



COINERIUM

**N E X T G E N E R A T I O N P A Y M E N T
S Y S T E M**

[www . coinerium . i o](http://www.coinerium.io)

I N D E X

1. Legal Disclaimer	3
2. Abstract	3
3. What is Coinerium?	4
3.1. What is StableCoin?.....	5
3.2. Crypto Asset-Backed StableCoin.....	6
3.3. Governance Structure.....	7
3.4. Coinerium Foundation.....	7
3.5. Trust Structure for Coinerium	8
4. Need for Coinerium	9
4.1. Payment Problems and solution by Coinerium	9
4.2. Stable Transaction Cryptocurrency: Coinerium.....	10
4.3. Easy Cash-Out for Merchants.....	11
4.4. Revenue Share Model for Coinerium Token Holders.....	12
5. KYC	13
5.1. Mobile&Desktop Payment APP(Wallet).....	13
6. Coinerium EcoSystem	14
6.1 . Merchants.....	14
6.2. Merchant Approval.....	14
6.3. Merchant and Wallet ID Matchhing.....	15
6.4. Individual Users.....	16
6.5. User Approval.....	16
6.6. Reseller Network.....	17
6.7. P2P Transaction - Transactions Performed in between the users.....	18
6.8. P2M Transaction - Transactions made by the costumers.....	18
6.9. M2F Transactions.....	18
7. Technical Design	19
7.1. Supply Algorithms.....	20
7.2 How its works.....	21
7.3. Why Coinerium Chose Ethereum?.....	22
7.4. Security.....	23
8. Bussiness	26
8.1. How we developed the cryptocurrency that will be most commonly used.....	26
8.2. Initial Coin Offering Details and Timeline.....	28
8.3. Token Distribution.....	29
8.4. Timeline and Growth Plan.....	30
8.5. Business and Revenue Model.....	31



1. Legal Disclaimer

The information that are included in this document is highly confidential and only for the use of the intended recipient. Its use, publication or redistribution without the prior written consent of Coinerium is prohibited.

Even though the investment in crypto currencies is tempting it involves a very high degree of risk and therefore a high potential for significant losses. It is highly advised that you do not invest money if you cannot afford to lose.

2. Abstract

This whitepaper is written in order to inform the reader about the beginning of Coinerium and the way this project will continue to develop in the future.

Coinerium is a blockchain based non-bank digital payment gateway for building the biggest cashless society in the world. It is faster and more secure than any other traditional payment method, moreover it is not affected by the fluctuations of crypto currencies and has very low transaction fees thanks to the blockchain base.

As a result of the use of blockchain technology Coinerium through witnesses proves that it does not use or give interest. Coinerium is expected to lead the digital transformation of the world.

Coinerium Cash is a stable coin created by Coinerium with an intention to be used on daily basis both for the online and offline transactions. One of the biggest problems that Coinerium Cash solves for its users is the fluctuation which is very common among the crypto currencies. Coinerium is a stable crypto – collateralized (decentralized) currency. For insurance it is 150% collateralized. All funds will be in smartcontract with ethereum. If the prices for ethereum fluctuate the 150% will be used in order to ensure that the currency is kept stable. Moreover this project, through the use of high end technology, enables users to have simple and secure way to do transactions.

The need for a new payment method which will solve the majority of the current problems of the antiquated banking systems, such as, security, high costs per transaction, difficult transaction process, is very obvious.

The Coinerium products are designed with an exquisite interface, advanced data tools for users and merchants alike to disrupt the cash dependent system and also the antiquated banking systems.



3. What is Coinerium?

Coinerium in its core is non-bank digital payment gateway based on blockchain designed for building the biggest cashless society in the world.

The main goal of Coinerium is to ensure the users can transfer funds in daily life in a simple, decentralized and most importantly safe way.

Some of the features which act as a guarantee for the safety of the gateway, and are an inseparable part of the blockchain technology that in fact is the base of Coinerium, are:

The main goal of Coinerium is to ensure the users can transfer funds in daily life in a simple, decentralized and most importantly safe way.

- **" Interest is not allowed which means that individuals cannot gain funds via interest.**
- **" Two or more witnesses must approve all debt transaction between two parties.**

For a transaction to go through on a blockchain structure the confirmation of at least three parties is needed. Once it has been confirmed the transaction cannot in any way be rearranged, deleted or modified in any sort of way neither by an individual nor by a central authority.

The main objective of Coinerium is to build a vast number of loyal users. Our users will be provided with a wide range of solutions for various types of business needs like plugins for E-commerce, APIs, and point of sale applications with payment buttons for different platforms such as web, Android, and iOS. Our goal is to create alternative payment options for customers and businesses around the world with their ready-to-use solutions such as e-commerce plugins, Bitcoin payment processing APIs, and other payment integration tools.

3.1. What is StableCoin?

Over the past two years, there has been increasing interest in blockchain as a technology for data sharing and traceability in industries ranging from shipping to food and even diamonds. There has also been a rush of initial coin offerings, a form of capital raising based on digital assets, with over \$20.6 billion raised this year.

With these different use cases competing for attention, it is easy to forget that the original application for blockchain technology was Bitcoin, the cryptocurrency described by Satoshi Nakamoto, in the now ten-year old white paper as “a peer-to-peer electronic cash system.”

Bitcoin has turned out to be a highly volatile asset. There is no central bank for Bitcoin working to keep its value relatively stable, and the worth of one Bitcoin went from less than \$1,000 at the start of 2017 to almost \$20,000 in mid-December of 2017 before dropping back to around \$6,500 today.

The recent volatility of Bitcoin and other cryptocurrencies has made it much harder for them to be actively used as a payment mechanism. It’s difficult to imagine such an unpredictable asset being used to pay employee salaries, buy goods or services, or pay rent.

But in addition to those examples, which today are managed fairly well by the traditional financial system, the demand for totally new forms of payment is increasing. Our devices will need to transact with each other, creating “thing-to-thing” payments, to effectively fulfill the function they were designed for, e.g. autonomous vehicles paying for charging, or artificially intelligent processes paying for computing power as needed. The friction inherent in the traditional payments system—the cost and time needed to make a transaction—makes it unworkable for these types of value exchanges. But a stablecoin, a digital asset pegged to the price of the US dollar or another currency, can enable these transactions. It offers many of the advantages of a cryptocurrency but without the volatility associated with Bitcoin.

3.2. Crypto Asset-Backed Stable Coin

Crypto-backed stablecoins are also reliant on the backing of another asset, but in this case the collateral is a cryptocurrency like Bitcoin or Ether. This type of stablecoin is less centralized than a traditional asset-backed coin because the crypto assets being held as security can be locked in smart contracts. These crypto assets are not subject to the same vulnerabilities as traditional asset collateral.

However, crypto assets are highly volatile, so the stablecoin needs a way to retain its asset backing, and therefore its stability even during times when the value of the underlying assets falls dramatically.

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This mechanism has allowed Coinerium to keep broad parity to the US dollar since its creation, even through the large falls in value of Ether also not an issue.

Coinerium does allow for the creation of several payment gateway services against their collateral, since there is no direct correlation between the collateral and the stablecoin. Up to now, people have been willing to mostly use stablecoins denominated in a USD equivalent, but if the ecosystem is to keep growing, and if the recent troubles for Tether are anything to go by, then we need an alternative backed by cryptoassets.



3.3. Governance Structure

In order to ensure the trust of the users and the integrity of the team as a unit a governance structure was defined. The governance structure that was defined is of the Coinerium users and Coinerium management.

3.4. Coinerium Foundation

The Executive Board members are appointed by the shareholders of the foundation. They guide the foundation with full integrity and moral responsibility. The Executive Board members take into account the benefits of the entire community as well as all the stakeholders of Coinerium.

The vision of Coinerium serves as the guideline to the Executive Board members. In order to ensure a sustainable growth the Executive Board members, if needed, have a right to make strategic decisions to change transaction fees, cash out fees and the ratios of the revenue share distribution.

For the revenue share distribution the Coinerium Foundation has to purchase tokens from the exchanges.

The purchase of tokens made by the Coinerium Foundation will positively influence the prices of the token in the market. To ensure that no fraud takes place, no misuse of information and no insider trading happens, all effective security measures and ethical standards need to be implemented by the Executive Board members.

The Coinerium foundation works full time. The team is split in different sectors with different levels of authority. The highest authority in operation of the foundation has the Executive board. It is required that they have no less than one meeting per quarter however the number of meetings is not limited to one. They must approve every strategic decision such as budget revision, fund allocation, investment etc.

The management team including the managing director and the CFO report directly to the Executive board. They all are tasked with different responsibilities and therefore have different authorities. The CFO reports to the Executive Board for internal control purposes, audit and reporting.

The management team is given the task to prepare the annual budget for marketing and operations. Whereas the managing director has the right to spend within the limits of the previously approved annual budget. If a payment over the limit needs to be performed a signature from an Executive Board member and the Managing director is required. In addition the Managing Director has a limited authority over the Power of Attorney.



3.5. Trust structure for Coinerium

The blockchain structure allows for a real time audit instead of the traditional audit methods which include providing financial documents. The third party partners are publicly available in order to ensure a trustworthy and secure structure for Coinerium. This two components show that the trust structure of Coinerium is an exquisite use of blockchain.

As we previously mentioned Coinerium is a stable crypto-collateralized coin.

Banks or fiat currencies will not be used to stabilize our currency. It is 150% ethereum collateralized.

- An automated stability will be obtained with the use of a specially designed application for fluctuations, moreover it will be fixed with the ethereum price.
- All the funds will be secured in etherum with smart contract. Which in return will create a transparent process where everyone will be able to see how much does the smartcontract contain and thus a trust will be ensured.



4. Need for Coinerium

With the digitalization of the world technology is being used in every single part of the daily life. Today the amount of people who use AliPay and WeChat Pay exceeds 900 million per month. This is proof that people are already living in a digitalized cashless world which shows the importance of the need in the fintech market.

With the change in the world comes the need for the change in the banking system. We are all witnesses that the banks worked pretty good up to this point however just like in any industry the current outdated methods upon which the banking system was designed will be replaced by new technology

4.1. Payment problems and solutions by Coinerium

" Single payment method for online shopping

The outdated banking system is one of the main problems which come up with online shopping. The most used method is cash on delivery, however this method has its risks and issues such as uncharged deliveries and higher costs. Moreover this method applies only to physical goods which leaves the monetization of the digital goods and services without a proper solution. Coinerium with its stable currency, Coinerium, introduces a stable, secure, fast and simple to use way payment method.

- **Obligation of carrying cash**

One of the major problems of the current offline payment method is the necessity of carrying cash.

This raises major questions, but perhaps the biggest one is from a security point of view. On one hand people tend to carry large sums of cash in order to buy goods on the other hand they are at a large risk if they lose the cash. Coinerium effectively gets rid of this issue through removing the cash from the equation and introducing digital payment through the security of the blockchain technology.



- **Cross border money transaction**

As a result of the high conversion rates of the banks, cross-border transactions or online payments in different currencies tend to be very expensive. The objective of Coinerium is to make this process as simple as sending a message on any online platform. When the required KYC process is completed the transfer of funds between countries will take mere seconds unlike now, when this process can take up to a few business days.

- **Dependent Central Authorities**

The Coinerium is designed to last forever and belongs to the community. The savings cannot be changed by anyone and are recorded on the blockchain. This solves the trust and dependency problems that may occur in the national banks due to high inflation risks which prevent people from keeping their funds in the national banks.

- **Counterfeit money problem**

Counterfeit money is a serious problem all around the world. A stable, digitalized and secure currency such as Coinerium represents a solution for this widely spread problem.

4.2. Stable Transaction Cryptocurrency: Coinerium

Due to the lack of intermediaries the digital or blockchain payment methods tend to be swifter than the classical payment routes. In order for the payment to be approved the paying wallet must contain enough digital coins. Crypto-payments are faced with only one obstacle and that is the unexpected fluctuations in the currencies. Coinerium came up with a solution for bypassing this problem by creating Coinerium, its own the stability and safety of the coin will be secured with a 150% collateralization in ethereum.



As the pioneers in technology, we firmly believe that the use of crypto currencies in the fully cashless society of tomorrow will not require any precautions to be taken. Nevertheless during this transitional period from an antiquated method to a new technology the new method needs to be designed according to the current situation of the market and the society. One of the main objectives of Coinerium is to be a simple and easy to use payment method. Thus an app, Coinerium, was created to be used as a simple and quick way to access the Coinerium. In order for the users to not worry about the safety of their money 1 Coinerium will always be equivalent to 1 USD . The total amount of circulating Coinerium will be secured in smartcontract with ethereum.

As a result of money laundering concerns users will not be allowed to cash out through the foundation. They will be able to washout their Coinerium tokens from exchanges. Only select and approved merchants from the system will be allowed to convert their Coinerium to fiat currency with a minimum amount restriction.

4.3. Easy Cash-Out for Merchants

Although we have a vision of a system which is sustainable and where in the future none of the users will have the necessity to cash out for fiat currency, during the transition process which is a major part in our foreseeable future the Coinerium foundation will allow approved merchants to cash out at any time. They will have the opportunity to exchange their Coinerium in their wallets to fiat currencies. Approved merchants will be given the opportunity to exchange their Coinerium from the foundation with a minimum limit of 1000 Coinerium. A 5% commission on the average will be taken by the foundation.



4.4. Revenue Share Model for Coinerium Token Holders

Coinerium will distribute 75% of total revenue amongst holders of Coinerium tokens. It is creating a new standard in the crypto industry for the level of participatory returns, beyond the regular incentives for users and investors. Coinerium holders will receive their monthly share in Coinerium tokens according to the following formula;

$$RSPH = \frac{MR \times 75}{100 \times TT}$$

RSPH = Revenue to be shared per token held.

(Only tokens held in the native Coinerium wallet or Coinerium payment application are considered)

MR = Total net revenue of the month N. Total net revenue is calculated after deducting the applicable taxes, fiat currency transfer costs, mining reserve share and any direct cost associated by the gross revenue of the foundation generated from transaction and cash out fees.

TT = Total number of Coinerium tokens held in the native wallets. (Coinerium tokens native wallet and wallets in the Coinerium payment applications are considered into the calculation). In order to be calculated in the Coinerium tokens distribution list for the revenue share, the wallet should have at least 1,000 Coinerium Tokens tokens on the first day of the month N+1.

N = The month that the distributed revenue belongs

N + 3 = The month that revenue is distributed.

As a summary; revenue share by Coinerium tokens will be distributed on the first date of month N+3 for each month N. Only qualified token holders—holders who have at least 1,000 Coinerium Tokens at the qualification time—will benefit from the revenue distribution. Qualification of the wallet is decided on the 1st day of month N+1.

It is important to highlight that Coinerium is a utility token since Coinerium Foundation does not issue dividends and/or voting rights to the token holders. Coinerium Foundation will share the revenue with holders according to the amount of Coinerium in their wallets as mentioned above. Coinerium Foundation keeps the right to adjust the revenue share according to the needs of the market and community.



5. KYC

KYC (Know Your Customer) is a procedure which is placed in order to make sure that no illegal activities are taking place on Coinerium. Additionally it gives our customers a protected network. All users, resellers and merchants alike who reach an accumulated volume of 100 Coinerium are put under a detailed KYC process.

This process is carried out in a few steps:

- The user completes the optional and mandatory profile information and confirms his/her email address.
- An officially recognized identity document is uploaded to the platform (Passport, national ID or Drivers license)

Following this steps, if the information given is found appropriate, the process is approved by the Coinerium foundation. The KYC process takes place in order to include firm information not excluding legal documents, firm's financial history and for institutional users business licenses.

The user data gathered in this process is secured on an off chain secure database and all General Data Protection Regulations (GDPR) are being met.

5.1 Mobile & Desktop payment App (Wallet)

The Coinerium application is designed to act as a wallet to the users. In order to create a unique wallet every individual must download the application and register their phone number. Wallets can be added as the user pleases.

"Customer Relations" support is provided for any issues the customers may run into. Customers can easily access the support next to its actively handle social media accounts.



6. Coinerium EcoSystem

6.1. Merchants

In the Coinerium EcoSystem merchants are defined as Enterprises which accept Coinerium payments in return for their products or service. They along with the individual users are the building blocks of the Coinerium system. More than 50 large establishments have already signed contract with the Coinerium Foundation. Merchants who are registered and accept Coinerium have access to privileged features on Coinerium. Coinerium is an easy to register platform that can be used to execute all their sales operations and keep track of all the relevant sales data.

In order to develop the vastest cashless community in the world, Coinerium introduced an easy-to-integrate Software Development Kit (SDK). Any seller who downloads and sets up the SDK can accept Coinerium payments.

Merchants can accept payments and spend Coinerium as they please. Merchants are divided in two major categories

- **Standard Merchants - are merchants who use Coinerium only as a payment intermediary and will not cash out their Coinerium**
- **Approved Merchants - are merchants who fulfill the necessary requirements set by the foundation in order to be able to cash out in any currency**

6.2. Merchant Approval

In order to get the "Approved Merchant" status, the merchants need to submit to Coinerium the following documents.



- Certificate of incorporation
- Certificate of registered address
- Certificate of shareholders
- Passport copy of the signing director(s)
- Utility bill of the signing director(s)

After the Coinerium team receives and assess the application, if the requirements are met, the merchants are welcomed into the "Approved Merchant Network".

6.3. Merchant and Wallet ID Matching

Every user and merchant has a unique wallet ID. After an initial wallet is created every user and merchant can add more wallets. The merchant wallets are equipped with their company identity and are shown during every transaction so that the user can be sure that he/she is transferring the money to the right address.

One of the top security measures which is used by Coinerium to transfer Coinerium is the Coinerium ID matching process. Every user information is checked against the information which are previously gathered and kept off the chain. The validity of these information is confirmed by the user during every request that comes through the Coinerium Gateway. During a transfer of Coinerium the receiving side application produces a QR code encoding its public key. By scanning this QR code, the sending side gets the public key and the transaction can take place.

The public key is matched to the identity of the receiver on Coinerium servers and masked identity information is returned to the sender as identity hints. In this way the receiver's real identity is ensured.



6.4. Individual Users

Taking into consideration that Coinerium focuses on the whole world, its products are designed to meet the needs and habits of everyone. The users will be able to login to the platform through a well-designed, secure and fast onboarding process. The user will need to complete a KYC process once the cumulative sum of the transaction exceeds 100 Coinerium.

6.5 User Approval

In order for the users to sign up with their phone number to the Coinerium Platform they need to download the app from the app stores or the website www.coinerium.io. The sign up process is completed after the verification code sent to the previously given phone number is entered. Everyone, who provides the requested information, can be registered to the Coinerium platform once the confirmation has gone through.

The user can:

- Use her/his pin code to log in
- Request for an additional password security
- Activate two-factor authentication feature.

For the time being the Coinerium Platform has set an age limit of 16 for the use of the Coinerium. To become A Coinerium Token Holder one must be 18 or older. The "Parental Control" feature will be introduced to the platform in October 2019 in order to enable users under the age of 16 to use the platform.

The KYC process is initiated when the cumulative sum of the transactions exceeds 100 Coinerium. This process is used in order to prevent fraud and fake accounts. The KYC process prevents security breaches without any compromises on the transaction speed.



6.6. Reseller Network

"Coinerium Resellers" are establishments, part of the Coinerium Ecosystem, which exist to sell Coinerium. They are contracted by the Coinerium Foundation and are put in place to ease the purchase of the Coinerium. There is an application specially designed for the Coinerium resellers.

The reseller network will be one of the greatest assets of Coinerium. In order for the digitalization to take place according to plan Coinerium needs to be easily available to anyone at any time in anyplace.

Enterprises such as exchange desks, internet cafes, markets etc., by providing the necessary documents can apply for the reseller status. All accepted enterprises will be able to add another income channel to the existing business and expand their customer portfolio.

The corporate business which wish to apply for the reseller status must fill the application form and send the following documents:

- Registered Name
- Registered address
- Copy of the certificate of Incorporation
- Shareholder List
- Valid passport or driving license of the director(s)

The Coinerium Foundation reviews all the received applications and takes into consideration attributes like location, prolificacy, customer potential, need, etc. Establishments who become Resellers can:

- Buy Coinerium through wire transfers or credit cards from the foundation
- Make rate updates on a customer base and decide the commission rate over their sales.
- Share the sales document, which is issued at the time of the sale, with the customer.
- Track sales records and produce reports over their sales with the provided for them Dashboard.

The foundation keeps the right to interfere with the commission rates that could hurt the ecosystem.

Users can see the Resellers Network from their Web and mobile applications, in that way they can find the nearest Resellers where they can purchase Coinerium.



6.7. P2P (Peer to Peer) Transaction Transactions performed in between the users.

In order for a transaction to be realized details of the receiving party (email, phone number, nickname, public key or QR Code) are requested from the sending party.

This innovative, fast and secure payment system with lower costs of transactions compared to the existing payment methods is introduced by the Coinerium Foundation.

6.8. P2M (Peer To Merchant) Transaction -Transactions made by the customers to the merchants.

When the Peer to merchant (P2M) transaction takes place, a unique transaction code is produced for every purchase from the merchant. Within this code, there exists information on the purchased product or service and the cost. This code is reflected as a QR code on the merchants' screen. The QR code is scanned by the customer's app and after system approval the payment is realized.

6.9. M2F (Merchant To Foundation) Transaction

For previously approved merchants Coinerium is easily converted to fiat currency.

As previously mentioned the merchants can use the collected Coinerium for their own purchase purposes, and if they join the Approved Merchant Network they will be able to cash out from the Coinerium Foundation. Cash out requests opened by approved merchants are closed by the foundation on returning the fund, keeping 1 Coinerium = 1 USD equality. The Foundation claims 5% commission over the amount cashed out. The minimum amount for cash out is 1000 Coinerium. The Coinerium Foundation keeps the right to change the commission rates.

7. Technical Design

The public blockchains such as Bitcoin and Ethereum have a major setback as they are not as easy to use as cash and credit cards in daily transactions. It is obvious that you will not choose to use Ethereum as a payment method for your morning coffee since by the time the transaction is completed your coffee will be cold. Almost all blockchain based currencies are slow compared to the traditional payment methods.

Privacy is a major problem (for the time being) as a payment system used on a daily basis. With the help of a couple of smart developers, your competitor can quite easily predict the volume of your transactions and even guess your total revenue. This is why users or companies might not want their transactions to occur on a public platform, all transactions and payments can be traced publicly. This is a problem which occurs when blockchain technology is considered as a daily payment system.

Traditional payment systems such as Visa have the capacity to handle thousands of transactions per second (TPS). In this Aspect most blockchain platforms fall behind. The Bitcoin can handle only 7 TPS and the Ethereum 15 TPS. It is predicted that these limits will increase with second layer of technologies such as lightning network, sharding, etc. Coinerium is currently designed to support 100s of TPS for the time being, nonetheless it is planned to be scaled up in the following years.

Often cases are being used, usually by enterprises which require the execution of some additional logic on the payment system. Such may be the approval of a manager for the transaction to take place over a specified limit. In that case the transaction is put on hold until the confirmation is given. More complex scenarios require the ability to run applications on the blockchain, which would then function as a distributed computer running those applications.

As a result of the aforementioned, the need of a platform which is secure, fast can handle thousands of TPS, that can finalize a transactions in seconds became obvious.



7.1 Supply Algorithms

The final type of Coinerium maintains its stability primarily by matching supply to demand. These are complex economic mechanisms, particularly for reducing supply if the price of the coin starts to fall.

Instead of being pegged to fiat (dollar, euro, yen, yuan etc.) or exchange-traded commodities (gold, silver, other industrial metal, etc.) Crypto-collateralized Stablecoins backed by a combination of cryptocurrencies.

In order to account for the price-volatility of the collateral backing the stablecoin, stablecoins using the over-collateralized method.

Let's say we deposit \$200 of ETH to receive \$100 of a stablecoin in return. The stablecoin are now 200% collateralized. This means if the price of Ether drops by 25%, the stablecoin can still keep its price stable as there are still \$100 worth in ETH collateral backing the value of the stablecoin.

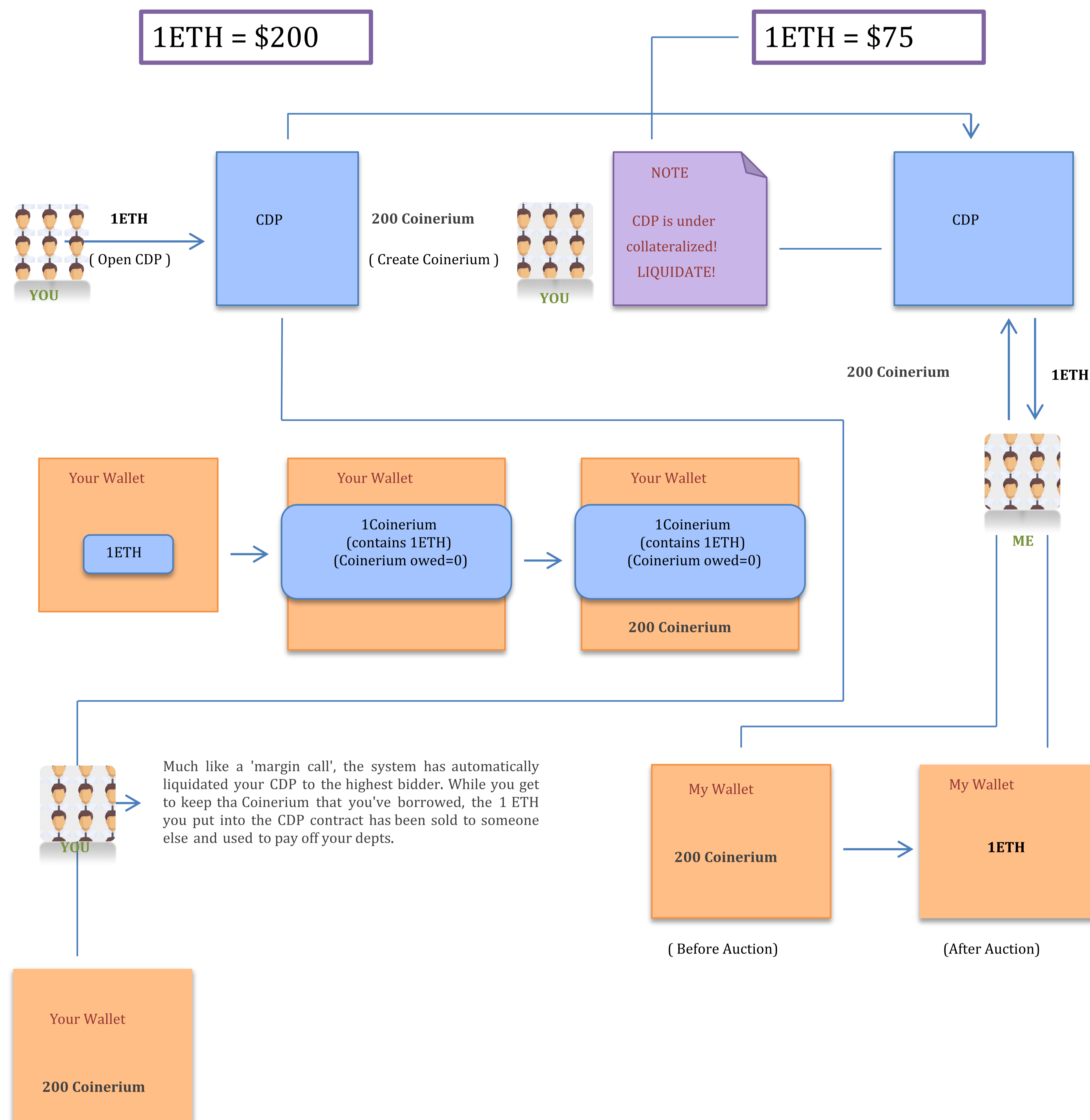
Coinerium is a decentralized system using smart contract technology and Ethereum's value to achieve stability of Coinerium.

Users do not purchase Coinerium, but instead create it in exchange for Ethereum (ETH) as a CDP ("collateralized debt position") locking up their ETH within the Coinerium system.

Coinerium is a decentralised payment network in which "Coinerium" are used to make payments and buy things. Fee from these transactions is distributed proportionally among Coinerium holders.



7.2 How its works



Step 01

Lock ETH as collateral ETH holders lock their ETH as collateral to Coinerium stake the system.

Step 02

Coinerium Finance LLC smart contract will send equalant Coinerium Token. Coinerium Finance LLC are minted into the market against the value of the locked ETH, where they can be used for a variety of purposes including trading and remittance.

Step 03

Now ETH Holders will get Coinerium in his Coinerium Dapp.

Step 04

Now Coinerium Holders (old ETH Holders) can use Coinerium with any merchant service where Coinerium Finance LLC Gateway accepted.

Step 05

Coinerium Merchant can sell to Coinerium exchange and change back to ETH.



7.3. Why Coinerium Chose Ethereum?

Coinerium utilized on the Ethereum platform using ERC-20 technology which is public, easy-to-use, and one of the vastest and widespread blockchain platforms in the world. Ethereum has the most widespread-use utility tokens. Whether it is transactions between two dynamics or stock exchanges, all operations are held much faster than the existing banking system by the blockchain technology.

By definition Ethereum is a decentralized network of computers with two basic functions. These functions are a blockchain that can record transactions, and a virtual machine that can produce smart contracts.

Ethereum can support decentralized applications (DApps) thanks to these two functions. These DApps are built on the existing Ethereum blockchain, piggybacking off of its underlying technology. In return, Etherseum charges developers for the computing power in their network, which can only be paid in Ether, the only inter-platform currency.

Dependent on its purpose, DAPPs may create ERC-20 tokens to:

- Function as a currency,
- A share in the company
- Points in a loyalty program
- Proof of ownership (e.g. Deed to a house)

A smart contract is a computer protocol on the blockchain which technically orders projects. Smart contracts are the unchangeable agreements on how transactions are approved according to the rules written within them. They are responsible for the autonomous ruling of the system. Smart contracts basically act as objective escrow mechanisms.

Ethereum community has created these standards with three optional rules, and six mandatory ones:

Optional

- Token Name
- Symbol
- Decimal (up to 18)

Mandatory

- TotalSupply
- Balance Of
- Transfer
- TransferFrom
- Approve
- Allowance

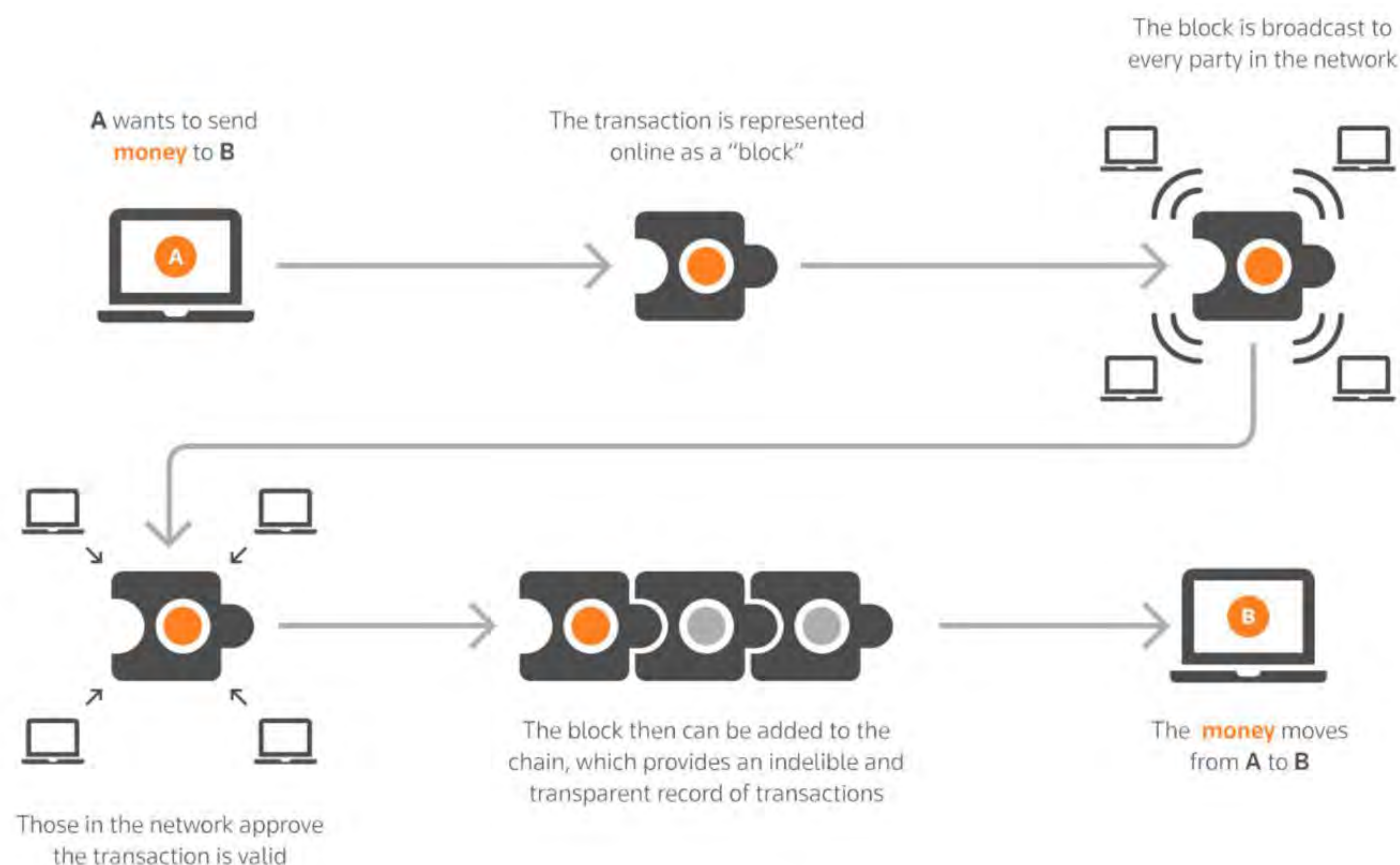
7.4. Security

In 2006 the number of data breaches, in comparison to the previous year, had grown for a staggering 937% and reached 200M financial service records. All of the present payment systems and solutions are vulnerable to data breaches, malignant uses and hacks.

In order to prevent this sort of malicious case the financial services spend multibillion USD. Another control mechanism is added to the system for each added control mechanism to inhibit the added control mechanism. This process is an endless chain reaction which is reflected as inefficient time and money on both internal processes of financial institutions and user experience. Even though this system has continuously showed its flaws, which ended with major amounts of money and labor thefts it is still in use.

For the use of credit card usually the information on the card itself is sufficient to make the payment. This means that a card which is left unattended (e.g. on the table) is open to usage without the knowledge of the owner. In order to prevent such misuse Coinerium was developed with 2FA payment passwords or approval processes.

All of the transactions that take place on Coinerium can easily be followed, if needed. The records of the transactions are written in two separate places, in a block on the blockchain and Coinerium's private blockchain. Thanks to the blockchain being completely closed to outside interventions the records cannot be tampered with.





Coinerium utilized technology to its advantage to design a ground breaking maximum-safety-platform that will be protected from the possible cases mentioned bellow:

The private key being acquired by someone that is not the user

- The key belongs to and solely to the user and is connected to the password the user uses to login
- A third party cannot decrypt the password and private key combination because Coinerium is encrypted together and the algorithms used in the encryption process pass through a vast number of rigorous tests.

Third party Integrations

- Coinerium developers are in control of all the SDKs and libraries used in the application. On platform a version can exist only, and only if it has all the safety approvals.

2FA login - 2 Factor Authentication

- This is a security process in which two methods of identification are required. The two step process in Coinerium are the special code produced by the identification already embedded in the application and the second one the password.

CoineriumGateway attacks

- DNS attacks, SSL certificate attacks, DDoS attacks, etc. will be prevented on the server side by putting the request of CoineriumGateway through HTTPS

Mnemonic phrases will be utilized

- If a user forgets his/her password they will be able to retrieve their account through a unique 16-word password (Mnemonic Phrase). The 16-word password is given to the user during the sign up process and they will have to kept this secondary password in a separate place.



Private Key detection

- Private keys are decrypted only during a transaction and are encrypted within the application itself

Transfer/payment approval

- Transaction summaries will be available, including but not limited to information on the counter party and the amount, at the last step of the transfer/payment so that the transparency and safety is guaranteed.

256-bit Advanced Encryption Standard will be used for the data in the application

- The exception to this are the private keys

CoineriumGateway use

- All the possible technical problem that might arise will be assigned to different data centers. In order for an uninterrupted user experience to be guaranteed , if such problem appears traffic will be directed to the other data centers through a CDN service.

To prevent fake accounts and fraud all users, merchants and resellers who reach an accumulated process volume of 100 Coinerium are subject to a rigorous KYC process. This process prevents security breaches while it does not compromise speed.

Public blockchains are most often under attack at 51%, this is why Coinerium uses a private blockchain rid of all attack possibilities.

Coinerium does not take any responsibility in case of individual user theft from the users devices. If something like this occurs that is under the user's responsibility.



8. Business

Non-bank payment businesses and blockchain payment solutions that are suitable for everyday life do not exist in the world. We are creating the Coinerium platform in an under developed part of the fintech industry.

It is our belief that Coinerium will grow strong and fast thanks to the well networked founders and investors who are highly reputable and well known in their respected fields.

8.1. How we developed the crypto currency that will be most commonly used

Coinerium will attain Top 10 ranking by market cap for its robust but practical solution for the simple and practical use of the crypto currency in everyday life.

By making the payment process secure, fast and easy to use Coinerium strives to become the most commonly used crypto currency platform. In order to gain and onboard millions of users in a short amount of time we plan, following the launch of the payment tools, to incorporate premium merchants offer discounts to their customers as long as they use Coinerium as a payment method.

Since Coinerium is data driven, solution-oriented and adaptive we follow a plan for growth in the world. The channels listed below will be used for business development and marketing:

- Very low commission offers to merchants in comparison to the current payment methods
- Discount on premium merchants for the Coinerium users



- The discount will be covered by the foundation
- Significant online and offline marketing actions
- Data oriented performance marketing
- Social media channels
- Influencer marketing
- Regional partnerships with brands
- Offline events and organizations
- Media Relations, PR
- Bounty & referral program
- Business network of the founders and investors

Coinerium's marketing strategy comes in two parts: getting users and reaching merchants. This is a result of the individual users and merchants being the most important segment.

Using our previous experience and network we already started to make deals with merchants. At the moment we have deals with 50 merchants with the goal being to reach 1000 within the first year of the launch. Our aim is to create a sustainable and satisfied ecosystem through building a two way communication with the existing and potential merchants using a well-designed, data-driven, problem solving B2B sales strategy.

We designed a fast, secure and user friendly interface so users can easily get use to the system. To accompany this interface we have made a strong digital marketing strategy for the social media channels where we will be constantly and fully active in order to connect and communicate with the community.

Since we want to fully understand the needs of our current and potential merchants and resellers we are building a strong sales team which will get in touch with them and gather the necessary information. This will help us in obtaining our goal in becoming the most commonly used crypto currency in the world.

Coinerium will make sure that they have privileges in the community as discounts, priorities, private events etc. through sharing tokens. 10% of tokens separated for bounties and airdrops which is equal ratio for team members and founders.

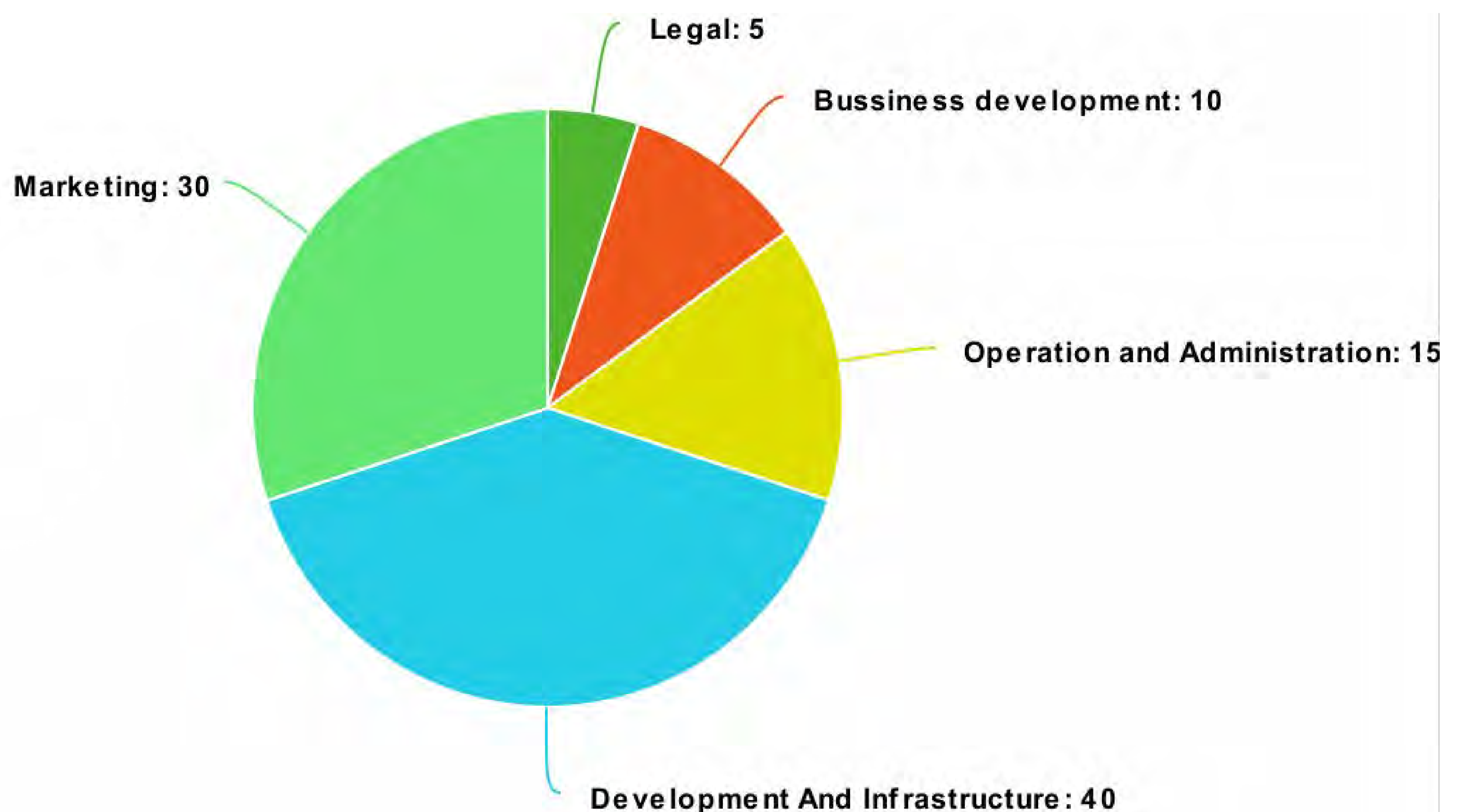


8.2. Initial Coin Offering (ICO) Details and Timeline

The Coinerium Foundation will gather the needed funds with an ICO, which presents a secure and revolutionary way of fundraising, while the blockchain based common payment system is being created. No further tokens will be created.

Total Number of Tokens	500 Million
Tokens Available	350 Million (70%)
Soft Cap	\$ 1 Million
Hard Cap	\$ 5 Million
Payments Method Accepted	ETH,BTC,USD,EURO
Token Format	Ethereum ERC-20 Standard

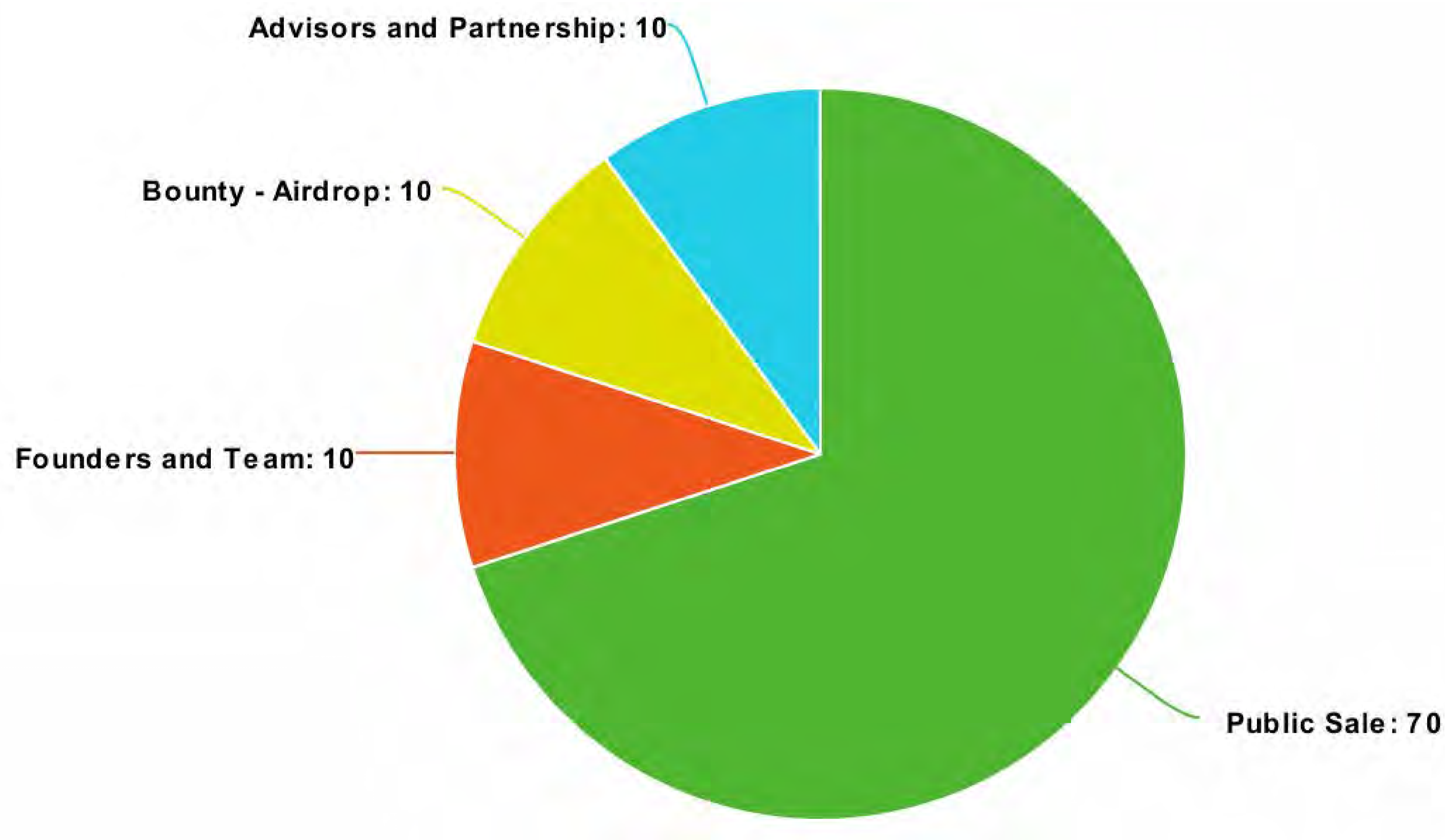
Collected funds will be operated respectively:





The tokens along with smart contracts along with their bonuses will be sent to the investor's wallets within two weeks after the completion of the ICO. All unpurchased coins will be destroyed.

8.3. Token Distribution



The token distribution is predetermined. All the tokens that will be produced will be distributed in the following manner:

- **70% distribution**
- **10% Bounty - Airdrops**
- **10% Team**
- **10% Advisors and Partnership**



8.4. Timeline and Growth Plan

The Coinerium platform will start to operate with its existing merchants in the system once the ICO is finished.

Face Recognition: With the intention to increase the security measure

and user convenience this feature will be added in Jul 2019. In addition to this our team is working on the incorporation of face recognition and mnemonic passwords which will be a revolutionary solution in the industry

50 Merchant Integration: Letter of intent (LOI) has already been signed

with more than 50 merchants. They are willing to use Coinerium as a payment method and become grand launch partners of the platform.

The most important reason for Coinerium's development is to serve anyone, who wants to use digital payment system in their everyday , needs The crucial part of the crypto currency taking place in any exchange is to generate as much users an volume as possible. Our goal is to reach 1 million in a very short amount of time. Moreover have 5 million users in 6 months or less in order to become the #1 global crypto currency , regarding the number of users.

- The AliPay and WeChat Pay server as examples that dominate the payment system industry in Asia and are guarantee for success for places where the internet and mobile penetration rates are very high.



8.5. Business and Revenue Model

Coinerium excludes the major cost channels of POS machines, expensive credit and debit card fees, and fixed monthly fees by introducing QR code technologies and barcode. The aforementioned barcode and QR code technologies will be usable on all smartphones into the system.

Merchants will find this very tempting. Coinerium wants to create its own eco system without being dependent on other dynamics which is possible since its made of the previously mentioned advantages and blockchain.

The revenue will be distributed to the Coinerium Token Holders through three major channels:

- P2P transaction fee
- P2M transaction fee (from merchant)
- M2F cash-out fee

Transaction fees will be 1% on average and cash-out fee will be 5% on average.

The complete transparency and safety of the transactions will be guaranteed either by the structure of the blockchain technology or by the given nodes to the third party audit companies.

The methods of Coinerium that are generating revenue do not include any interest methods. The Coinerium will be secured with a smartcontract in ethereum. Which guarantees that the funds will not be subjected to any interest. In addition to this the coin will be 150% collateralized to ensure that even if fluctuation appear in the price of the ethereum Coinerium will remain a stable crypto currency .

The foundation shares 75% of its total revenue with the Coinerium Token Holders correlating with the number of token they posses.



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