

BitMax.io Exchange:

Innovative Global Digital Asset Trading Platform

Updated as of September 10, 2019

Table of Content

Overview.....	3
Background.....	3
Our Vision.....	3
BitMax.io Exchange	4
Innovative Digital Asset Trading Platform.....	4
BTMX.....	6
What is BTMX	6
Original BTMX Allocation Plan (see Key Update after Discontinuation of Mining).....	7
Original Pre-distribution Token Unlocking Mechanism (see Key Update after Discontinuation of Mining).....	7
Key Update after Discontinuation of Mining	8
BTMX Holder Rights and Ecosystem	9
Multiple Trading Modes.....	9
Stabilisation Mechanism.....	9
Token Consumption	10
BitMax.io Launch and Expansion Roadmap	10
Management Team	10
Risks	11

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 resources 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 utilization 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 BitMax.io (BTMX.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 BitMax.io team has launched BitMax.io, an innovative next-generation digital asset trading platform, in the mission to support financial market innovation and advancement of digital asset economy. The BitMax.io team hopes that through building upon a series of open and fair market rules, BitMax.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 BitMax.io team's deep global trading and management expertise across traditional finance and Internet industries, BitMax.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.

BitMax.io Exchange

Innovative Digital Asset Trading Platform

Transparency

As the core requirements of a blockchain ecosystem are based off transparent business rules, BitMax.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 BitMax.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, BitMax.io provided the support to the following mainstream tokens:

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

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 BitMax.io once they meet the platform's comprehensive listing criteria. If you would like to have your token listed and traded on BitMax.io trading platform, please contact the team at support@bitmax.io.

November 2018, BTMX (BitMax.io native token) was listed with the launch of transaction mining and reverse mining as part of initial ecosystem buildout. As of September 12, 2019, the combined modes of transaction mining and reverse mining was discontinued as the platform enters into a new phase business expansion per execution of business plan.

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 BitMax.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 BitMax.io upon the launch and help supporting the adequate liquidity for the platform.

Multi-lingual Support

The initial release version of the platform of BitMax.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

BTMX

What is BTMX

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

BTMX is a non-refundable functional utility token which will be used as the unit of exchange between participants on BitMax.io. The goal of introducing BTMX is to provide a convenient and secure mode of payment and settlement between participants who interact within the ecosystem on BitMax.io. BTMX 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 BTMX 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. BTMX may only be utilised on BitMax.io, and ownership of BTMX carries no rights, express or implied, other than the right to use BTMX as a means to enable usage of and interaction within BitMax.io.

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

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

Initially the users can obtain BTMX through the Mining mode of "Transaction Mining" launched in November 2019 where eligible users can receive BTMX based off trading volume. However the mining mode has been decided to be discontinued as of September 12, 2019. BTMX can also be purchased on the BitMax.io trading platform under the trading pairs of BTMX/USDT and BTMX/BTC. Other trading pairs will be assessed and potentially considered in the future.

Original BTMX Allocation Plan (see Key Update after Discontinuation of Mining)

- **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 BTMX in circulation = daily mining production of BTMX / 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)**.

Original Pre-distribution Token Unlocking Mechanism (see Key Update after Discontinuation of Mining)

- **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.

Key Update after Discontinuation of Mining

1. All pending mining portion subject to permanent lock-up. Further details will be published on the website.

2. Release Mechanism for Private Sale Participants

Private sale participants will be first prioritized for initial release. Private sale release function for team, foundation, and institutional investors will be temporarily suspended. Further details will be published on the website.

Please note that the mechanism above will be subject to future change based on market conditions. In addition, the platform will determine whether to release private sale portion for team, foundation and institutional investors every 3 months.

In particular, you understand and accept that BTMX:

- (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 BitMax.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.

BTMX Holder Rights and Ecosystem

Platform Currency

BTMX will be used as the unit of exchange for all services and operations offered on BitMax.io. For example, BitMax.io will charge a fee in BTMX for withdrawals of virtual currencies. Users of BitMax.io may pay BTMX for transaction fees, calculated based on a percentage of the transacted amount. The usage of BTMX 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 BTMX.

Multiple Trading Modes

BitMax.io offers multiple mode options across regular trading and margin trading 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 activities and trading behaviour such as market makers vs. takers.

Distribution of Platform Transaction Fee Revenue for Data

Cryptocurrency market data is very important for a platform such as BitMax.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. BitMax.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 BTMX lock-up rules for data usage reward distribution. Only those BTMX token under lock-up status will be eligible for daily distribution of data usage reward.

Token Consumption

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

All latest details please check

<https://bitmaxhelp.zendesk.com/hc/en-us/categories/360001343573-New-Announcements>

BitMax.io Launch and Expansion Roadmap

2018.7. Beta version website public test launch

2018.8. Initial trading platform launch

2018.11. Transaction-mining and reverse mining launch

2018.12 First primary listing launch

2019.2 Margin product launch

2019 Ongoing product enhancement; expansion to other markets (such as North America)

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 BTMX, holding BTMX, and using BTMX for participation in BitMax.io. In the worst scenario, this could lead to the loss of all or part of the BTMX which had been purchased.

IF YOU DECIDE TO PURCHASE BTMX, YOU EXPRESSLY ACKNOWLEDGE, ACCEPT AND ASSUME THE FOLLOWING RISKS:

Uncertain Regulations and Enforcement Actions: The regulatory status of BTMX 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 BTMX and/or BitMax.io. Regulatory actions could negatively impact BTMX and/or BitMax.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 BTMX. 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, BitMax.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 BitMax.io, it is not absolutely complete and may still be adjusted and updated by the BitMax.io team from time to time. The BitMax.io team has no ability and obligation to keep holders of BTMX informed of every detail (including development progress and expected milestones) regarding the project to develop BitMax.io, hence insufficient information disclosure is inevitable and reasonable.

Failure to develop: There is the risk that the development of BitMax.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 BTMX, 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 BTMX, 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 BitMax.io team, as well as understand the overall framework, mission and vision for BitMax.io prior to purchasing BTMX.