

# FLIP

First coin with liquidity  
by new cryptocurrency trading platform

Full  
**WHITEPAPER**

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# Abstract

This document introduces BitFlip platform that offer place to buy and sell supported cryptocurrency on person to person basis. The main goal of us is create high quality service: 24/7 support of traders, education for newbies to cryptocurrency stock market, use only best methods and algorithms for user data protection.

BitFlip has launched already and its fully working. We reached \$50,000 USD average daily trading volume since we started. We do our the best to add new functionality and increase traders count.

# Introduction

Since the appearance of Bitcoin in 2009, users have experienced the need for sites that would provide functionality for exchanging crypto currency for fiat media and vice versa. Such a need eventually resulted in such well-known projects as OKCoin, coincheck, BTC China, Kraken, BTC-E, Mt. Gox.

At that time, the level of development of financial projects was too weak, therefore many of the listed resources are currently closed, as they could not reflect hacker and DDoS attacks, and also experienced problems with the law.

In 2017 there was a huge boom of the crypto-currency, which gave the development of a whole branch of the block, which improved the positions of the crypto-exchange exchanges. At the moment, this segment has huge cash flows and monthly increases the market share of financial transactions.

Here is statistic for current top cryptotrading platforms:

Platform	Daily trading volume, BTC	Total count of pairs
Poloniex	88'165	95
Bitfinex	47'960	36
OKCoin	14'349	2
BTCChina	13'217	3
Bitstamp	13'100	1

As of September 2017 its around 861 million USD

## Problems of ICOs

Despite the huge hype surrounding the ICO, about 85% of the projects at the stage of the Crowdsley do not even have an MVP product. The project roadmap does not always reflect real numbers, which in sum, increasingly inclines investors to call ICO a "soap bubble".

In fact, it turns out that investors invest in a normal start-up at the pre-seed stage, which is usually considered a high-risk transaction, even though the project will work on blocking technology.

The second problem is the support of the liquidity of new tokens. At the moment there are more than a thousand crypto-currencies and every week there are new ones. 99% of all tokens significantly fall in price already in the first week of trading, having a small demand and an incommensurably high bid.

## How BitFlip will support its own coin

BitFlip will ensure the liquidity of its currency by buying tokens for a portion of its own revenues. This makes it possible to accumulate capitalization regardless of the behavior of traders, and also gives the opportunity to influence the cost of the coin.

# Problems of cryptocurrency trading platforms

At this point it is worth highlighting such problem areas of the market as:

- 1 Unstable and DDoS vulnerability  
Exposure to hacker attacks and
- 2 insider sinks.  
Difficulties in interacting with the platform and
- 3 tools for beginners.  
Low quality of support, and in some cases
- 4 generally no client support.

## How BitFlip solve it

- 1 Our team specializes in developing highload projects with high priority that allows us to create services that are DDoS attacks.

- 2 Our team has developed and implemented its own encryption technique, which by means of one-way encryption methods guarantees the inability to access the e-mail for input. We use multiserver confirmation when conducting transactions. All data is encrypted and reliably stored in a database, which can not be accessed from outside. We care about security and constantly update the necessary software.
- 3 At the moment, the BitFlip Academy project is under development, which will not only train new users to properly interact with the service, but also will allow to learn more about the crypto currency, economy and trading.
- 4 We value every customer and personally support users. Successful ICO will allow us to expand the support team, as well as add support for other languages. After all, every unread message is a potential loss of the company's profits.



# The economic part

## How does the exchange earn?

There are several actions for which the company receives money:

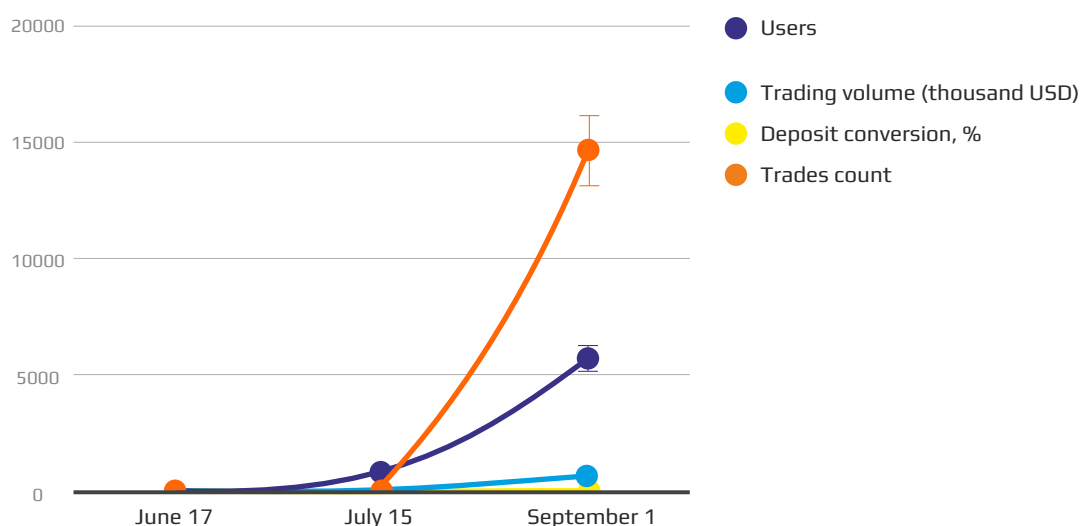
- 1 Commission for trades. We use a dynamic commission depending on the monthly trading volume of the user, but the initial commission is just 0.18% for the trader who closes the already placed order.
- 2 Commission on deposit to account. This is the most profitable part, but it is also dynamic, as payment systems have a different commission size.

# How fast is the project growing?

Below is a table with general data on site growth, the project was launched on June 17, 2017.

	July 15	September 1
Registered users	873	5761
Daily trading volume in BTC(max)	2.53	20.71
Total trading volume \$	10,350	750,629
Conversion to deposit	8%	11%
Total trades	135	14,683

## Project growth



## Estimated cost of the company

The cost of one FLIP is calculated according to the value of the company, which was formed by investors during two rounds of investments:

- 1 2 investment rounds: preseed and after the launch of the project prototype
- 2 Investments from the team: working hours and money for marketing

## Results of investment rounds:

Round, % for investor	Ended	Invested	Total company capitalization
1. 10% of shares	June 17 2017	7.5 BTC	\$345,000
2. 5% of shares	July 25 2017	19.3 BTC	\$1,775,600

\* At the market rate of bitcoin on September 6, 2017 1 BTC = \$ 4600

The final company value according to investors' estimates and our calculation is **\$2,000,000**

## The Token price mathematics and emission

The price of single coin calculated as of total company value at the moment of ICO starts that was based on investments collected by first two rounds before.

Initial emission – **10,000,000 FLIP**

Coins for sale during ICO – **7,500,000 FLIP**

Amount of FLIP for sale during ICO – **75%**

Mathematical justification of the cost of 1 FLIP \*:

$$\frac{\text{The company value}}{\text{Initial emission}} = \frac{\$2,000,000}{10,000,000 \text{ FLIP}} = \$0.2^*$$

\* The sale of the token occurs within several stages, the average cost of the token for the entire period of the ICO is indicated.

## FLIP token price support by project

The platform will use **30%\*** of its income for FLIP token trading to increase total capitalization of its coin and guarantee for investors its growth while the project and its trading volume grows.

That allows to predict future price of one coin and guarantee minimum price that depends on the platform trading volume.

The platform's income is calculated according to current available data as of 1.2% of trading volume.

### Prediction for price growth and trading volume in future

Date	Daily trading volume, USD	The platform income used for buying FLIP, USD	Growth guarantee for one FLIP during the 1 month based on start price
End of 2017	500,000	180,000	+2.7%
Middle of 2018	1,000,000	360,000	+5.4%
End of 2018	5,000,000	1,800,000	+27%

\* The share to support the token is based on the market and the necessary requirements for financial costs for the supporting and development of the platform and can range from 5% to 30%.

## Competitors

### **Bitfinex and its token Nectar (NEC)**

Although Bitfinex said it intends to abandon crowdsale tokens will be distributed among market makers in the form of a kind of loyalty points, which can soon be exchanged for a percentage of the volume of monthly trades.

This token will also be used to advise on management decisions, and larger holders, according to white paper Ethfinex, will eventually be able to elect members of the advisory board if they own 5% or more of the total number of NEC tokens.

### **BTC-E token**

At the moment we do not have accurate information, but we assume that the exchange token will have a similar economic model, which Bitfinex uses.

## Technical part

### More information about FLIP

For the basis of the stock exchange, the development of Litecoin was taken as the most convenient, fastest and most reliable block system.

In Bitcoin and Litecoin networks, the data is recorded in the same way - as a linked chain of blocks, each of which contains a hash of the previous one. The difference is only in the function of finding the hash in the chains (for Litecoin - scrypt, for Bitcoin - SHA-256), the average time of the block finding by the network and the methods of confirming the performance of the work.

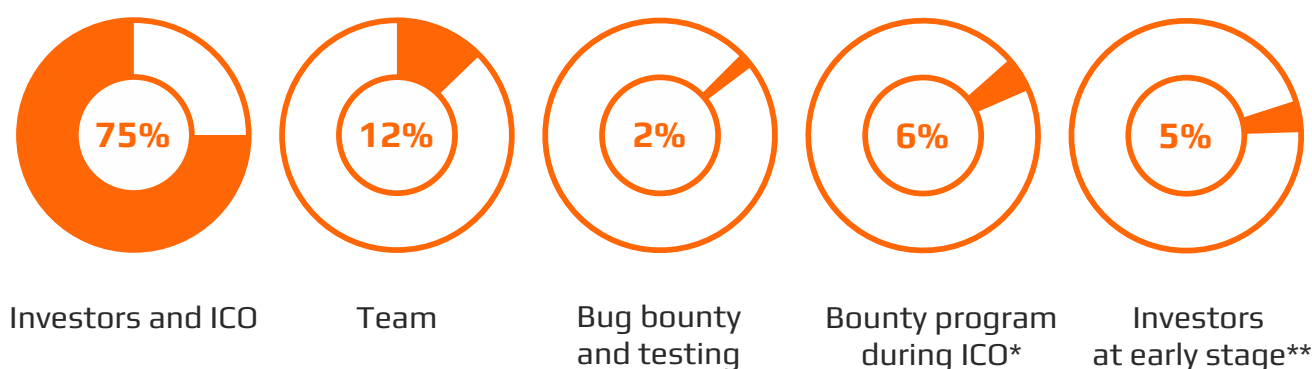
In networks Bitcoin and Litecoin transactions are carried out to addresses that are formed on the same principles - based on a public key using SHA-256 hashing. The usual Bitcoin addresses consist of 27-34 characters and start with 1 or 3. The Litecoin addresses consist of 33 characters and start with the letter L or 3. In the case of the FLIP token, the addresses start at F.

The complexity of calculating Litecoin is selected in such a way that, on average, one block is generated 2.5 minutes, which is 4 times faster than Bitcoin, this allows you to receive transaction confirmation more quickly. Transaction, as a rule, is considered completed after 6 blocks, or 15 minutes.

## Emission

One-time emission of FLIP:	<b>10,000,000</b>
Maximum emission of FLIP:	<b>40,000,000</b>
Mining possibility:	да
Tokens for sale during ICO:	<b>7,500,000</b>

## Distribution of initial issued 10,000,000 FLIP:



\* FLIP will be distributed fully free for social and media support.

\*\* People who invested in project on early stage before. They will get free tokens after ICO ends October, 10.



# Pre-ICO

PRE-ICO period

**August 30 to September 10, 2017.**

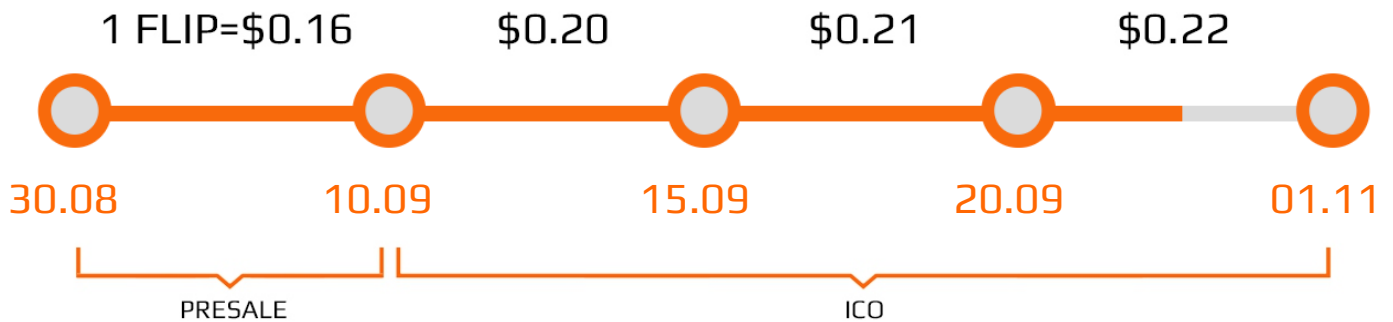
ICO period

**September 10 to November 1, 2017.**

7,500,000 FLIP tokens for sale

1 FLIP=\$0.16 start price

XX<sup>\*\*\*</sup> unsold multiplier

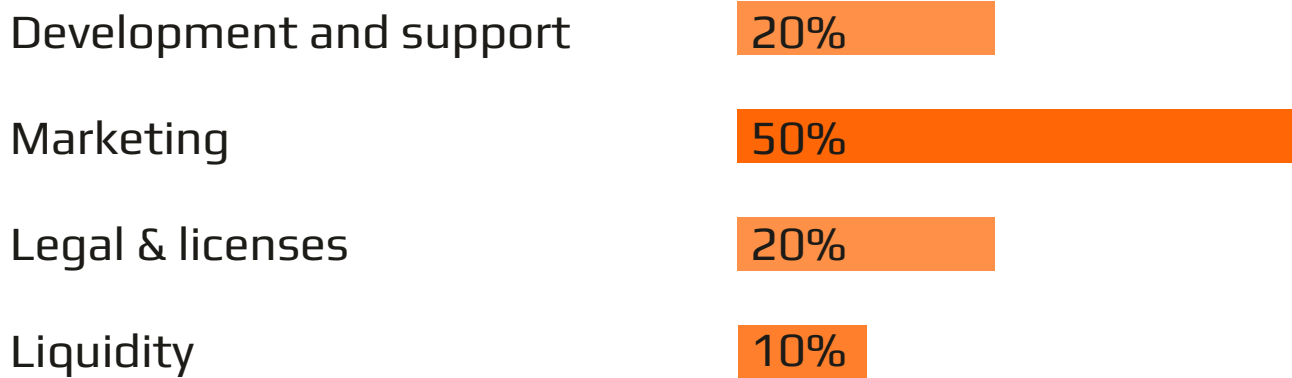


\* All unsold tokens will be distributed among investors, in proportion to the pool.

\*\* Trading a token will be possible in a few days after the completion of the crowdsale.

\*\*\* Unsold coin multiplier that used as factor to calculate final amount of bought coins.

## Investments will be channeled:



# How to buy FLIP

In order to become an investor and purchase a FLIP coin, you need to take several actions:

- 1 Go to the site of the exchange - <https://bitflip.li>
- 2 Register on the project
- 3 Log in to your account and deposit those purses with which you would like to purchase a coin. Available: BTC, USD, RUB, EUR, THB, UAH. The platform supports many popular payment methods you can choose on deposit page.
- 4 Go to the trading page of FLIP coin. Click on the placed order by the exchange and get the required number of coins.
- 5 Coins will be stored on the internal purse of the exchange and will be available for bidding or withdrawal on personal account right after ICO ends.

# Roadmap

The team closed many tasks already during last months. We work on new functionality and improve current working system. We prove our mission by doing not just talking.

You can check our full roadmap till the end of year 2017 below:

## June

- **26.06.2017** English language for UI
- **26.06.2017** Revenue statistic for investors in userspace
- **27.06.2017** New round of investments — 20% for investors
- **30.06.2017** RIPPLE to the platform
- **27.06.2017** Affiliate program

## July

- **09.07.2017** ~~SMS code as option to replace 2FA tokens~~
- **18.08.2017** ~~Withdrawals of cryptocurrency is fully automated~~
- **10.07.2017** ~~Notifications about events inside platform~~
- **06.07.2017** ~~Dynamic fees on deals~~
- **06.07.2017** ~~WebMoney as deposit and withdrawal method~~
- **06.07.2017** ~~Qiwi as deposit and withdrawal method~~
- **25.07.2017** ~~Finishing last round of investments~~
- **21.07.2017** ~~Public API for ticker and other public information from platform~~

## August

- Starting of development white-label for partners
- **18.08.2017** ~~Legal company registration~~

- **06.07.2017** ~~Payeer as deposit and withdrawal method~~
- **21.08.2017** ~~Starting payouts for investors on weekly basis~~
- **21.08.2017** ~~Starting payouts for affiliates~~
- SEO-optimization of project and preparing for boosting it
- **30.08.2017** ~~ICO starts~~
- September**
- Multilevel affiliate program
- News about cryptocurrency on site
- Paxum as deposit and withdrawal method
- ePayments as deposit and withdrawal method in fully automated way
- Wire transfer as deposit and withdrawal method
- Possibility to get verified on optional basis
- Improving charts for better analyzing for traders

- Starting mobile application development for iOS & Android
- Extending team: consultants, developers and marketing
- Add possibility of sending private messages inside platform

## October

- ICO ends
- FLIP blockchain starts
- Starting Bounty-program
- New design to improve usability of project
- Starting to get new traders on platform
- **21.07.2017** ~~API for trading bots~~
- Translate UI to chinese
- Launch of education platform for new traders

- Blog system inside platform
- Education information for new traders

## **November**

- Adding more trading pairs
- Starting public cloud bot for trading automation
- Stop loss and take profit for traders
- Statistic for trader to analyze deals and improve skills
- New UI for affiliate program partners
- Special education platform that will allow trading with "unreal" money for learning of trading purpose
- Starting to invite traders that new to cryptocurrency to platform
- Deposit using bank cards via direct processing gate



## December

- Launch of mobile application on iOS & Android
- New instruments for trading purpose
- Minimum goal at the end of year – \$500,000 of daily trading volume

# Team



## **Dmitrii Kuzmenkov**

Founder

More than 14 years of highload development and complex systems architect experience, startuper, senior software developer & devops at Karaoke, Aviasales

Our team specializes in high-performance projects and creates high-quality products that are easily scalable and supported.

At the moment we have closed the job of full-stack developer, frontend developer, mobile developer, designer and marketer. We are open for cooperation with talented programmers and financial analysts.

A small team has huge advantages – it's a complete absence of bureaucracy in the introduction of new functional solutions, as well as significantly lower costs for salaries.

## FAQ

### **When will ICO end?**

Presale starts August, 30 and ends September, 10. The price will change from \$ 0.16 to \$ 0.22 during all period of ICO.

### **Who can participate in ICO sale?**

The Token sale is not intended for persons who are citizens of or residents or domiciled in the United States of America and/or entities incorporated, established or registered in or under the laws of the United States of America

### **What about emission?**

During ICO period 10,000,000 FLIP will be available. Maximum emission is 40,000,000. 7,500,000 FLIP will be available for sell during ICO. 500,000 FLIP will be available for sell during presale period.

### **What about unsold coins?**

Unsold tokens will be distributed between all who bought at least any amount of token while ICO.

### **How token works?**

FLIP will be forked of Litecoin blockchain

### **Why should I buy FLIP?**

BitFlip as stock exchange will support new coin by using part of its income for trading with it. That will increase value of FLIP while stock exchange grows.

### **Will be FLIP traded in other platforms?**

Yes, we will do our the best to make it available as soon as ICO ends.

### **When can I withdraw coins to my own address?**

As soon as ICO ends October, 10 you can create your wallet in newly started blockchain and make withdrawal request to it.

### **Can I sell token as soon as I bought it?**

No, during the ICO only original token holder (BitFLip) can sell it. You can sell it as soon as ICO ends October, 10.

### **What about price of token?**

We set that price is high just to maximize possibility for users to participate and to be sure that everybody can buy it before its sold out.

# Conclusion

Thank you for reading project white-paper. We demonstrate strong growth in all indicators and are constantly engaged in development and completion of the site, believing that we can change the overall quality of the services provided in the market.

Best regards,  
**BitFlip team.**