Bitchainnet.io Exchange

Innovative Global Digital Asset Trading Platform

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Overview

Background

With the explosive market development of cryptocurrency industry, digital asset exchanges / trading platforms have evolved to be one of the most important parts of the blockchain industry. They support the increasing market demand for trading and playing the significant role of connecting primary and secondary markets for all the market participants from those involved in venture capital to institutional and retail investors, and ultimately facilitating the capital injection mechanism in the cryptocurrency ecosystem.

The economic model of blockchain technology is built upon digital tokens and the consensus mechanism- digital tokens unlock the economic value and activate the internal ecosystem of the blockchain; while the distributed consensus mechanism ensures the efficiency of the operating platforms. The incentive system aligned with business model and economic interests of key stakeholders is the core driver to the development of blockchain projects in the cryptocurrency economy.

The blockchain technology has emerged as the core system and tools in support of autonomous management. After Satoshi Nakamoto established a set of general rules in his 2008 white paper "Bitcoin: A Peer-to-Peer Electronic Cash System", the entire blockchain community has built upon a decentralized approach, further gradually evolving into a distributed autonomous system. Similar to the traditional market economic system, the distribution of products is dependent upon the quantity and the output of resoures and supporting processes; whereas the right of usage, ownership and right to operate together with investors, shareholders, employees, and customers are fully integrated in the blockchain eco-community. As a result, all the participants would share the benefits of ecosystem development and support better utlization of resources, in order to create a virtuous cycle of profitability and sustainability. The recent development and expansion of the blockchain ecosystem has ushered in a new era of the distributed autonomous economy over the traditional economical forms of both capitalism and socialism.

Our Vision

The Bitchainnet.io (Bitchainnet.com) team believes that blockchain technology is improving the efficiency of organisational collaboration through a user-based intrinsic value exchange system.

With this vision in sight, the Bitchainnet.io team has launched Bitchainnet.io, an innovative next-generation digital asset trading platform, in the mission to support financial market innovation and advancement of digital asset economy. The Bitchainnet.io team hopes that through building upon a series of open and fair market rules, Bitchainnet.io would be able to boost the liquidity of overall market, enhance market depth, and support the blockchain structural optimisation. Leveraging blockchain technology as well as Bitchainnet.io team's deep global trading and management expertise across traditional finance and Internet industries, Bitchainnet.io aims to establish a leading global trading platform that provides a broad range of trading products and services for global retail and institutional clients with its relentless focus on transparency, reliability and quality execution and client services.

Bitchainnet.io Exchange

Innovative Digital Asset Trading Platform

Transparency

As the core requirements of a blockchain ecosystem are based off transparent business rules, Bitchainnet.io is launching a high-performance trading platform that can support real-time settlement and consistent 24-hour trading operations with transparency of all the transaction records upon request.

High-Performance Design

Institutional-quality trading architecture with advanced in-memory matching algorithms, asynchronous non-blocking read and write, distributed real-time messaging framework and other advanced technologies to achieve high reliability, high performance, security, scalability, and easy maintenance.

Friendly trading environment with support for API and web / H5 / APP access.

With estimated processing speed at 400k transactions per second, the API interface supports multiple order types and provides trading support across retail clients to professional traders and investors.

Security

The security management system was built in cooperation with a third-party independent security firm. Furthermore, industry experts conduct the review of code and overall architecture design before the system went live. Multi-level firewalls is set up to monitor system data processing in real time. In the area of digital asset security, multi-signature

requirements and combination of hot and cold wallet solutions are implemented to provide security for digital assets of customers.

Trading Products

The platform of Bitchainnet.io initially supported the crypto-to-crypto spot trading model. Since the launch, the platform has implemented other advanced order types, such as limited order, stop limit order and stop market order, and expanded to margin trading and other account balance management services.

In the early stage of the trading platform setup, Bitchainnet.io provided the support to the following mainstream tokens:

- BTC
- ETH
- BCH
- LTC
- USDT
- Other top ERC20 tokens.

BNCT（Bitchainnet.io native token）is listed with the launch of transaction mining and reverse mining.

Since then, the number of trading pairs have increased greatly. For the latest information, please check the platform.

As part of listing service offering, other high-quality tokens will be gradually introduced to the platform of Bitchainnet.io once they meet the platform's comprehensive listing criteria. If you would like to have your token listed and traded on Bitchainnet.io trading platform, please contact the team at support@Bitchainnet.io.

The platform currently does not support fiat currency, such as: USD, RMB, JPY, KRW, etc.

Market Liquidity

With deep resources and broad support from many partners in the industry, the Bitchainnet.io team has reached out to a number of domestic and foreign trading partners who have indicated that they would commence their trading on the platform of Bitchainnet.io upon the launch and help supporting the adequate liquidity for the platform.

Multi-lingual Support

The initial release version of the platform of Bitchainnet.io supports both English and Chinese. Later releases will gradually support other languages such as Japan and South Korea, etc. Multi-lingual support is critical to building a blockchain digital asset trading platform.

Full-Platform Customer Support

- Web browser

- Android client, IOS client

- HTML5 Mobile, PC client

BNCT

What is BNCT

The native digital cryptographically-secured utility token of Bitchainnet.io (**BNCT**) is a major component of the ecosystem on Bitchainnet.io, and is designed to be used solely as the primary token on the platform. BNCT will initially be issued by the Distributor as ERC-20 standard compliant digital tokens on the Ethereum blockchain.

BNCT is a non-refundable functional utility token which will be used as the unit of exchange between participants on Bitchainnet.io. The goal of introducing BNCT is to provide a convenient and secure mode of payment and settlement between participants who interact within the ecosystem on Bitchainnet.io. BNCT does not in any way represent any shareholding, participation, right, title, or interest in the Foundation, the Distributor its affiliates, or any other company, enterprise or undertaking, nor will BNCT entitle token holders to any promise of fees, dividends, revenue, profits or investment returns, and are not intended to constitute securities in Singapore or any relevant jurisdiction. BNCT may only be utilised on Bitchainnet.io, and ownership of BNCT carries no rights, express or implied, other than the right to use BNCT as a means to enable usage of and interaction within Bitchainnet.io.

BNCT would also function as the economic incentive to incentivise users to participate in the Bitchainnet.io ecosystem. Users of Bitchainnet.io and/or holders of BNCT. which did not actively participate will not receive any BNCT incentives.

The Distributor which issues and sells BNCT shall be an affiliate of the Foundation. The limit of 10 billion BNCT is strictly imposed without any further increase.

The users can obtain BNCT through the Mining mode of "Transaction Mining" model and are eligible to receive BNCT based off trading volume and . BNCT can also be purchased on the exchange under the trading pairs of BNCT/USDT and BNCT/BTC. Other trading pairs will be assessed and considered in the future.

BNCT Allocation Plan

- **49% of total issuance is set aside for pre-distribution subject to the unlocking mechanism as below** (5% - early supporters, 4% - strategic partner, 12% - team and platform, 18% - Foundation, 9% - private sales, 1% - marketing and operating)

- **51%** would be released and distributed to incentivise users daily to participate in **transaction mining**, total BNCT in circulation = daily mining production of BNCT / 51%.

- **10% of the private sale portion** (which is 9% of total issuance) would be released prior to the rest of 49%, hence it is designated as a **pre-release amount (0.9% of total issuance)**.

Pre-distribution Token Unlocking Mechanism:

- **Unlocking Mechanism**: The number of tokens distributed as part of pre-distribution (49% of total issuance) would be unlocked daily according to the ratio of 49:51.

- **Unlocking Priority**: The 10% in the private sales portion (Pre-release) would be first prioritised for preferential unlocking. The rest of the pre-distribution tokens will afterwards be subject to the Unlocking Mechanism as described above on the pro-rata base.

In particular, you understand and accept that BNCT:

(a) is non-refundable and cannot be exchanged for cash (or its equivalent value in any other virtual currency) or any payment obligation by the Foundation, the Distributor or any affiliate;

(b) does NOT represent or confer on the token holder any right of any form with respect to the Foundation, the Distributor (or any of its affiliates), or its revenues or assets, including without limitation any right to receive future dividends, revenue, shares, ownership right or stake, share or security, any voting, distribution, redemption,

liquidation, proprietary (including all forms of intellectual property or licence rights), or other financial or legal rights or equivalent rights, or intellectual property rights or any other form of participation in or relating to Bitchainnet.io, the Foundation, the Distributor and/or their service providers;

(c) is NOT intended to represent any rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss;

(d) is NOT intended to be a representation of money (including electronic money), security, commodity, bond, debt instrument or any other kind of financial instrument or investment;

(e) is NOT a loan to the Foundation, the Distributor or any of its affiliates, is not intended to represent a debt owed by the Foundation, the Distributor or any of its affiliates, and there is no expectation of profit; and

(f) does NOT provide the token holder with any ownership or other interest in the Foundation, the Distributor or any of its affiliates.

The contributions in the token sale will be held by the Distributor (or its affiliate) after the token sale, and contributors will have no economic or legal right over or beneficial interest in these contributions or the assets of that entity after the token sale.

BNCT Holder Rights and Ecosystem

Platform Currency

BNCT will be used as the unit of exchange for all services and operations offered on Bitchainnet.io. For example, Bitchainnet.io will charge a fee in BNCT for withdrawals of virtual currencies. Users of Bitchainnet.io may pay BNCT for transaction fees, calculated based on a percentage of the transacted amount. The usage of BNCT to pay transaction fees (instead of other tokens) would entitle that user to a possible preferential transaction fee based upon the level of membership that the user can purchase using BNCT.

Trading and Mining / Reverse-Mining Mechanism

The user would be able to participate in "**mining**" on Bitchainnet.io through using the platform for trading – paying transaction fee at a certain level and receiving certain amount of BNCT as reward for trading on the platform. This is applied to both market liquidity Maker and Taker type of transactions defined as below.

Taker - When user places an order that is immediately filled fully or partially (for example a market or stop order) before getting on the order book, the user for that order is defined a "taker," taking liquidity away. The trade (full or partial) is Taker trade.

Maker - When user places an order that doesn't fill immediately partially or fully (like a limit order) and sits on the order book waiting to be matched, the user for that order is defined as a "maker," providing liquidity and adding depth to the market. The trade (full or partial) is Maker trade.

There is also seperate incentive structure for the Maker trades includes the process of **reverse mining** 1) the platform paying rebates 2) equivalent market value of BNCT being deducted from the user account; 3) BNCT being subject to permanent lock-up.

Multiple Trading Modes

Bitchainnet.io offers multiple mode options across regular trading, mining, and reverse-miningbased on the different needs of different customer and/or user groups. The mechanism is designed to provide different levels of incentive to meet the requirements of diversified market actitivies and trading behaviour such as market makers vs. takers.

Also the platform launched margin trading in February 2019.

Distribution of Platform Transaction Fee Revenue for Data

Cryptocurrency market data is very important for a platform such as Bitchainnet.io. In order to incentivise users to contribute current data / information on various tokens and coins, 80% of the platform transaction fee revenue will be distributed as incentives to encourage user sharing of information. Bitchainnet.io will incentivise community members for providing high quality information, news and/or research relating to development of blockchain technologies and DApps. Users which did not share any information would not be entitled to these incentives.

Stabilisation Mechanism

The design approach for the stabilisation mechanism would include the setup of data usage fee pool in order to adjust daily distribution rate of the fee. Every day, the platform will set aside 80% of net transaction fee revenue for data usage fee pool and distribute back to token holders certain portion of the balance of data usage fee pool.

There are BNCT lock-up rules for data usage reward distribution. Only those BNCT token under lock-up status will be eligible for daily distribution of data usage reward.

Token Consumption

BNCT token holders can consume a certain amount of BNCT for additional benefits such as membership upgrade related to transaction fee, data reward distribution, interst on margin loan, airdrop, token release, etc. Also BNCT can be used for certain cross-promotion events of high-quality primary listing of latest developments in blockchain technologies on Bitchainnet.io.

Bitchainnet.io Launch and Expansion Roadmap

December 2018.   Inotial Coin Distribution & maketing

May 2019.   Pre-Sale BNCT

September 2019   Send-Receive BNCT to mobile wallet

November 2019.   Release Exchange Cryptocash

December 2019.   IEO Token BNCT on Bitchainnet Exchange

First quarter of 2020.   Send-Receive altcoin Cryptocash & mobile

The 2nd quarter 2020.   Coin Marketcap, World Coin Index

3rd quarter of 2020.   Release the Bitchainnet blockchain

Management Team

The core founding management team consists of Wall Street executives, professionals and technologists with profound knowledge of the market structure and regulation, and in-depth experience in the research and development of institutional large-order matching systems and trading infrastructure. With an average of more than 10-years of professional experience, the team has significant entrepreneurial, quant-trading, business management and strategic planning expertise across traditional finance and internet industries.

The team is striving to build a transparent, efficient and resilient global digital asset trading platform.

Risks

You acknowledge and agree that there are numerous risks associated with purchasing BNCT, holding BNCT, and using BNCT for participation in Bitchainnet.io. In the worst scenario, this could lead to the loss of all or part of the BNCT which had been purchased. **IF YOU DECIDE TO PURCHASE BNCT, YOU EXPRESSLY ACKNOWLEDGE, ACCEPT AND ASSUME THE FOLLOWING RISKS:**

Uncertain Regulations and Enforcement Actions: The regulatory status of BNCT and distributed ledger technology is unclear or unsettled in many jurisdictions. The regulation of virtual currencies has become a primary target of regulation in all major countries in the world. It is impossible to predict how, when or whether regulatory agencies may apply existing regulations or create new regulations with respect to such technology and its applications, including BNCT and/or Bitchainnet.io. Regulatory actions could negatively impact BNCT and/or Bitchainnet.io in various ways. The Foundation, the Distributor (or its affiliates) may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction. After consulting with a wide range of legal advisors and continuous analysis of the development and legal structure of virtual currencies, a cautious approach will be applied towards the sale of BNCT. Therefore, for the token sale, the sale strategy may be constantly adjusted in order to avoid relevant legal risks as much as possible. For the token sale, the Foundation and the Distributor are working with Tzedek Law LLC, a boutique corporate law firm in Singapore with a good reputation in the blockchain space.

Inadequate disclosure of information: As at the date hereof, Bitchainnet.io is still under development and its design concepts, consensus mechanisms, algorithms, codes, and other technical details and parameters may be constantly and frequently updated and changed. Although this white paper contains the most current information relating to Bitchainnet.io, it is not absolutely complete and may still be adjusted and updated by the Bitchainnet.io team from time to time. The Bitchainnet.io team has no ability and obligation to keep holders of BNCT informed of every detail (including development progress and expected milestones) regarding the project to develop Bitchainnet.io, hence insufficient information disclosure is inevitable and reasonable.

Failure to develop: There is the risk that the development of Bitchainnet.io will not be executed or implemented as planned, for a variety of reasons, including without limitation the event of a decline in the prices of any digital asset, virtual currency or BNCT, unforeseen technical difficulties, and shortage of development funds for activities.

Security: Many digital asset exchanges shut down their operation due to security issues. We pay great attention to safety, but there is no guarantee nor possibility for 100% security, such as various losses due to unpredictable factors. We are committed to the security of transactions on the best-effort basis.

Competition: Cryptocurrency exchange is an extremely competitive industry. Many project teams are planning and launching the development of similar trading platforms. In light of the stiff competition, any good concept, start-up, or even mature companies would face the same competition risk. However, we see this as the driving force in the development process.

Other risks: In addition, the potential risks briefly mentioned above are not exhaustive and there are other risks (as more particularly set out in the Terms and Conditions) associated with your purchase, holding and use of BNCT, including those that the Foundation or the Distributor cannot anticipate. Such risks may further materialise as unanticipated variations or combinations of the aforementioned risks. You should conduct full due diligence on the Foundation, the Distributor, its affiliates and the Bitchainnet.io team, as well as understand the overall framework, mission and vision for Bitchainnet.io prior to purchasing BNCT.