N.EXCHANGE

A WHOLE ECO-SYSTEM

Accommodate all of your crypto needs
under one roof

Abstract

n.exchange is a multi-component ecosystem, designed to accommodate a wide variety of the cryptocurrency community's needs.
While solutions for those needs exist individually, across many platforms, they are not always implemented to perfection, and are often unreliable, non-transparent or hard to use.
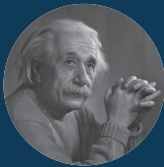
The five main components of the system are the Exchanges: **HybriDEX** multi-chain dex and *n.exchange* **INSTANT**, **MultiPick** multi-mining pool, **EasyMerchant** solution, and a line of complementary services including high quality content, the various utilities that leverage our open API, coin capitalisation and portfolio trackers and liquidity-sourcing services.

By aggregating those components into one platform, we enhance user experience and eliminate redundancy, fees and funds transition time.

Our goal is to maximise each one of the components individually, by providing an outstanding service with a sharp edge, for low fees; thus, becoming the industry's first regulated, transparent, high-liquidity A-Book broker.

We are sourcing liquidity to traditional financial institutions and blue-chip companies.

The definition of genius is taking the complex and making it simple.

Albert Einstein

Dear customers and crowdsale participants,

We founded *n.exchange* after seeing a pressing need in the market, first-hand.

From the very beginning, the idea behind *n.exchange* has been to establish a platform that customers can fully trust. One that is designed to have no conflict of interest with the client, and which has the potential to become the first regulated A-Book broker in the crypto sphere.

We have designed our solution to have the smallest possible attack surface and, where possible, to take no custody of customer funds, whatsoever.

We work hard to build a relationship of trust and transparency with our customers, we keep the system trust-free wherever possible *n.exchange* instant as our beach-head product.

In cases where the custody of user funds is inevitable, we make sure that we follow the correct regulations to do it legally, with the correct security measures to avoid disaster, and the correct insurance coverage to recover from it, if it still strikes.

We strongly believe that in order for this sphere to prosper, one of the key principles of the newly-minted crypto economy, decentralisation, must prevail.

Therefore, we encourage every customer to take custody of their own funds, and to use the variety of services we offer to exchange cryptocurrency, fiat or goods, using the merchant solution; to mine or remit cryptocurrency, all under one roof – securely, transparently, and with zero transmission time.

Oleg Belousov,
CEO.

1. Terms Of Services (TOS)

1. The purchase of NEX tokens does not grant share capital, voting rights, or any other legal rights in regards to CRYPTO NEXCHANGE LTD, YOA LTD or any other legal entity associated with *n.exchange*.

2. NEX tokens are not available in countries where local geo-political restrictions apply. These geo-political restrictions include, but are not limited to, bans, regulations, re-gional court verdicts, court orders.

These regions include, but are not limited to:

- South Korea
- All US states and territories, including US citizens staying abroad*
  *Except accredited investors

3. Our services in the cryptocurrency industry, which are described in this white-paper, carry similar, though less extensive restrictions in:

- South Korea
- Washington State
- NYC
- Any other country, state or territory that requires specific, local, licensing for the services we render

US investors from other states are also banned from participating in the crowdsale, except for accredited investors.

4. *n.exchange* reserves the right to alter these TOS. The updated TOS can be found at any time under *n.exchange/ICO*

Risk Disclaimer

Purchasing cryptocurrency in general, and NEX tokens specifically, involves a financial risk.
The value of NEX tokens will be determined strictly by free-market forces, once secondary-market trading starts, and there are no guarantees whatsoever.

In accordance with the above, you should only invest your own funds, and only funds you can afford to lose.

We call upon our crowd-sale participants to act responsibly, and put their and their loved ones' emotional and financial welfare first, before potential financial profits.

2. Ecosystem Chart

The _n.exchange_ ecosystem consists of five main components as seen below. These components are interconnected on several verticals, and share the same liquidity pool to enable instant and free remittance across the ecosystem.

Index:

- ● IN PROJECT / PLANNED
- ● PARTIALLY IMPLEMENTED
- ● ● FULLY IMPLEMENTED

- ● DECENTRALISED EXCHANGE X
- ● MINING POOL
- ● MERCHANT SOLUTION
- ● WHITE-LABELLING, API, LIQUIDITY SERVICES
- ● INSTANT EXCHANGE
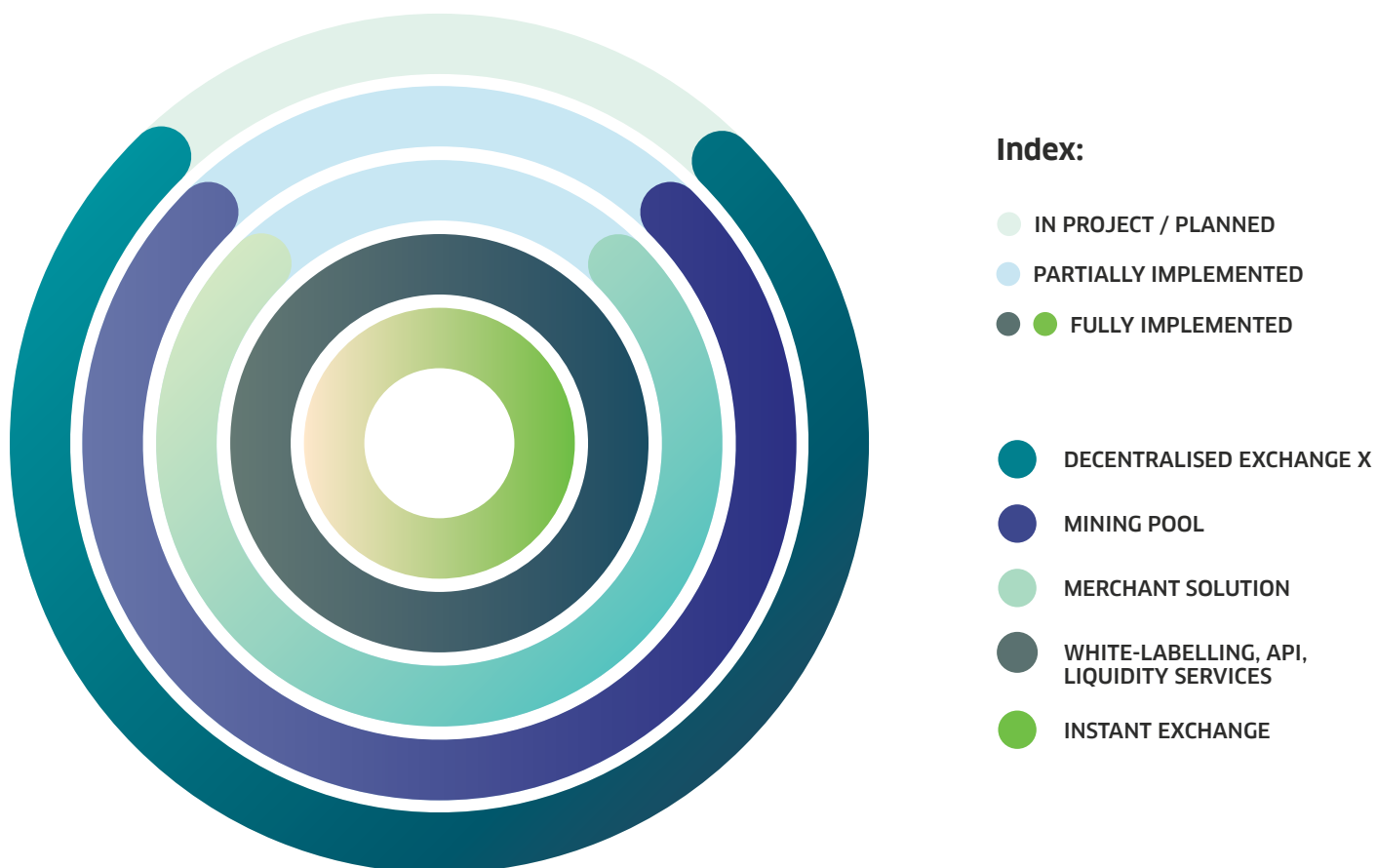
3. Quantifiable Value Proposition (QVM)

Localisation remark:

All products will be 100% device portable, with i18n support for the most common languages.

1.

N.EXCHANGE INSTANT

n.exchange features a modern, crisp and easy-to-use instant exchange. With *n.exchange* you can trade any listed cryptocurrency asset directly between your wallets or purchase cryptocurrency, with fiat, directly to your wallet.

All of the above is accomplished simply, transparently, and efficiently.

With *n.exchange* you receive a final quote for your trade prior to completing the transaction. This quote will include all fees and will be valid for 15 minutes after being issued, at no additional charge.

This is such a unique feature that we are still unsure how to quantify it – especially since it is well-known that the cryptocurrency market can move very quickly within this period of time.

Additionally, all fees in *n.exchange's* INSTANT for major pairs are fixed at 0.5%. This is, on average, two to three times less than our direct competitors charge. In other words, an average of 1 BTC of fees is saved for every 100 BTC traded.

This service is a great market-taker liquidity provider for the decentralised exchange described below.

2.

N.EXCHANGE HYBRIDEX

n.exchange features a **zero maker fee** from the very first transaction. This means that our customers directly save 250 BTC every few hours (or 100 000 BTC in volume) based on a flat fee of 0.25%.

Whereas some might perceive this as an aggressive move, we see it as a necessity in this highly competitive market, where 'liquidity and market-depth' is the name of the game.

n.exchange as no minimum order size. Every trade is a trade; it is not our intention to exclude anyone from the market. Furthermore, with our robust and seamlessly scalable infrastructure, there is no reason for any limitation, as such.

n.exchange offers 12 decimal point precision on every traded pair, regardless of its liquidity or popularity. Our goal is to be the native platform for HFT traders, featuring a comprehensive API, the lowest response times, and the highest precision.

n.exchange supports decentralised p2p exchanges natively on the Ethereum smart-chain. This means that both Ethers and ERC20 tokens are supported, out of the box. Additionally, multi-chain transactions are possible, against an Ether or ERC20 collateral.

3. N.EXCHANGE EASYCOMMERCE

Merchant transactions are executed as taker trades on one or more markets (pairs), depending on whether the merchant had chosen to be paid in fiat, cryptocurrency or any other combination of currencies.

The service incurs a nominal fixed fee per payout only, which saves merchants and end clients at least 1% of turnover, amounting to $10 000 USD for every 1 000 000 of turnover.

4. N.EXCHANGE MULTIPICK

The mining pool, which is already active within a private alpha, supports all major algorithms (SHA256d, Scrypt, X11, X13, X15), as well as merge-mining and multi-mining. The proposed edge offers a profitability of more than 20%–30% per every valid hash, by dynamically looking for 'arbitrage' (coins with actual low difficulty and relatively high market demand).

In addition, we are currently experimenting with merge-mining. This concept allows the pool to use the same hashes for N different coins, provided they share the same algorithm and difficulty $d_n < d_{n-1}$

Once a block is mined, it is sold immediately, depending on the pay-out preferences of the miners that hold the shares for mining this block.

Trading of supported pairs happens on the *n.exchange* native market; therefore, eliminating latency, redundant fees and other fees and overheads.

5. ZEROBALANCE

n.exchange strives to perform all exchange operations in a decentralised manner and with minimum custody of customer funds. The system is designed to encourage customers to take custody of their own funds, and only to deposit those funds, into the hands of the exchange, when they intend do so, in full conscience.

This proposed approach is in complete contrast to the industry's current (common) practice, where customers are led to deposit their funds by default, and where withdrawing those funds is made as difficult as possible.

This is one of our strongest product principles - we call it ZeroBalance.

Although ZeroBalance is quantifiable to only 0, we strongly believe that this principle is one of our strongest value propositions. We also believe that it will protect the digital wealth of our customers, far beyond anything our competitors can offer.

SINGLE BALANCE

6.

In the event a user chooses to leave their funds on the platform, those funds will be easily accessible from any component of the platform: easily, freely, and with no restrictions. Funds can be moved freely from the mining pool and the merchant solution to the exchange (through a self-managed wallet).

In fact, the term "moving" is not appropriate, as those funds are credited to a single ledger, in the first place, and governed exclusively by the user.

4. Estimated Technical Roadmap

With a significant and successful 2-year track record behind us, we are now facing the even greater opportunities that are still ahead.

Stealth mode	API Development, private beta	Product Launch - Product Hunt TOP10
2016 Q2	**2017** Q1	**2017** Q3
500 BTC daily revenue	Websummit ALPHA, shortlist, most hyped list	$500 000 USD Turnover within 2 weeks after launch - cashflow positive from day 1
2017 Q4	**2017** Q4	**2017** Q3
Fiat Rollout in partnership with a major UK payment institution (USD, EUR, GBP)	12 supported assets, 483 markets	Fiat selling support, OTC market EasyCommerce Beta
2018 Q1	**2018** Q2	**2018** Q3
Multi Pick Beta, HybriDEX Launch	HybriDEX Beta	EasyCommerce Rollout, Mobile apps
2019 Q1	**2018** Q4	**2018** Q4
Multi Pick Launch, Iterative Customer Feedback implementation	EMI licence, n.exchange debit card	FCA licence, A-Book broker, Margin & Options trading, Institutional liquidity provider
2019 Q2	**2019** Q3	**2019** Q4+

5. Token Economy

5.1. Token Usage

During the first year of its lifetime, you can use your token to cover up to 100% of your trading costs.

Additionally, you can use token to:

- cover up to 50% of your mining *pool.n.exchange* fees for 2 years;
- obtain a discount, of up to 10% on merchant services powered by *merchant.n.exchange*, during the 3 years following the crowdsale end – limited to 10% of the total token supply per year.

It is as simple as signing an additional transaction with MetaMask when trading, withdrawing funds from the mining pool, or purchasing goods or services with the merchant solution.

5.2. Buy Back

At end of each Quarter, we will dedicate up to 50% of our profits to starting a large, organised, token buy-back, powered by *smart contract*.

The smart contract will receive our designated profit-share continuously, through each quarter. This will allow token holder to exit their stake easily and seamlessly, simply by sending NEX tokens to the address of the contract on the first calendar week of the next quarter as following:

1st - 7th JANUARY	1st - 7th APRIL	1st - 7th JUNE	1st - 7th SEPTEMBER

Repurchase is carried out on a first-come-first-served basis, and is limited to one calendar week.

The price is defined by an oracle, which provides the weighted average price of NEX tokens on the market.

We reserve the right to use the remaining funds in the contract at the end of each repurchase period, as well any other part of the funds, for direct market making.

This move is designed to allow anyone, who wishes to sell their stake in the token, to do so; pushing out the "weak hands", while maintaining the transparent and fully auditable product.

All re-purchased tokens will be burned immediately and automatically, by the smart contract.

Note: *for transparency purposes, all data, including all available cold and warm reserves, as well as turnovers, found blocks, and commenced merchant turnover are available for the public to view and audit.*
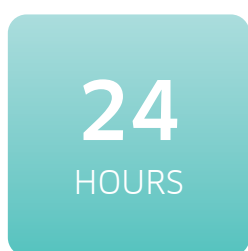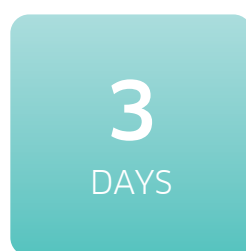
https://nexchange2.docs.apiary.io/

5.3. Buy back notification

n.exchange will send an email reminder, about the relevant buy-back to all subscribers according to the following schedule:

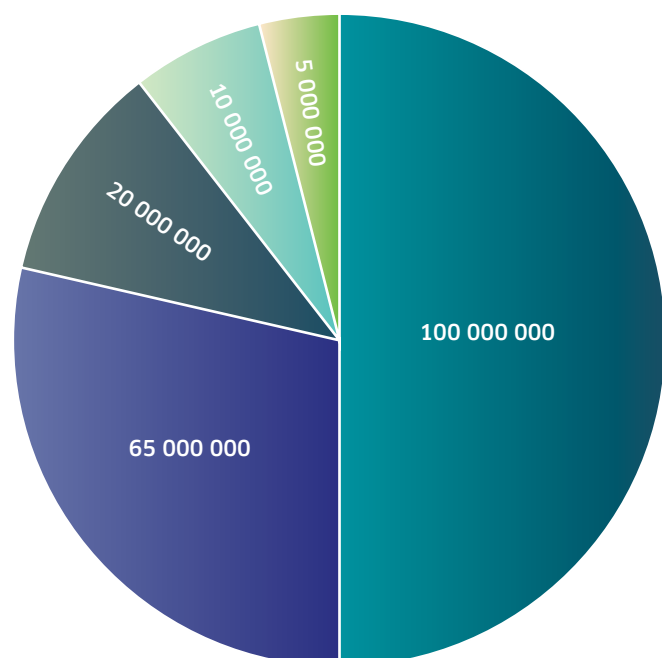| **7** DAYS	**24** HOURS	**3** DAYS	**24** HOURS
before buy-back starts	before buy-back starts	into the buy-back	before buy-back ends

5.4. Token Distribution

TOTAL SUPPLY: 200 000 000

- ● PUBLIC SALE HARD CAP (NO VESTING)
- ● FOUNDING TEAM (2 YEARS VESTING)
- ● ANGEL INVESTORS (3 MONTHS VESTING)
- ● BOUNTIES
- ● AIRDROP (3M COMMUNITY, 2M RICH LIST)

Pie chart values: 100 000 000, 65 000 000, 20 000 000, 10 000 000, 5 000 000

5.5. Pledged Funds Distribution

20%	30%	50%

Licensing, Regulation & insurance for funds in custody

Development Fund (Escrowed)

Committed to reserves (Public hot and cold addresses)

5.6. Special Perks for Large Stakeholders

100 000
NEX

- Free personal trading, for the first year, on proof of balance

1 000 000
NEX

- Free personal trading, for the first year, on proof of balance
- Free commercial trading, for the first year, on proof of balance

10 000 000
NEX

- Free personal trading, for the first year, on proof of balance
- Free commercial trading, for the first year, on proof of balance
- Free stand-alone white label (Normally $100 000 USD for setup) and 1 year of free maintenance ($2500 USD monthly)

6. Product Specs

6.1. Instant exchange (FULLY IMPLEMENTED)
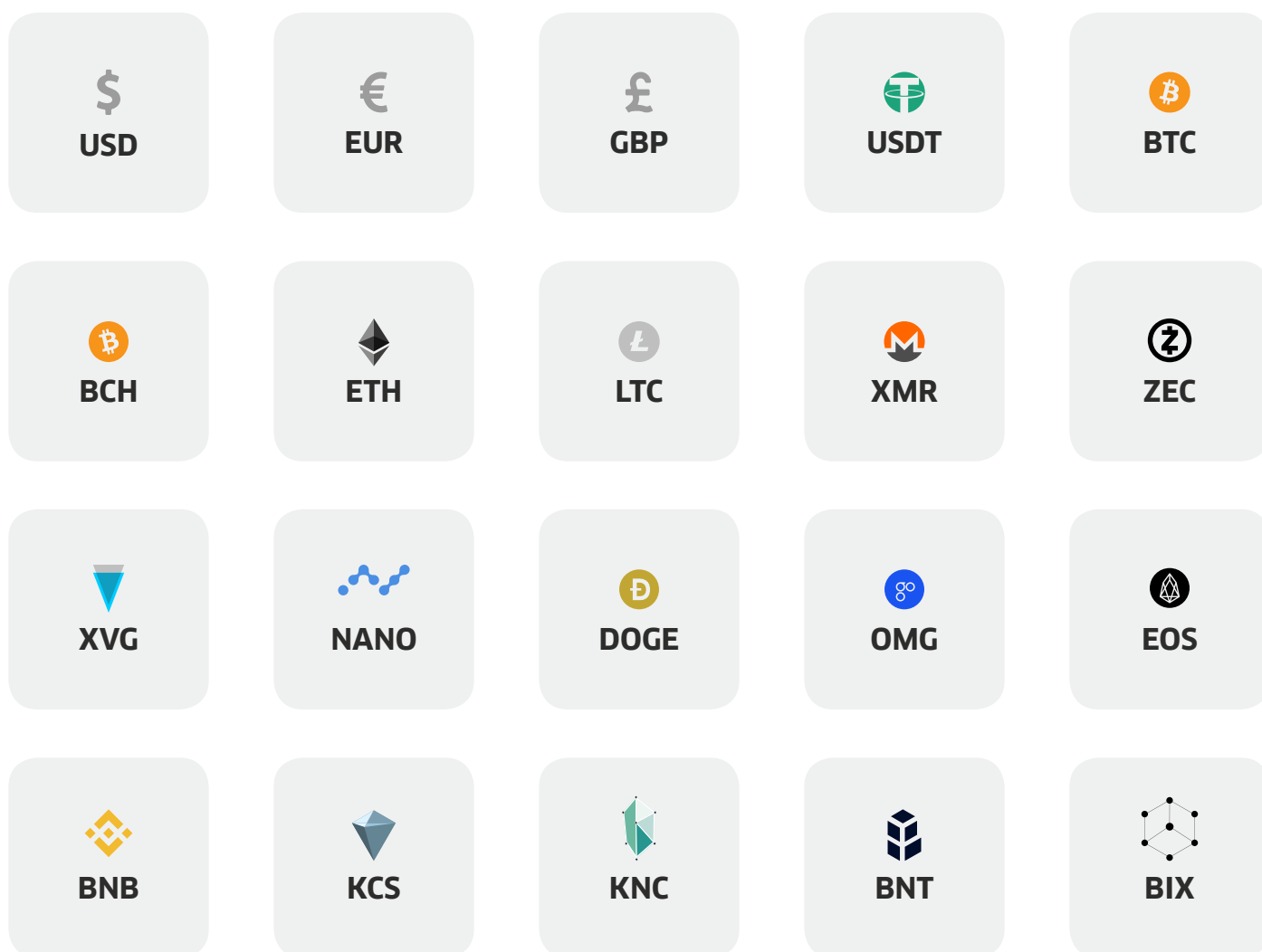
—— Liquidity capacity

The instant exchange is capable of processing unlimited volume is present in our hot wallets, in a single order, in addition to exchange reserves (when they are immediately accessible, both financially and technologically).

Our hot-wallet reserve, for each coin, is limited to 5 BTC of equivalent value, thus, this is the maximum value of a single order.

That being said, once the DEX component is ready, we plan to integrate it as a direct liquidity provider for our instant exchange, thus, increasing the maximum order capacity with no additional risk.

—— Assets

Currently supported assets:

$ **USD**	**€** **EUR**	**£** **GBP**	**USDT**	**BTC**
BCH	**ETH**	**LTC**	**XMR**	**ZEC**
XVG	**NANO**	**DOGE**	**OMG**	**EOS**
BNB	**KCS**	**KNC**	**BNT**	**BIX**

An updated and comprehensive list of supported assets can be obtained, at any time, at:
https://api.n.exchange/en/api/v1/currency

Overall 483 Pairs and growing!

——— Fees

The fees, in the instant exchange, are as follows:

- 0.5% on major pairs (e.g. ETHBTC, BCHBTC);
- 1% on minor pairs (e.g. XVGNANO, DOGEOMG);
- 1% on highly non-liquid and/or exotic pairs (e.g. BDGEOS);
- 0.5%–3% for fiat pairs – apart from the payment processor fee (depending on the payment method).

An updated and comprehensive list of supported pairs can be obtained at any time at:
https://api.n.exchange/en/api/v1/pair/

——— Compliance

n.exchange applies the strictest and most precise compliance policies, in accordance with the relevant AML/AFT regulations and the GDPR.

All orders, involving fiat, require the user to submit KYC documents that meet the following guidelines:

TIER 1
$0 - $999 USD
30 DAYS TURNOVER

- National ID or driver's license
- A scan/photo of a physical utility bill from a known service provider, delivered to a fiscal address
- In case of doubt, we would request a note to be added to **n.exchange** and the current date to be added to the photograph of either of the documents
- In case there is still doubt, after the user has fulfilled the above steps, a "selfie" photo will be required, as described in [TIER 2]

TIER 2
$1000 - $1999 USD
30 DAYS TURNOVER

- A "selfie" photograph of the user holding the ID and the credit card that was used for the purchase (if applicable) in one hand, and an A4 note saying "**n.exchange**" and the current date in the other

TIER 3
$2000 - $4999 USD
30 DAYS TURNOVER

- Tier 1 and Tier 2 requirements and a "selfie" or photograph of yourself, taken from the front, and clearly showing you holding an A4 note saying '**n.exchange**', with the current date, and "My BTC withdraw address is: 1A1zP1eP5QGefi2DMPTfTL5SLmv7DivfNa" marked, for every currency you would like to purchase.

TIER 4
$5000+ USD
30 DAYS TURNOVER

- Once the user reaches this turnover, they will be flagged for an additional review, to be conducted by the compliance officer, and who will summon them to a personal video interview, if appropriate.

- The current process is time-consuming and exhausting, comprising: the deposit of funds into a custodial exchange; the wait for them to confirm; the subsequent placement of a limit order; the wait for it to execute; the addition of a withdrawal address, and its confirmation by email; and the completion of a withdrawal request (and its approval by email). We shorten this into two steps:

  - Open a trade with your desired withdrawal address
  - Pay it into a unique deposit address

  That leaves you free to get on with the more important things in life.

- Complex conversions, which would normally require a combination of two or more trades over one or more markets, are immediately possible and seamless
- The exchange lets you know the final rate, for your transaction, before sending any funds
- The exchange automatically recalculates a trade, if the order expires because of a delayed deposit (due to market conditions or third party fault)
- The exchange lets you to assign an address as 're-usable', hence, any funds deposited to that address will be automatically converted to the same asset as the original order, and at the latest market price
- The exchange sends an optional notification for every order or KYC status change, for better tracking, accountability and auditability
- The exchange is completely transparent (whole order, deposit, withdrawal and pricing history are visible under our API)

  Docs: *https://nexchange2.docs.apiary.io/*

- The frontend of the exchange is completely open-source, and has an active community behind it. *https://github.com/onitsoft/nexchange-open-client-react*

6.2. White-Labelling and Service-Based Services

The API is accessible to anyone, at any time, without the need for authentication (aside from fiat conversions, as specified in the *n.exchange* *INSTANT specs - compliance section and restricted geo-political areas as per the TOS*).

A simple order can be created by **[POST]** to *https://api.n.exchange/en/api/v1/orders/*.
This order will be executed following exactly the same logic as is described in the *n.exchange INSTANT specs*.

All in accordance with our detailed API specs that can be found, at any time, under
https://nexchange2.docs.apiary.io/

In the long-term, we intend to direct *n.exchange* HybriDEX features and liquidity through this API, in order to allow institutional and other non-decentralised clients to enjoy our services.

It is possible to receive affiliate payouts for each transaction, regardless of the extent to which you use the API, as described in detail in *Organic Growth Engine - Affiliate Program*.

⎯⎯ oAuth2

In addition to the basic use, described above, it is possible to gain access to advanced future (order history, referral stats, user settings, reusable addresses) using oAuth2 authentication. Your oAuth2 token would also grant you access to some basic, non-personal information about the trades of users whom you have referred. All in accordance with our API docs.

⎯⎯ Hosted Services

n.exchange offers an easy, hosted solution based on our open source frontend
https://github.com/onitsoft/nexchange-open-client-react

Anyone is free to use the frontend, in order to operate a subsidiary exchange freely, as long as the following conditions are fulfilled:

- A sufficient level of design and UX is maintained
- Credits to the **n.exchange** are displayed in both the footer and the TOS
- Source repo is open-source and has both NOTICE and LICENSE files in their original form
- Backend interaction is made exclusively with our official api at **api.n.exchange**

We will charge a fee of $10 000 USD and a $500 USD monthly maintenance fee, to remove any of the above restrictions.

We will charge a fee of $50 000 USD and a $2000 USD monthly maintenance fee for a fiat-enabled white label with managed KYC.

The design and UX requirements are mandatory for all white-labels.

"

Tauschkrypto.de benefits a lot from the hands on support of **n.exchange**, as well as the remarkable in-house expertise Oleg and his team has to offer.

From setup to maintenance up to further developing the business, we are constantly experiencing great work as well as integrity, honest interest in our needs and goals, and communication skills.

Michael Cernischi
CEO at TauschKrypto.de

━━ **Independent Services**

In some cases, when the customer requires it, we would provide a completely stand-alone version of our services, including a full stand-alone backend, where applicable.

The base cost of this service, for the instant exchange, is $100 000 USD.A basic maintenance package, which includes infrastructure, basic customisation, support, and managed KYC is $2000 USD. 5 monthly developer hours could be added for $1000 USD additionally.

Additional customisation will be at a rate of $200 USD per hour, and is subject to developer availability (not guaranteed).

All prices exclude VAT.

6.3. Merchant solution

━━ **Assets**

As a starting point, the merchant solution supports all the assets in *(Instant Exchange supported assets illustration)*.

Once out of Beta, the support will be extended to top 100 liquid Ether tokens, and top 100 non ether-assets.

This means that our solution will be by far the product with the most wide asset support on the market.

Any supported asset is available both to the end-client, as well as to the merchant, for the purpose of receiving payments.

━━ **Fees**

EasyCommerce features a flat fee structure, all purchases result in an order(or several orders) using our API (which then sources it to the DEX a market trade).

This means that the price remains fixed for 15 minutes, and there are not additional fees, nor a 'transparent' markup which is used by some competitors to increase their margins.

With *n.exchange* EasyCommerce, what you see is what you get!

Additional fees:

A transaction fee for withdrawing EasyCommerce balance would be applied, as with all other components of the ecosystem.

Transaction fee info can be viewed via our API at *https://api.n.exchange/en/api/v1/currency*

━━ **Payouts**

Any incoming payments are converted immediately, according to the merchant's payout preferences, in a matter that carries no additional risk for the merchant.

A merchant payout can be divided into an unlimited number of supported currencies, as long as

the payout in each currency meets the minimal requirements specified by our API, and the sum of each currency does not exceed the available balance.

All payouts occur automatically, both in crypto and in fiat, once the minimal balance, as defined by our API is reached.
This minimal balance can be adjusted according to the user's preference.

For a payout to occur, a withdraw address for the desired address needs to be pre-defined by the customer.
If no such address is present, the funds will remain on the ecosystem's **_SingleBalance_**, available to withdraw, to trade via HybriDEX, or to be used as collateral.

Reference: **_https://api.n.exchange/en/api/v1/currency_**

—— **BI Tools**

n.exchange easy commerce provides a variety of actionable BI metrics to enhance the customer's experience.

Starting from simple data such as revenue per coin and through with a cross reference of volumes, traded pairs, referrals codes, source web-addresses and a timeline.

—— **Unique properties**

Aside the trivial advantages of large amount of supported assets, zero markup conversion and a several seamless integrations for the leading e-commerce platforms, there are several other points worth noting.

Firstly, we would like to emphasise not only crypto-to-fiat conversion, but also crypto-businesses wishing to integrate payments in different coins.

A typical example use case would be ICO/TGE crowd sales, and the industry giants, such as localbitcoins and paxful would be the perspective clients, for an easy gateway to integrate seamless support in deposits and payouts in currencies which are not natively supported on their platforms.

—— **Advance API Usage**

While the easiest integration for our solution would be by using one of our pre-pared payment pages or widgets, the entire functionality is available via a REST API fso you can implement your customer's experience on your own, if needed.

6.4. Mining Pool

—— **Supported Assets**

The mining pool supports the following algorithms:

● scrypt - Litecoin, Verge, Doge, DigitByte (and more)

● sha256 - Bitcoin, Bitcoin-Cash, PeerCoin DigiByte (and more)

● x11, x13, x15 - Dash, FuturoCoin, Boson (and more)

We support all the altcoins that use those algorithms and are currently trading!

Fees

All mined blocks and collected transaction fees are subject to a 1% PPLNS/PPS fee (5 times lower than our main competitor - ProHashing).

For the first two years, 100% of this fee can be paid using NEX tokens, as specified in ***token economy section***.

Unique properties

1.

MULTI-MINING

The pool will monitor the asset prices on our internal market, where applicable, as well as on other rival-exchanges, in order to find those supported cryptocurrencies with the highest price-to-difficulty ratio (ideally, the easiest to mine and with highest current market value).

The pool will then, dynamically shift the hashing power to those coins, until an amount (of Blocks) is mined that could affect the market price, or the difficulty, in any way.

Multi-mining is optional, and the user can opt for mining a single coin at any given time.

2.

MERGE-MINING

In principle, since a hash that is valid for a certain algorithm could be valid for any cryptocurrency that implements this algorithm; theoretically, one miner can mine up to N currencies. This is provided the difficulty of currency in position N in the chain is lower than the difficulty of currency in position N-1 (first coin in the merge-mined chain has the highest difficulty).

This requires quite a lot of mining-software customisation, as well as support from the actual full-node software of the currency.

Although we made our proof of concept, using LTC and DOGE, we still plan to maximise the number of coins that support this technique, and thus, use it to optimise our profits.

Merge mining is optional, and can be turned off if the user prefers not to participate in merge-mining for any reason.

3.

DYNAMIC PAYOUTS

We allow our users to receive their payouts in any supported currency, including fiat. All payouts can be split to any portfolio of different currencies, by percentages. If an owed payout is smaller than the minimal payout amount, it will be kept on the pool's balance, until the minimal threshold is reached.

6.5. Decentralised exchange

—— Matching engine

Due to the redundancy and speed-limitations imposed by using an on-chain matching engine, we have made the decision to use a cryptographically-provable, off-chain matching mechanism.

Since we are committed to product simplicity and the highest standards of honesty and transparency towards our clients, we would only allow limit orders, for the first version of HybridDEX.

The logic behind it is simple: a user will know in advance how much they are going to spend on an order.
Notwithstanding this, we would also be able to prove, cryptographically, that the user had placed this specific order, for a certain quantity of a certain asset, at a given time and a desired price, by signing this concatenated data with the user's private key, which belongs to the wallet the user used to login to the HybriDEX.

This is in line with our product definition as a HFT-native high liquidity exchange and does not compromise the provable integrity of the system, which was designed to provide an alternative to the *artificial slippage* that is so common on the market these-days.

In a later release, we will include market orders, as well as other advanced order types, but we would always allow the user to determine the maximal slippage he is willing to pay (in percentages, or by price), above which, the rest of the order will go to the order book as a regular-limit order.

We will continue employing the great tools that cryptography gives us, to make the process as transparent and provably-fair as possible; while simultaneously pursuing the traditional methods of assuring traders' financial security, such as regulation.

—— Assets

As a starting point, we will support Ether, the top liquid Ether tokens, and all of the leading assets which are not Ethereum-native currently supported by *n.exchange*.

We use a decentralised wallet to wallet exchange, for Ethereum-native assets (ether and ERC20), and will implement atomic swaps and multi-chain transitions where possible.

For non-compatible chains, we use our HybriDEX solution which is described below.

—— Fees, Compliance

- *n.exchange* features a 0 maker fee from the very first satoshi
- Taker trades are subject to a flat 0.25% fee
- Institutional traders and other large-scale customers may negotiate an individual deal
- Once out of beta, the fee-schedule will become tier-based, where 0.25% is the maximal fee

● **n.exchange** allows a single sign-on, using MEW, MetaMask or any of the leading hardware wallets (Trezor, Nano).

No direct private-key authentication will be allowed, because we see it as a major security flaw.

● **n.exchange** HybriDEX aggregates all funds across the ecosystem under a single account, with a single, immediately tradable balance.

● **n.exchange** HybriDEX allows the user to trade any cryptocurrency pair (including non-smart chains) and withdraw it immediately, using the user's tokens and ethers as collateral.

An immediate withdrawal of the purchased tokens is allowed, given sufficient collateral is present.

The position is then maintained via a 1x (or more) leveraged trade, with no extra costs, up to the first rollover (8 hours).

● **n.exchange** HybriDEX allows margin trading against real-life, existent assets in an auditable and provably fair way.

The providers of the margin could be users within our eco-system, or literally anyone who is willing to borrow money, for the purposes of margin-trading via a dedicated smart contract for smart chains, or by using our API for non-smart chains.

● Institutional trading features

As part of our vision at **n.exchange**, we believe that the biggest potential lies in the future, and more specifically, in the institutional investment sphere.
To benefit from this vision, we provide enterprise-grade reporting with easy integration for filing both corporate and personal tax returns; traditional API-bridge for the DEX, for companies that cannot use a dex, yet, because of their internal policies; insurance for funds in custody; and the possibility to receive notarised/apostilled documents confirming balances, deposits, withdrawals, trades, fees and any other ledger entries.

In addition to the whole eco-system of **n.exchange** HybriDEX, another key feature is the possibility to source liquidity to other platforms. Industry giants or small companies in the beginning of your journey - we will gladly include your liquidity needs into our highly liquid, HFT-ready order book.

6.6. Software licensing

Copyright 2017, YOA LTD Licensed under the Apache License, Version 2.0 (the "License"); you may not use this file except in compliance with the License. You may obtain a copy of the License at **http://www.apache.org/licenses/LICENSE-2.0**

You may freely use and alter our open source software free of charge as long as you:

● Open-source the altered code
● Include original license and notice in your open-source
● Include a credit with a link to **n.exchange** at the footer, about us and FAQ sections

7. Growth strategy

7.1. Organic Growth Engine – Referrals, Affiliate Program

We acknowledge the fact that cryptocurrency trading is a low margin business, and thus, in addition to the means of generating organic traffic noted above, we focus heavily on organic growth and referrals.

Because of this every user that trades on the platform is asked to spread the word directly at the order page, in order to gain 'free' coins directly and instantly, sent to his order's withdrawal address.

For more professional affiliates, we offer multiple referral codes, with customisation, and per-code segment analysis, as well as several other business intelligence (BI) tools that are offered in our simple yet powerful affiliates panel.

7.2. Growth-Hacking

We are constantly looking to innovate an achieve a competitive edge over our competition.
As part as those efforts we have enabled the trading of all competitor-exchange tokens, to attract original crow-sale participants as well as secondary market buyers, to our platform and ICO, which operates under similar, enhanced principles.

We target high-quality exchange aggregators, specifically those capable of API integrations from which to source traffic. Aggregator operators, as well as their customers, find merit in our competitive rates, robust and comprehensive API and guaranteed, fixed price.

Additionally, we support fiat purchasing of any coin that is supported by our platform, this helps us source free traffic from the communities of those coins.

Whilst those are only two examples, we pride ourselves in being able to generate the industry's top ratio of traction-pre-buck, one that we plan to keep improving after completing this round of funding.

7.3. White Labelling & Liquidity Sourcing

At present, *n.exchange* already operates more than a dozen white-labels worldwide. To qualify as a white label a partner needs to demonstrate a certain competitive edge over the original product, as a means for a better adaptation/localisation to a geographic/demographic or any other market segment which *n.exchange* does not target directly.

We are working on several verticals to increase our liquidity, as well as to obtain official regulatory compliance and thus, to source our liquidity to blue-chip financial institutions interested in crypto-liquidity.

7.4. API integrations, labs

n.exchange encourages the community to take part in developing integrations for our API. For this purpose we have open-sourced our frontend under the Apache 2.0 license, and implemented several example to possible use cases to our API, such as the unique *crypstor.com* trading chat-bot.

Whilst our internet use cases on the API are quite straight forward, the only limit on what can be implemented, with your multi-purpose API, is your imagination.

To provide an additional incentive for the community to participate in our development process, we would dedicate 15% of our development fund to the community:

- 10% via *labs.n.exchange*, a community-based accelerator
- 5% via hackathons, other events and grants

7.5. Inbound Marketing

In conjunction with our exchanges, liquidity services, mining pool and merchant solution, we offer a line of complementary services to bring added value to our customers and generate constant, recurring, high-quality and zero-cost inbound traffic.

Those complementary services include, among others:

- A blog with selected high quality content
- An objective cryptocurrency capitalisation tracker, taking into consideration the bids on the various markets, rather than just the last price multiplied by supply (which is inflated)
- An integrated portfolio tracker that uses our API for liquidity, and is compatible with the rest of our components, but can be used either manually by entering balances or addresses to monitor, or via the API of the industry's leading services

7.6. Partnerships

Companies are inclined to partner-up with *n.exchange* for several main reasons:

- Wide support and instant liquidity for popular assets that, at times are not traded elsewhere (such as tokens of other exchanges)
- An easy gateway for purchasing any of the supported coins with fiat, via credit card
- Our robust API provides a comprehensive toolbox for creating payment services based on crypto

The above incentives help us partner up with new leading coins every week, and to source free traffic from their social networks via partnership announcements, status shares, and retweets.

7.7. Paid Traffic

Considering all of the above, and as with any product in the industry, more than 50% of our traffic is paid. However, the variety of our services and our enhanced purchasing power allows us to negotiate custom deals with various industry-specific display networks, thus reducing the Customer Acquisition Cost (CAC) and increasing the margin between it and the Customer Lifetime Value (CLV).

8. Team

8.1. Team

Oleg Belousov `in`

Multidisciplinary coder. Aspiring innovator with a deep passion for open source and making the world better, step by step, every single day.

Šarūnas Ažna `in`

Backend developer and physicist. Animation fan, cryptocurrencies enthusiast and plays the saxophone.

Karolis Ramanauskas `in`

Full-stack developer. Entrepreneur by heart. Enjoys bringing products to life through code.

Justas Vitėnas `in`

User exeperience specialist with 7 years of experience. Worked with plenty of successful projects in the block-chain, crypto, startup, e-commerce industries.

Justas Ažna `in`

DevOps orchestrator. Shuffling Docker, Swarm & Kubernetes. Proponent for micro-component design and seamless scalability.

Paulina Bagińska `in`

Product management magician. Loves to build and improve product usability. Blockchain novice. Women in tech supporter and recreational weight lifter.

Cyrus Ghazanfar `in`

Learn how to teach, teach how to learn. Passionate about programming, astronomy and recently decentralised and distributed systems.

8.2. Advisors

Alejandro Ponce `in`

Seasoned global investor, founder of Nexus Group, ToN Ventures, 01Labs and 01Ventures. In 2013 named one of the Top 50 most influential people in Latin American private equity by Private Equity World.

Vincenzo Roberti `in`

Serial entrepreneur, experienced in creating and building global technology businesses within Broadcasting, Media and Security industries.

Charles Cunningham `in`

Senior software engineer and IT architect with nearly 40 years of industry experience. Currently working with blockchain technology to develop high capacity rate solutions.

Vít Jedlička `in`

President of the Free Republic of Liberland. Former Czech politician, publicist and activist.