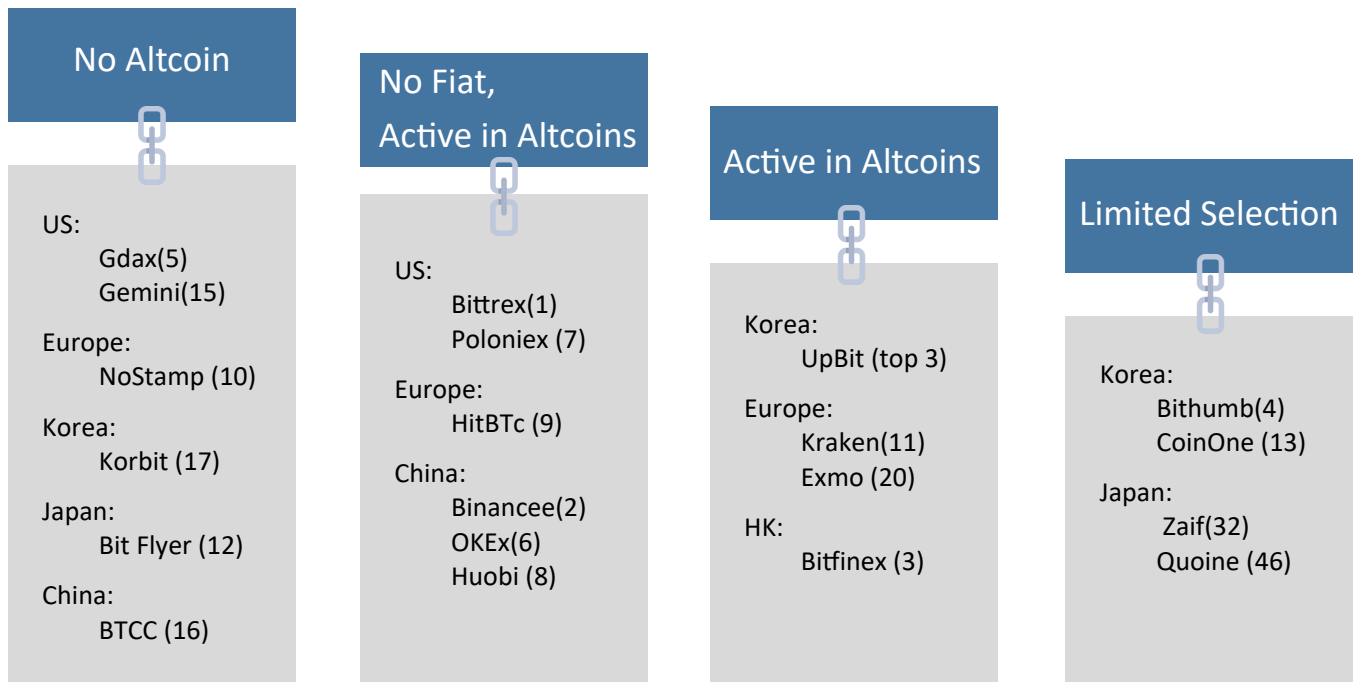
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# 1. Market Overview

With the growth of blockchain technology, the demands to buy cryptocurrency are increasing, as is the popularity of the over-the-counter (OTC) market. With its ever-changing and diversified business model, OTC is innovating the current trading system. It provides traders another entry point into the cryptosphere, and is an essential component of cryptocurrency investing.

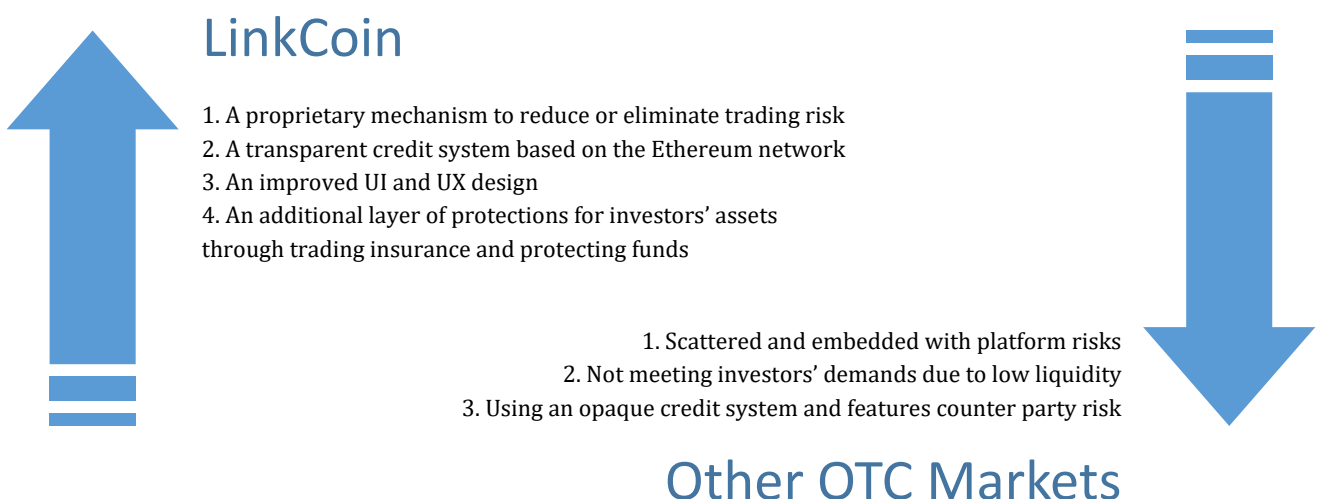
Numerous international governments are cautious about the Crypto-to-Fiat trading on the exchanges. Most of the exchanges with Crypto-to-Fiat function are located in South Korea and Japan. In United States of America (US) and Europe, the license is very restricted. Therefore, there is a limit to orders placed. The New York-based company Coinbase, for example, set a buy limit of \$7,500 per week to transfer into the exchange. In addition, the transfer takes 1 week to process. Investors often miss the best investment opportunities due to this long processing time.

According to the features of Crypto-to-Fiat and altcoin trading, we divide exchanges into four (4) quadrants:



The scarcity of the Crypto-to-Fiat trading causes eFiat (a cryptocurrency with value tied to Fiat) to enter the scene. The most popular eFiat is Tether (USDT). USDT is still actively traded with a daily volume of almost \$2 billion, just behind Bitcoin and Ethereum, even though it is potentially under collateralized. This demonstrates that the Crypto-to-Fiat entrance is in demand, and underutilized, by investors.

Even though many OTC markets were created due to this trend, the market is scattered. Many feature bad user interface (UI) and user experience (UX) design, and are creating a lack of liquidity. Counterparty risk is an element of OTC trading, and poor designs are making it hard to monetize transactions. To solve these problems, LinkCoin has designed a mechanism based on the Ethereum network to reduce the trading risk, and add another protective layer for the investors' assets. This is done by trading insurance and protecting funds. LinkCoin aims to be go-to OTC market by improving UI and UX, and introducing risk-reducing security technology.



## 2. Features of LinkCoin

— — The trading procedure to ensure asset safety

Current OTC platforms are embedded with counterparty risk. An example of this is a buyer claiming to have sent the money while they have not. The opposite is also true, some sellers do not send the cryptocurrency to the buyer even when the money has been received. LinkCoin was designed to ensure that this does not happen. LinkCoin locks the cryptocurrency for sale until the transaction is complete. The buyer can upload the digital proof (with sensitive information masked). Our proprietary AI image recognition technology is used to verify. In the case that the seller fails to deliver the cryptocurrency/altcoins in time, we will compensate buyer with the LinkCoin protection fund that is in place. This ensures no counterparty risk for either side, as both parties will always be compensated. Please see below for an example transaction:



## Seller

1. LinkCoin checks if the seller has enough cryptocurrency
2. LinkCoin freezes the cryptocurrency for sale



## Buyer

1. Submits a digital payment proof after clicking the BUY button
2. LinkCoin notifies the seller by SMS and LinkCoin messenger

**If** Seller verifies that they received the payment, the cryptocurrency will be deposited into buyer's account.

**If** Seller refutes the payment, the case enters the appealing process.

Yes

Transaction

No

**Seller** does not response in 48 hours, system will compensate the buyer with equivalent value of LinkCoin from the protection fund if the digital proof of payment is approved. Buyer has no loss in this case.

In this case, the seller will be prohibited from trading or withdrawing until they respond to the payment.

## Credit system based on Ethereum

Credit is the footstone of the OTC market. LinkCoin stores the trading information (excluded sensitive information) on the Ethereum network, instead of a centralized server. Therefore, the credit information will not be tampered by the platform, and provide users the most transparent market information.



Trades would be written in ETH network, that **could never be manipulated**



LinkCoin

When the platform need to know a transaction, it will directly read from ETH network, So that **LinkCoin only store insensitive info** to determine the credibility of the trading counterparties.

Open API with API Key

# The First OTC Platform for Altcoins

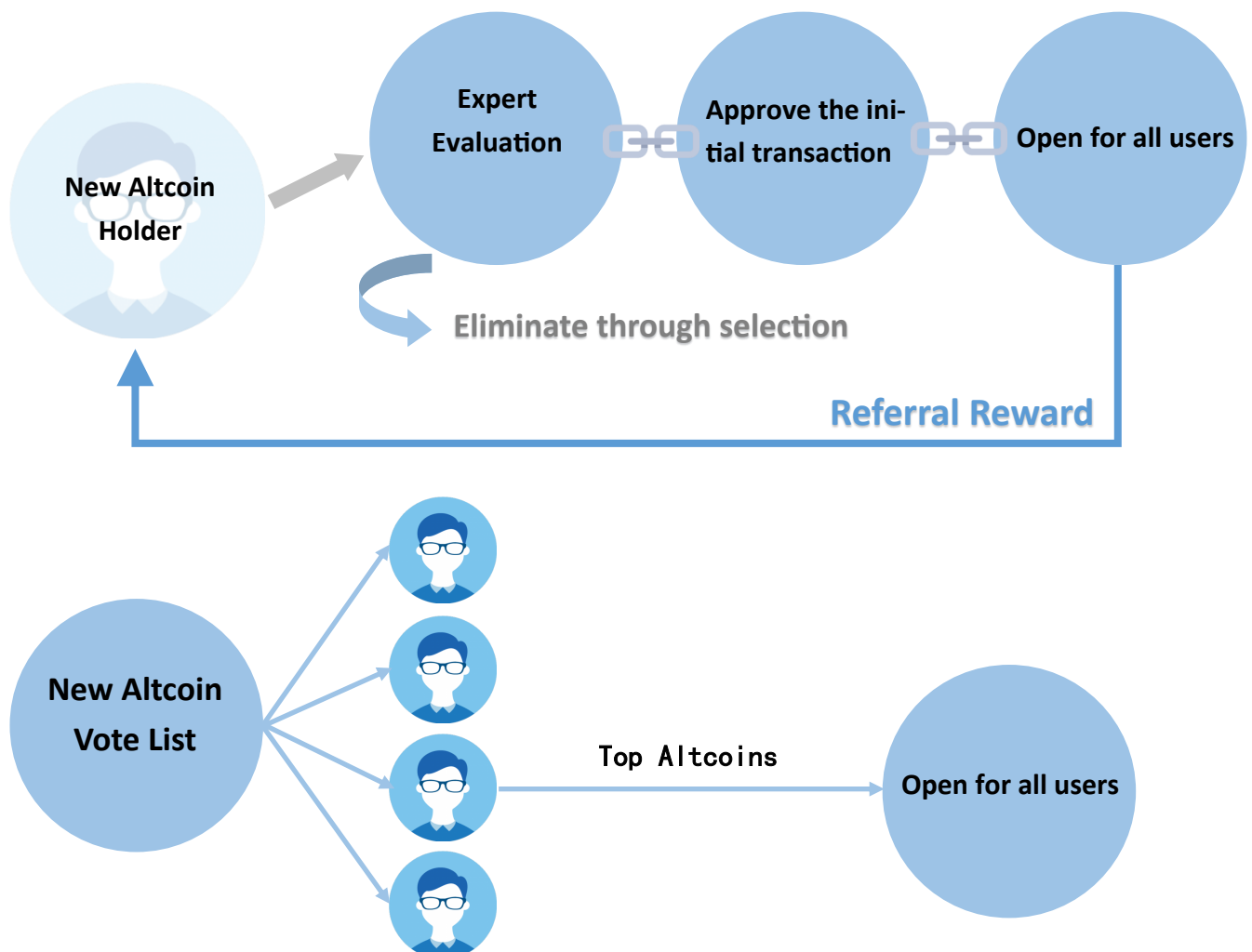
Currently, OTC platforms only provide trading on mainstream cryptocurrencies, such as Bitcoin (BTC)/ Ethereum (ETH)/ Bitcoin Cash (BCH)/ Litecoin (LTC). LinkCoin will provide more selections for users, adding ERC 20 tokens and forked cryptocurrencies gradually.

Altcoins often suffers from low liquidity on exchanges, though OTC users can bulk buy or sell, which can lock the price for trading.

There would be two ways of applying new Altcoin.

A) Applied by Altcoin holder. LinkCoin expert will evaluate the new coin, and approve the initial transaction if passed the examination. LinkCoin would reward the applicant and open the trade to all user.

B) LinkCoin will release a list of Altcoin each month, all users can vote for their favorite choice, the top Altcoins would automatically join the platform.



## LinkCoin Credit Information

### LinkCoin credit information includes:

1. Status of Level 1 identity verification
2. Status of Level 2 identity verification
3. Association of account with SMS and email address
4. Total number of trades
5. Number of trades in the past 30 days
6. Total number of appeals /number of wins when buying/  
number of losses when buying/ number of wins when selling/  
number of losses when selling
7. Total number of appeals /number of wins when buying/  
number of losses when buying/ number of wins when selling/  
number of losses when selling in the past 30 days
8. Average response time as seller

### Not include:

1. The details of identity verification
2. Personal email and phone number
3. Trade amounts

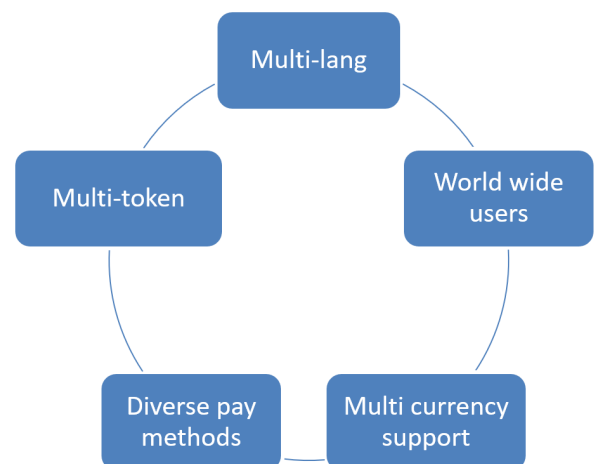
## International Support

LinkCoin serves users from all over the world, and provides multiple languages and various preferred payment methods.

US: PayPal, chase quick pay, Venmo, BOA inter-bank transfer, Amazon gift card

China: Alipay, Wechat Pay, Bank Wire.

EU: PayPal, OKPay, PerfectMoney, Neteller and other e-wallets and prepaid cards



## Sharing Account with Bibox

As the strategic partner with top tier exchange, Bibox.com, LinkCoin shares user accounts with Bibox. Users can login into the two platforms through the same account.



## Trading Insurance and Protect Fund

Users can buy trading insurance from the LinkCoin platform with LCT. LinkCoin contributes a percentage of its seasonal profit to the protect fund, which is used to compensate users when the counterparty fails to complete the trade. The process is detailed in section 2.1.

## 3. Project background

### ——The Technology Infrastructure and Advantages

LinkCoin was formed in November 2017, by a group of veteran Bitcoin traders and financial quantitative analysts from with traditional financial firm backgrounds. The founding team brings together their experience from the stock exchange, investment banking, and brokerage firms aiming to provide an intelligent, and liquid, trading platform with the highest level of safety and convenience. LinkCoin strictly follows KYC procedures and utilizes a fair credit rating system. It has more than 30,000 registered users with daily traffic of almost 10,000 user views.

# The Technology Infrastructure and Advantages



01

SAFETY



LinkCoin uses the most advanced micro-service system structure and multi signature technology to ensure safety. The private key is stored in cold storage with multiple copies in several locations.



02

LIQUIDITY



LinkCoin has already accumulated 30,000 registered actively trading users. There is trust built in our community, we want to ensure trading is frictionless.



03

FAST  
TRADING



LinkCoin users enjoy increased trading efficiency as the average trading time, including payment and tokens delivery, is only 5 minutes.



04

BEST  
SERVICE



LinkCoin responds quickly during the KYC verification procedure and we continually improve our UI experience.

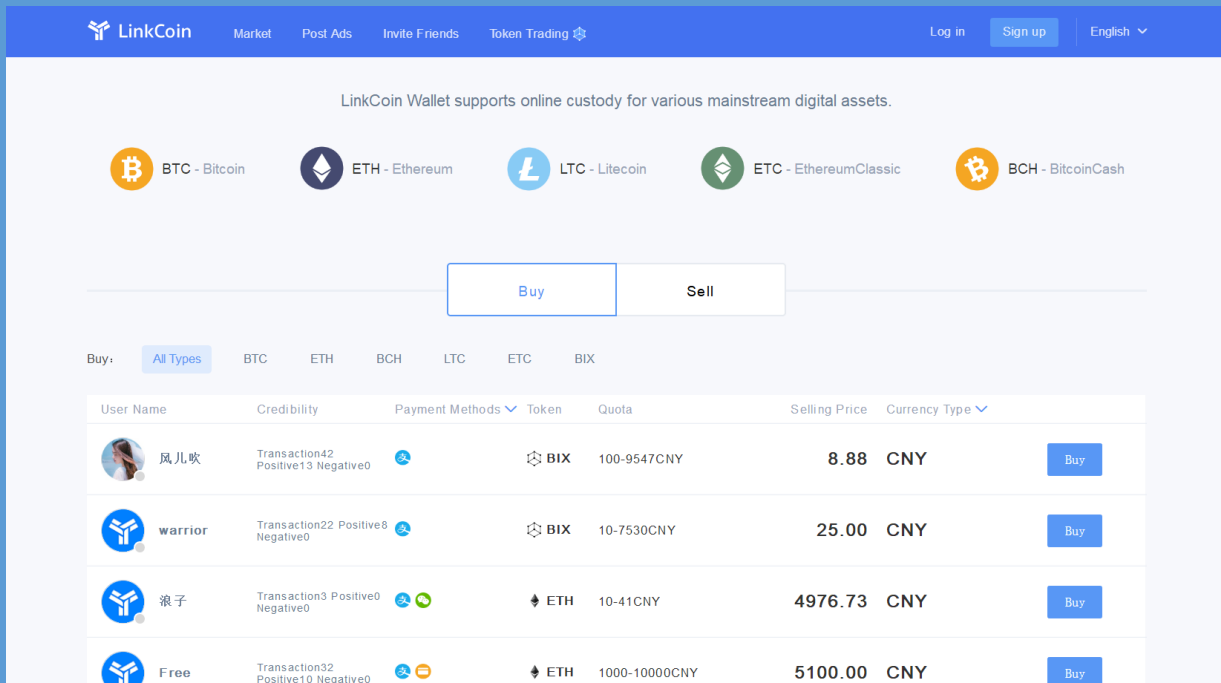


05

MULTI-END



We provide web, iOS, and Android access our platform.



## Multi-end Support,

We provide access to LinkCoin with:

Web  
iOS  
Android



## 4. Financial Forecasting

We estimate that the daily trading volume on LinkCoin will double that of Coinbase once LinkCoin become the go-to OTC platform.

Since the issue of new token need support from exchanges, OTC exchange has natural advantage against centralized platform. For Start-up ICOs, they can't afford the extremely high issuance fee of current exchanges, and will seek for economy class exchanges or OTC platform. Any of the new token LinkCoin support would bring decent amount of users to the platform.

A conservative estimation of potential users number for cryptocurrency OTC exchange is adequate for 30 OTC exchange markets. The user traffic could be guaranteed, and the listing on exchange for new token is another company revenue.

## 5.The Issuance of LCT

### ——The utility value of LCT

LinkCoin issues a platform token, the LinkCoin Token (LCT). The total issued amount is 500 million, without following-on offering. LCT is a utility token based on the ERC 20 standard.

LCT can be used as a transaction fee. First, the amount of LCT required for the transaction fee is calculated based on market value. The amount is then multiplied by 50%, (users will get a discount of 50%). LinkCoin will also use 50% of seasonal profit to buy back LCT in circulation to contribute to the protection fund. The buyback is recorded on the blockchain network, and the information is available through a blockchain scanner. Among those 1 billion LCT, LinkCoin will buy back 500m and leave 500m in circulation annually.

# The Issuing Policy

**Sales period:** 2018/02/05 ~ 2018/03/31

Hard cap for total supply: 1 billion

**Accepted Cryptocurrency:**

ETH, BTC

**Proportion:**

BTC: 30%, ETH: 70%,

**Price:**

1BTC: 300,000LCT (150 million in subtotal)

1ETH: 25,000LCT (350 million in subtotal) (500 million in total)

**Distribution:**

ICO: 50%

Contributor 5%: early member of community, early contributor, and early investors

Ecosystem building up 20%: to form strategic partnership, incentive fund

Team 25%

**Token Delivery Date:**

2018/04/05

**List on Exchange:**

2018/04/14

## Expense plan

50% of funds raised will be used for development and operation of LinkCoin platform, including payment of team and daily expenses.

40% of funds raised will be used for brand building, promotional activities, and development of marketing materials, to gain market acceptance quickly and to accumulate additional users.

10% will be used for legal and compliance expenses.

# About Our Team

Core team members have at least 4 years of cryptocurrency experience, co-founder of the biggest exchange website, the best experts in this field.



**CEO: Jiakang Liu**

PhD at Wayne State University, Bachelor at Wuhan University. Created CRM big data cleaning system in Jigsaw Inc., start-up in Silicon Valley since 2012, created LinkCoin aiming to be the best altcoin OTC platform.



**CTO: Blues Qin**

Founder of Yesbit, owns a blockchain invest fund and a medium-size mining farm, has 15-year software development and management experience in Nokia and Reuters. Chinese Cryptosphere leader.



**CMO: Arthur Ye**

Bachelor at Wilfrid Laurier University, experienced in public speech, enterprise management and marketing management.

Now joined Linkcoin as chief marketing officer.



**Liangzheng Yin**

Senior PM / Developer



**Tu Zeng**

Director of Blockchain Fund



**Ziming Qin**

Developer



**Zhaoan Lin**

Developer



**Katlynn Sverko**

Business Advisor



**Brock Dishart**

Marketing Designer



# Advisor Team

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Advisor Team has solid understanding of cryptocurrency and investment experiences, rich connections, and constructive technical support.



**David Andrews**

Founder and CEO of Ryatta Group, previous Web Development Director for Four Season Hotel, team leader Citibank Derivatives System interface. Early cryptocurrency investor.



**Rui Dong**

Angel investor, Canadian Blockchain advisor. Experienced in Canadian cryptocurrency mining, and blockchain legality consulting. Canadian Cryptosphere leader and early cryptocurrency investor.



**Aryan Nava**

Founder of Blockchain Mind, President of BlockTorque, which provide both hardware and software solution for cryptocurrency assets. Smart Contract developer.



**Michael Kawzowicz**

Divisional director at Berkshire Hathaway, more than 10 years of experience on Actuarial pricing, valuation, insurance and financial derivatives. Fellowship of Society of Actuaries, bachelor degree of university of Waterloo



**Dawid Kustra**

Advisor at Serenity (SRNT). Co-Founder of CryptoCurrency World Expo. COO at Travill Global Travelers Community.

Previous Managing Director of one of the largest investment banking brokerage house in Poland- IDMSA



**Łukasz Paszkiewicz**

Advisor at Serenity (SRNT). Co-Founder of CryptoCurrency World Expo. Executive Advisor of Travvil Global Travelers Community.

Advisor to the boards: Bullcoin Gold eCharge.work, Serenity Financial,

## 7. Disclaimer

Cautionary Note Regarding Forward-Looking Statements Information set forth in this communication contains forward-looking statements that involve a number of risks and uncertainties. LinkCoin cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Such forward-looking statements include, but are not limited to projections relating to our future financial results, growth, trading volumes, products and services.

### Major Risks

#### ***Operational risk***

Operational risk is the risk of loss or harm resulting from people, inadequate or failed internal processes and systems or from external events. Operational risk is inherent in all our activities, including the practices and controls used to manage other risks. Failure to manage operational risk can result in direct or indirect financial loss, reputational impact, regulatory censure, or failure in the management of other risks such as market risk. LinkCoin's management of operational risk follows our established lines of corporate governance model. LinkCoin consider risk/reward decisions in striking the balance between accepting potential losses versus incurring costs of mitigation, the expression of which is in the form of our operational risk appetite established by the management team.

#### ***Regulatory compliance risk***

Regulatory compliance risk is the risk of potential non-conformance with laws, rules, regulations and prescribed practices in any jurisdiction in which LinkCoin operate. Issues regarding compliance with laws and regulations can arise in a number of areas in LinkCoin, and are often the result of inadequate or failed internal processes, people or business models. Operating in this increasingly complex regulatory environment and intense regulatory enforcement environment, LinkCoin are and have been subject to a variety of legal proceedings, including civil claims and lawsuits, criminal charges, regulatory examinations, investigations, audits and requests for information by various governmental regulatory agencies and law enforcement authorities in various jurisdictions, and LinkCoin

anticipate that our ongoing business activities will give rise to such matters in the future. Changes to laws, including tax laws, regulations or regulatory policies, as well as the changes in how they are interpreted, implemented or enforced, could adversely affect us. Regulatory compliance risk includes the regulatory risks associated with financial crime (which includes, but is not limited to, money laundering, bribery and sanctions), market conduct, consumer protection, business conduct and prudential requirements. Specific compliance policies, procedures and supporting frameworks have been developed to manage regulatory compliance risk.

### *Strategic risk*

Strategic risk is the risk that LinkCoin will make inappropriate strategic choices, or will be unable to successfully implement selected strategies or related plans and decisions. Business strategy is the major driver of our risk profile and consequently the strategic choices LinkCoin make in terms of business mix determine how our risk profile changes. Responsibility for selecting and successfully implementing business strategies is mandated to the individual in the management team.

### *Reputation risk*

Reputation risk is the risk that an activity undertaken by an organization or its representatives will impair its image in the community or lower public confidence in it, resulting in the loss of business, legal action or increased regulatory oversight. Reputation risk can arise from a number of events and primarily occurs in connection with regulatory, legal and operational risks and failure to maintain strong risk conduct.

### *Competitive risk*

The competition for clients among OTC platform companies in the markets in which LinkCoin operate is relatively intense. Client loyalty and retention can be influenced by a number of factors, including new technology used or services offered by our competitors, relative service levels and prices, product and service attributes, our reputation, actions taken by our competitors, and adherence with competition and anti-trust laws that might evolve in the future.

# Corporate Governance Brief

LinkCoin's team members has adopted these Corporate Governance Guidelines to reflect the team's strong commitment to sound corporate governance practices and to encourage effective policy and decision making at all team level, with a view to enhancing long-term value for LinkCoin stakeholders. These guidelines are intended to assist the team in the exercise of its governance responsibilities and serve as a flexible framework within which the team may conduct its business, not as a set of binding legal obligations.

These Corporate Governance are not intended to change or interpret any federal or state law or regulation. These Corporate Governance are subject to modification from time to time by the team.

Each member of the team is expected to spend at least reasonable amount of time and effort necessary to properly discharge its responsibilities as to create as much value as possible for investors and the whole corporation.

The CEO has full power to lead and manage the business. All members of the senior management team report directly to the CEO. They are responsible for appraising the performance of each member of the team, encouraging their development and further training, where necessary replacing them, recruiting replacements whether internally or externally and formulating remuneration proposals for remuneration committee decision making.

## LEGAL NOTICES

THIS DOCUMENT AND ANY OTHER DOCUMENTS PUBLISHED IN ASSOCIATION WITH THIS WHITE PAPER RELATE TO A POTENTIAL TOKEN OFFERING TO PERSONS (CONTRIBUTORS) IN RESPECT OF THE INTENDED DEVELOPMENT AND USE OF THE NETWORK BY VARIOUS PARTICIPANTS. THE TERMS OF THE CONTRIBUTION ARE NOT INTENDED TO BE A FINANCIAL SERVICES OFFERING DOCUMENT OR A PROSPECTUS. THE TOKEN OFFERING INVOLVES AND RELATES TO THE DEVELOPMENT AND USE OF EXPERIMENTAL SOFTWARE AND TECHNOLOGIES THAT MAY NOT COME TO FRUITION OR ACHIEVE THE OBJECTIVES SPECIFIED IN THIS WHITE PAPER. THE PURCHASE OF TOKENS REPRESENTS A HIGH RISK TO ANY CONTRIBUTORS. TOKENS DO NOT REPRESENT EQUITY, SHARES, UNITS, ROYALTIES OR RIGHTS TO CAPITAL, PROFIT OR INCOME IN THE NETWORK OR SOFTWARE OR IN THE ENTITY THAT ISSUES TOKENS OR ANY OTHER COMPANY OR INTELLECTUAL PROPERTY ASSOCIATED WITH THE NETWORK OR ANY OTHER PUBLIC OR PRIVATE ENTERPRISE, CORPORATION, FOUNDATION OR OTHER ENTITY IN ANY JURISDICTION. THE TOKEN IS NOT THEREFORE INTENDED TO REPRESENT A SECURITY INTEREST.