



BitMat instant exchange

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Abstract

BitMat is an instant cryptocurrency exchange and a planned network of services whose mission is to provide solutions to the key issues currently faced by the cryptocurrency industry at large.

These problems include excessive reliance on centralized systems, lack of simplicity and transparency, limited customer anonymity, and others. Running contrary to what cryptocurrency is and should be about, these issues need to be ironed out for a meaningful chance of mass adoption of a decentralized economy of digital assets.

By identifying these principal issues and targeting them with simple, efficient solutions, BitMat hopes to make the everyday use of cryptocurrencies available to anyone, anywhere.

Common problems and BitMat solutions

With cryptocurrency industry's ubiquitous problems being widely reported, they are becoming known even to those looking from the outside. It is not hard to see what issues need to be resolved, but the market still lacks straightforward solutions.

BitMat aims to rectify this with its innovative exchange and a planned ecosystem of services. Below, we provide an outline of the most pressing problems and BitMat's solutions to them.

Reliance on complex, centralized systems

The decentralization of cryptocurrencies is their obvious, inherent and most important advantage. It removes the single point of failure, making the overall system vastly more resistant to external attacks or internal failures.

Despite that, the majority of fiat-to-crypto gateways are paradoxically reliant on centralized, overly complex systems of asset custody and transaction processing. That introduces a number of problems which are, in fact, avoidable.

Firstly, storing customers' assets on a centralized exchange introduces a single, highly lucrative — and as such tempting — target for would-be attackers. Real-world experience shows that hackers are eager to take advantage of this, resulting in massive losses every year.

In 2019 alone, \$4.26 billion in crypto was lost to various attacks, cryptocurrency exchange hacks representing a major share of this sum. This problem was a constant presence since 2014 when Mt. Gox — a single cryptocurrency exchange — was handling around 70 percent of the world's Bitcoin trade volume. This degree of centralization, absurd by today's standards, is a perfect illustration of the problem of single-entity custodial storage of digital assets: it has led to the loss of around 740,000 Bitcoins in a single hack, which would be valued at around \$7.5 billion as of October 2019.

Another issue arising from reliance on centralized systems is unscheduled downtime. Whether as a result of DDoS attacks, third-party service failures or internal codebase shortcomings, cryptocurrency exchanges are known to often experience unscheduled downtime, during which the customers cannot access their funds.

Unable to conduct trades during this time, cryptocurrency traders lose millions of dollars every year in potential profits. In addition, unscheduled downtime is often mistaken for hacks or exit scams by panicked users, many of whom withdraw their funds as soon as the exchange goes live. This introduces a set of sub-problems, such as excessive fees paid by the users for withdrawing their money and the loss of liquidity for the exchange.

Solution

BitMat solves these issues in a very straightforward way: it doesn't store customer funds like the way centralized exchange does at any point of the exchange process, thus eliminating the root of the problem.

BitMat exchange is a non-custodial one, meaning that all exchanges are processed near-instantly. The funds of both parties are transferred directly to and from each other, without the need to store them on the exchange. This helps avoid creating a single, highly profitable target for potential attackers. Additionally, the lack of an excessively complex custodial storage system allows for much simpler maintenance, resulting in BitMat proven track record of 99% uptime.

<https://ciphertrace.com/q2-2019-cryptocurrency-anti-money-laundering-report>

<https://thenextweb.com/hardfork/2019/03/14/a-brief-history-of-mt-gox-the-3b-bitcoin-tragedy-that-just-wont-end>

<https://thenextweb.com/hardfork/2019/07/02/cloudflare-down-cryptocurrency-coinbase-bitfinex-coinmarketcap-blockchain>

Unresponsive customer service

The cryptocurrency industry as a whole and crypto exchanges with it are growing at a rapid pace — averaging out at several hundred percent yearly. This runaway growth is associated with major pains for the users, due to the exchanges' inability to meet adequate customer service standards .

Insufficient customer service staffing, as well as a lack of appropriate standards, leads to poor customer experience across almost the entire sector. Users are reporting wait times of several days or, in some cases, even months for customer services to respond to their queries, leading to major sums of money being inaccessible for prolonged timeframes .

Solution

In order to avoid this, high-quality customer service needs to become a full-fledged philosophy permeating all aspects of a crypto exchange business, and not a careless afterthought. Major principles of this strategy implemented at BitMat and attested by its customers are 24-hour, 7-day availability of service, swift response times and specially trained support agents.

Limited coin listings

Intentional and unintentional barriers to entry are a major problem for new cryptocurrencies that have not yet established themselves, as well as for the people who are looking to invest or trade in them.

In order to list a new coin, a cryptocurrency exchange needs to implement a whole range of necessary measures, including but not limited to: ensuring adequate compliance with know your customer and anti-money-laundering regulations of its local jurisdiction, the storage and trading codebase, security risk mitigation, and any other that are warranted by the exchange's specific policies.

The limited liquidity of newly launched cryptocurrencies, and thus the limited potential for profit from trading fees, weighed against the complexity of listing them, inevitably makes the entire affair of questionable usefulness to cryptocurrency exchanges. This natural barrier to entry

sometimes results in the introduction of another, intentional one, in the form of listing fees, which reportedly add up to as much as \$2.6 million in some cases .

This is a problem not only for the creators of new cryptocurrencies, but also for the customers of the exchanges, who are left with a severely limited selection of coins to trade or invest in. Running against the underlying philosophy of decentralization, the availability of options is decided not by the majority of participants of the market, but by a small number of centralized entities.

Solution

There is not a clear-cut solution to the problem of the complexity of listing new coins, as it is a natural one. However, BitMat still manages to offer more than 300 cryptocurrencies for exchanging. For comparison, Binance, one of the largest exchanges on the market with almost \$1 billion in daily trade volume, has just under 170 coins on offer as of October 2019 .

BitMat has achieved this by creating a vast network of partners who contribute their listings and corresponding liquidity to enable fast swaps of any coins listed on the partner exchanges.

Lack of anonymity

The right to privacy is one of the basic tenets of cryptocurrency. At a time when the concept of personal privacy is being eroded by both government and private entities , decentralized currencies uniquely allow for anonymous transactions between individuals across the globe.

However, that doesn't mean anything when in order to obtain cryptocurrencies a user is required to unmask themselves via the mandatory process of registration and surrender their personal ID and data to an untransparent and unaccountable entity that is the average crypto exchange.

<https://techcrunch.com/2018/10/08/binance-listing-fees>

<https://www.coingecko.com/en/exchanges/binance>

<https://www.theguardian.com/commentisfree/2011/apr/24/john-naughton-personal-privacy-mobile-phones>

Solution

BitMat believes that the right to customer privacy should be of paramount importance. In addition, BitMat has no AML/KYC measures of its own — only those of some of its exchange network partners.

Customers are not required to submit any of their private data by default. In those exceptions when they are, BitMat guarantees that they will be able to cancel the exchange and get their money back before any personal data is submitted.

Lack of simplicity

Probably one of the strongest barriers to the adoption of cryptocurrencies by laypeople is the complexity associated with buying them. Multiple-step registration, complicated know your customer procedures, convoluted interfaces designed without the needs of a newbie customer in mind are all factors that deter new people from participating in the decentralized asset economy.

When there are no simple-to-use, intuitive crypto onramps, people without professional knowledge in the sphere are much less likely to become a part of the ecosystem.

Solution

Keeping these basic principles in mind, BitMat was designed from the ground up to be accessible to complete newcomers to the crypto industry. Free from sign up, basic KYC procedures that are performed only when absolutely necessary, and an intuitive interface all contribute to the ease of use of the exchange. An in-development BitMat mobile app will further improve the accessibility of crypto exchange, making it available anywhere, anytime.

<https://www.kaspersky.com/blog/cryptocurrency-report-2019>

Insufficient differentiation of businesses

As of October 2019, data from industry sources show that there is a large number of businesses operating in the cryptocurrency exchange sector: as many as 260 instant exchangers (excluding the ones that are unreliable) and 285 full-scale exchanges .

This wide variety of available options, that are in many regards indistinguishable from each other, coupled with the absence of coherent customer relations strategies due to the industry's immaturity, leads to an oversaturation of the market with users lacking means to differentiate between available offerings.

Unable to build meaningful, long-term relationships with their customers, new exchanges come and go from the market on a monthly basis, while the clients — unsure who to put their trust in — are forced to switch platforms in search for the best one.

Solution

Leading tech companies, such as IBM , highlight client relations as an important factor in differentiating a business within a highly competitive environment. There are many approaches and tools available for building strong, long-term relationships between a cryptocurrency exchange and its customers, one of which is cryptocurrency itself.

BitMat differentiates itself among competitors by having created an economy that is mutually beneficial to both itself and its customers, centered around a cryptocurrency. By encouraging the use, exchange and accumulation of its digital token with a beneficial effect to the customers themselves, BitMat has laid the foundation for a long-term win-win relationship between the two parties.

The next section of this WhitePaper describes in more detail the nature of BitMat Token, its uses and the economy based around it.

<https://www.bestchange.com/list.html>

<https://coinmarketcap.com/rankings/exchanges/reported/3>

[https://www.ibm.com/developerworks/community/blogs/309a6614-1ca5-4e71-8cf8-](https://www.ibm.com/developerworks/community/blogs/309a6614-1ca5-4e71-8cf8-b3304106145b/entry/7_Reasons_Why_Customer_Relationship_is_Important_for_Business_Success)

[b3304106145b/entry/7_Reasons_Why_Customer_Relationship_is_Important_for_Business_Success](https://www.ibm.com/developerworks/community/blogs/309a6614-1ca5-4e71-8cf8-b3304106145b/entry/7_Reasons_Why_Customer_Relationship_is_Important_for_Business_Success)

BitMat Token

BitMat launched its own cryptocurrency BitMat Token (BMT) in September 2019 with the goal of establishing a long-term beneficial economic ecosystem to be used by its customers. The token is based on Ethereum's ERC-20 standard.

In its essence, BitMat (BMT) is a Utility Token: the customers of the BitMat instant exchange uses BMT Token which serve as a Utility Token on Bitmat instant Exchange and will give benefits for holders, such as Staking, Pay Exchange Fees, Voting for Cryptocurrency listings, Affiliate and bounty rewards, dedicated support and way more features to come.

However, unlike a traditional Utility Token, the use of a cryptocurrency offers a range of unprecedented improvements, such as the ability for customers to transfer the BMT tokens between each other, or trade them on an open market, creating an ecosystem that is an order of magnitude more democratic and user-oriented.

This positive dynamic, which offers the more benefit the longer a customer uses the BitMat platform, differentiates the exchange from its competitors and ensure a long-term business-client relationship that is advantageous to both parties.

Token issuance

BitMat Token will be issued in two principal ways:

1. To the customers of BitMat who use the platform to exchange other cryptocurrencies.
2. To the participants of The BitMat Bounty Program.

Allocating BitMat Token via these two channels ensures that it will be distributed between those participants of the ecosystem who are the most interested in its continued operation and growth. Moreover, the issuance of BitMat Token every time an exchange is made on the BitMat platform ensures that it is backed by the exchange fee paid by the customer to the exchange, helping secure the value of the token.

Token allocation

BitMat issued own token, called BitMat Token (BTM). Limited to 82M, never to be increased. BMT will run natively on the Ethereum blockchain with ERC-20.

Total Supply	82,100,000 BMT.
Available for Pre-sale	15,000,000 BMT
Crowd Sale	25,000,000 BMT
Airdrop And Bounty	3,000,000 BMT
Reserved for other marketing activities	7,000,000 BMT
Reserved for the Development	11,000,000 BMT
Reserved for Team, Founder and Advisor	21,100,000 BMT

Token usage

At the initial stage, BMT Token (BMT) will allow its owners to obtain a Membership Status at BMT, conferring a number of advantages when using the platform to exchange cryptocurrencies. These include:

1. Staking rewards for every BMT Token users Stake.
2. Right to vote on new cryptocurrency listings on www.bitmat.online.
3. High priority customer support on www.bitmat.online

With further development of the BitMat instant exchange platform and ecosystem at large, the holders of BMT Token will have priority access to any newly implemented features.

In addition to regular exchange customers, part of the total supply of BMT Token will be distributed in a similar way among BitMat affiliate partners and will confer extra benefits to them, such as preferential fees and payout limits. This will ensure long-term cooperation between Bitmat and its partners and improve the robustness of the entire ecosystem.

Security

Many cryptocurrency exchanges have failed due to poor security. When a centralized exchange is compromised, millions of dollars and thousands of users are impacted all at once. That's why BitMat relies on a different approach - creating a decentralized system in which any attack or failure impacts only a single user and their funds.

Future

With the development of new technologies, we plan to build fully decentralized exchange products, striving for a fully decentralized service ecosystem with BMT as a means of payment for various goods and services within.

Risks

In today's world, cyber attacks are increasingly being disseminated. We want to ensure our customers that our exchange was implemented with the highest standards of security, including Open Web Application Security Project (OWASP) and CryptoCurrency Security Standard (CCSS). We aim at regularly testing our platform with a help of our own team and third parties.

Market competition

BitMat revolutionizes the adaptation of cryptocurrencies and provides its customers high-quality and low-cost experience. While most other exchanges are competing to attract traders for high volume pairs, such as BTC/USD and BTC/ETH, BitMat while still providing services on such pairs stand out among its competitors by supporting coins with rather smaller trading volumes, but strong communities. From our experience the constantly developing market, as well as the growing popularity, has proven to be successful.

Legal Disclaimer

BMT Token are not viewed as securities and only represent stakes in the company's project, which once completed have certain values as determined by the larger market.

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. This document does not constitute an offer of securities or a promotion, invitation or solicitation for investment purposes. 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 whitepaper. 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. This version of the whitepaper supersedes any previous versions and any translated versions as the official BitMat WhitePaper.