

50X Token

Whitepaper

Revision 1



50x.com is the first cryptocurrency exchange with automated liquidity aggregation, powered with the innovative A2A technology, where you can change ANY listed coin to ANY other listed coin, directly in one trade.

<https://50x.com>

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The Problem

The cryptocurrency world has experienced such an enormous and explosive growth in recent years that no existing crypto exchange is capable of managing it. One coin may be trading on one exchange - while another coin may be trading on another, but there is no one place for all coins. 50x.com provides a single platform to trade all existing coins.

1.1 The liquidity problem

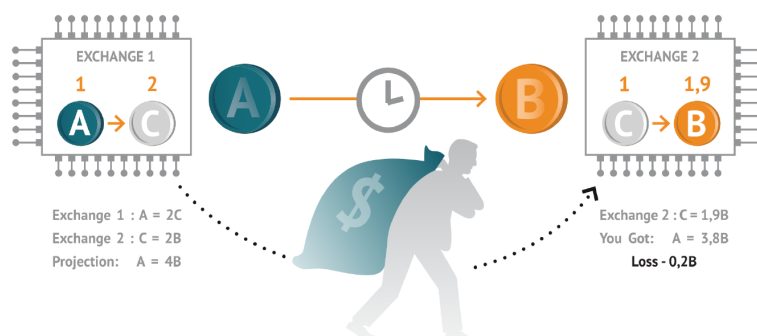
Many coins and tokens suffer from one big problem – a lack of liquidity. This leads to enormous implications for active traders. No known exchange shows the calculations regarding available volume at a specific price; this is valuable information for high volume traders. Without this information, a reasonably large volume trader cannot make a truly informed decision. The scourge of the modern exchange is terrible liquidity. This is exactly where we deploy our private algorithms and technical solutions - to solve this problem.



Have you tried to switch between coins, following trends in emerging tokens ?

1.2 Missed opportunities

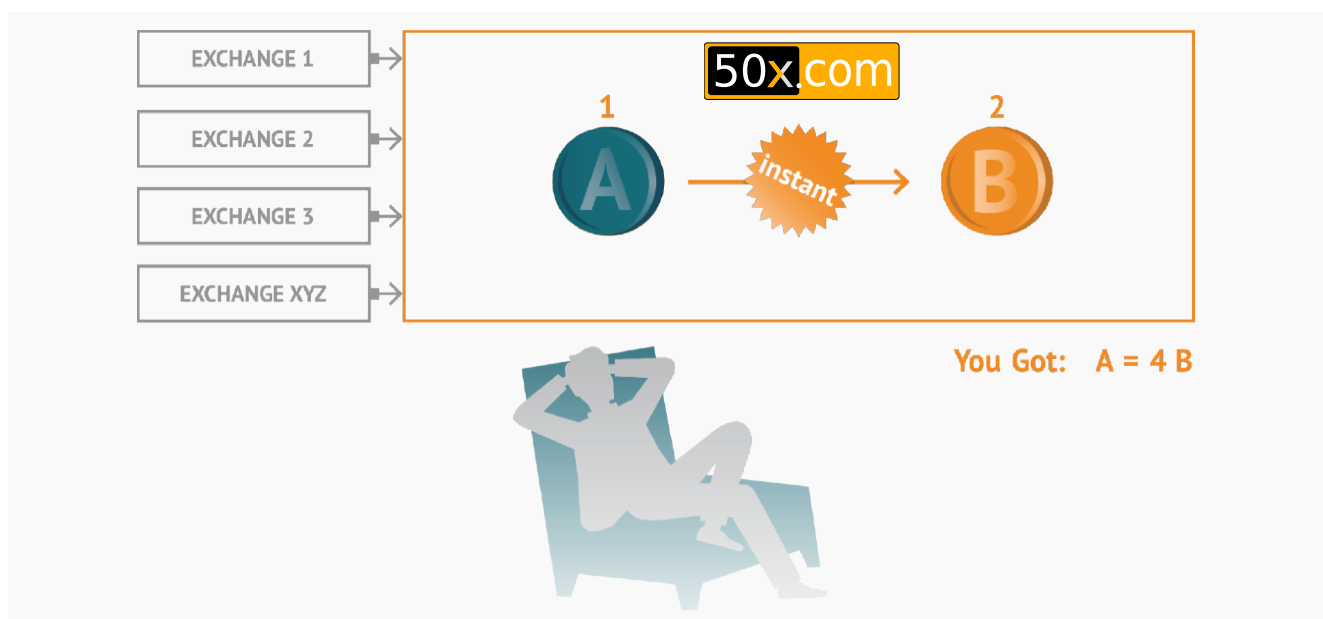
Imagine, you have coin A and a nice opportunity to sell it at a profit and at the same time, you wish to buy a new promising token - coin B. The only problem: they are traded (or have the best rates) on different exchanges. To take advantage of the opportunity, you must finish the first trade, then transfer your assets from one exchange to another - wasting days (the world is fast nowadays, remember?) and potentially missing the brilliant opportunity to raise money - all because of current market insufficiency.



The Solution

2.1 Solving the liquidity problem

With our unique HFT algorithms, originally developed to work on traditional stock exchanges, we can solve this problem: providing access to all trading possibilities from one trading platform and one trading account - in the blink of an eye.



2.1.1 Liquidity aggregation

One of our solutions to solve the liquidity problem is to aggregate offers from many other exchanges in one place. Big orders will be executed on the 50x.com at better prices thanks to the automatic collection of all of the best offers from various exchanges.

2.1.2 Liquidity pool creation (collected at A2A IEO)

One of the main reasons to collect funds during an A2A tokens IEO is the ability to strengthen the project's own liquidity pool. This means that a significant amount of cryptocurrency will be available as bid and ask offers on the 50x.com exchange from the very beginning - with fast execution.

2.1.3 Liquidity providers

On top of that, 50x.com will be offering direct access through fast API protocols to those who want to provide liquidity to the 50x.com exchange, allowing them to trade without any commission. For all such trades, commissions will be taken from a counterparty willing to buy or sell at the offered price.



If any two coins are listed on 50x.com, you can trade one against the other directly

2.2.1 Built-in cross rate support

Our special A2A decentralized technology gives 50x.com the ability to support hundreds of thousands of cross rates simultaneously - an ability no other exchange has at the moment. More importantly, this means full featured support - including a much wider variety of trading abilities, such as trailing stop loss orders, take profit orders, charts and many more. All of the features you find on 50x.com will be available across any trading pair, too.

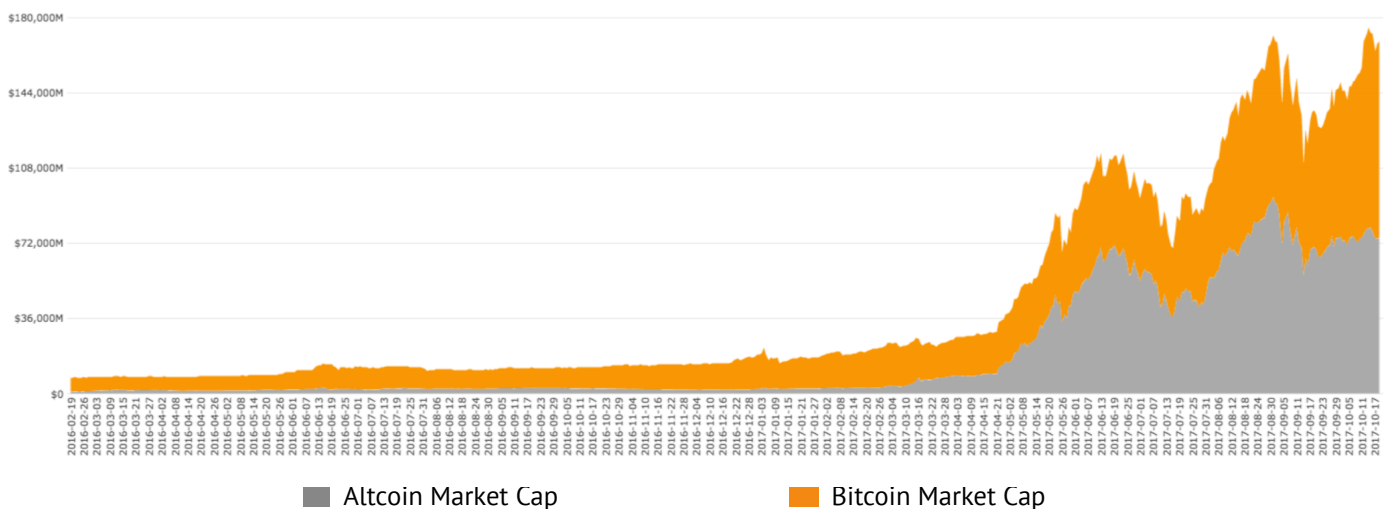
No more missed opportunities! Switch between any altcoin immediately and pick up all the profits!

Market analysis

Since 2012, the cryptocurrency market has been picking up speed, ramping up exponentially within the past 3 years.

3.1 Current metrics

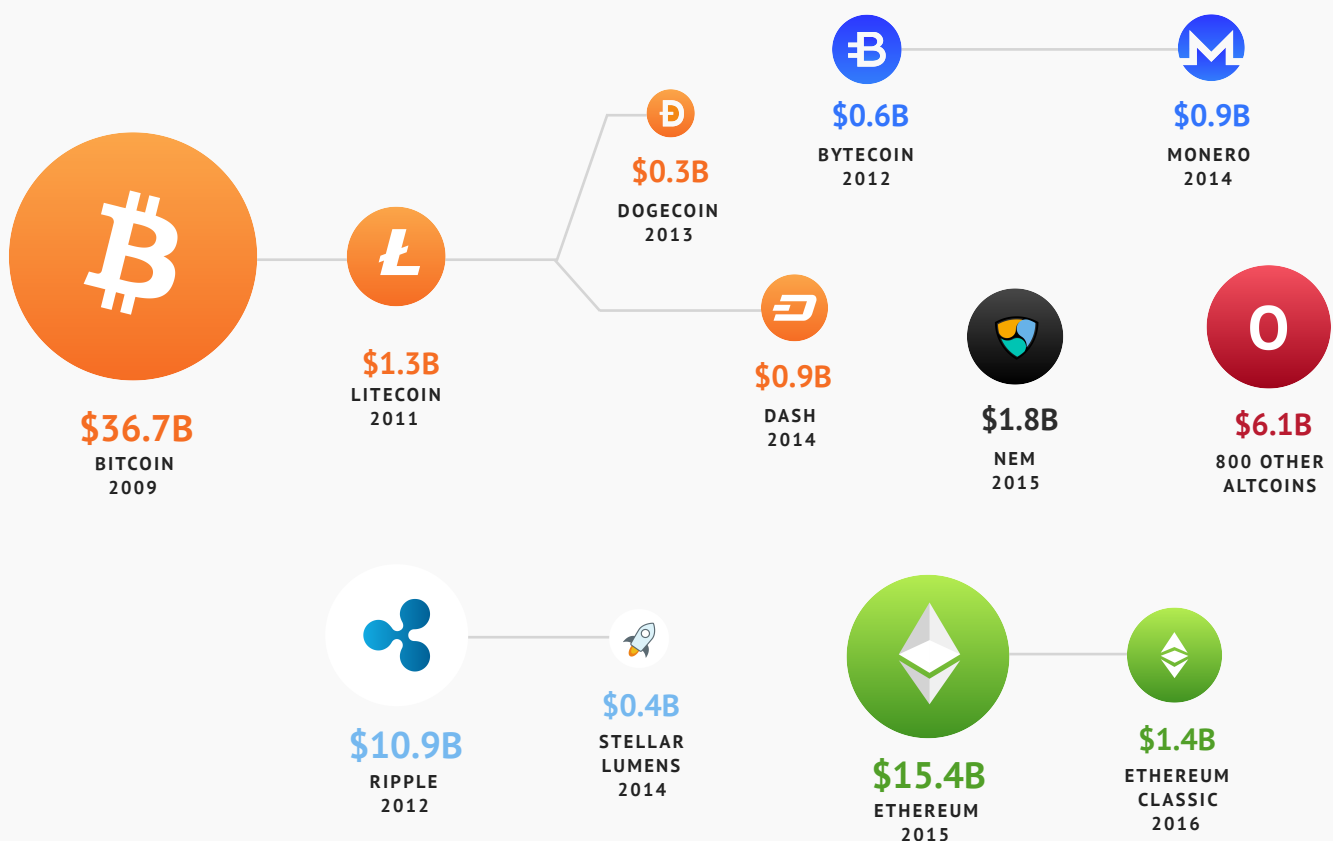
At the time of writing, the market capitalization for all cryptocurrencies is at \$168.72 billion and there are approximately 330k confirmed transactions per day, with some predicting a possible increase to a \$200 billion market cap by the end of 2017.



As of October 2017, between \$1-4 billion is traded through cryptocurrency exchanges daily. While it is difficult to pinpoint exactly how many traders are currently out there, a global cryptocurrency benchmarking study by the Cambridge Centre for Alternative Finance representing roughly 75% of the industry, estimates that there are at least 3 million people actively trading Bitcoin today - while data from other sources, such as Coinbase and ARK Research, estimate that there are between 10-14 million Bitcoin owners worldwide.

The Cryptocurrency Universe

Altcoins now account for around 50% of the worldwide cryptocurrency market capitalization. As of January 1st 2017, the Altcoin market cap was at around \$2.18 billion, rising 34 times to \$74.39 billion as of October 2017. The Bitcoin market cap rose to \$94.34 billion from \$16.28 billion - rising just under 6 times in the same period.



The market continues to evolve. It now requires a single platform that will allow high liquidity for a variety of crypto assets, as well as efficiently provide an interoperable trading environment - saving on time and compounding fees from multi-step trades. We plan to satiate this need by offering 10,000 trading pairs across the top 100 cryptocurrencies at launch on one platform - all with the lowest rates available.

3.2 Projections

While it is extremely difficult to predict the growth of the cryptocurrency market, 2017 has been a demonstrative year in the growth potential of cryptocurrencies as inventive blockchain solutions, innovative DAOs and awareness of smart contract applications in the real world continue to drive momentum.

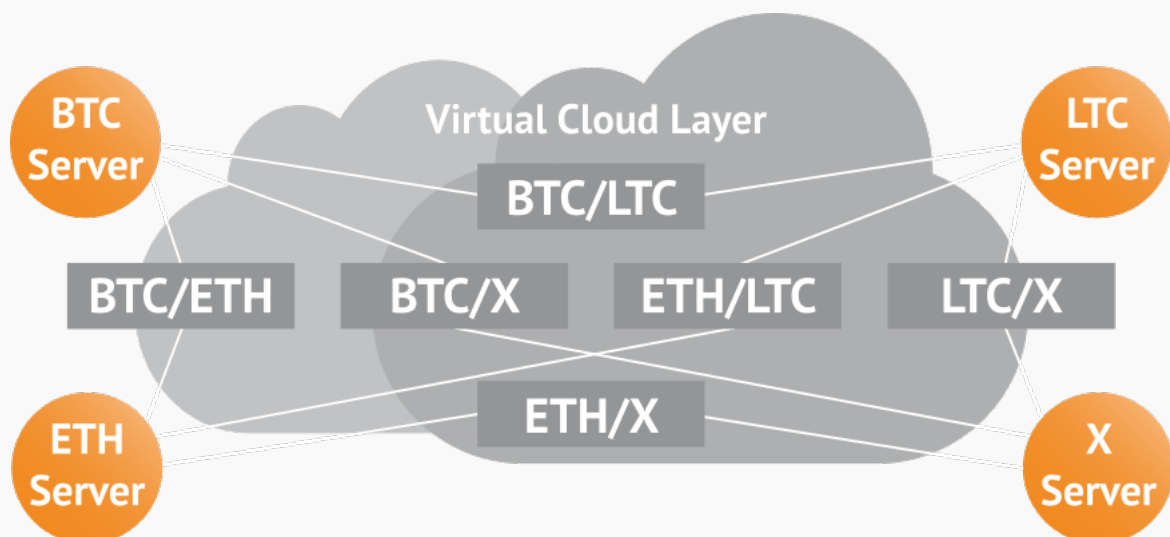
According to an analyst at Saxo Bank, the Bitcoin market cap could hit 1.75 trillion in 10 years, with its price reaching \$100,000. The estimate is that cryptocurrencies will account for 10% of the average daily trade volume of all fiat trade by 2027. Foreign exchange ADV currently stands at \$5 trillion and we can follow growth estimates to assume that cryptocurrencies could account for \$500 billion by that time.

Average daily trading volume in 2017: \$2.1 Billion

Projected daily trading volume in 2027: \$500 Billion

A2A Technology

Our A2A decentralized technology allows us to support thousands of cross rates simultaneously with efficient resource usage. We process all cross-rates in A2A Cloud, with virtually unlimited ability of horizontal scaling.



Imagine an orchestra with a conductor. Each instrument is a separate coin server, playing its own part in the symphony.

The core (conductor) makes them all work together perfectly synchronized. If the core is down, this role is transferred to a spare conductor waiting nearby, or even to one of the musicians.

If some musicians are not fast enough to play all the tunes in time, we can add another with the same instrument to share the task. Each task is totally independent and can be performed on a separate server, or if needed, on hundreds of such servers. All that is automated in the 50x.com Cloud.

50X tokens are used as an intermediary to evaluate every listed coin and create a matching pair of orders in the system's core.



50X Token

50x tokens (as well as the still existing 50X100 tokens) give a token holder the right to receive a corresponding share of the 80% of the 50x.com's net profit in each quarter. If the 50x.com has no net profit in the past quarter, no distribution is made to the token holders.

5.1. The origin of the 50X tokens.

Originally the 50X tokens exist as a 50X100 tokens which have the same rights as described for 50X tokens in this document.

The 50X tokens are issued by the smart contract in the ETHEREUM network in response to the transfer request of the 50X100 tokens.

In the event of any movement of 50X100 tokens between the blockchain addresses or exchange's accounts, 50X100 tokens are withdrawn from the sender's balance and 50X tokens are credited to the recipient's balance. The sender thus forfeits any 50X100 tokens owner rights, and the recipient acquires the 50X tokens owner rights.

5.2. The share calculation method.

The share of 1 50X token is $\frac{1}{47142857.1428571}$ from the total amount to be distributed. As the total supply of the 50X tokens plus the total supply of the 50X100 tokens remain constant over the time (since 50X100 tokens become 50X tokens when being transferred to another address), we use this combined total supply of 47142857.1428571 tokens to calculate the share of each 50X or 50X100 token.

5.3. The profit distribution frequency.

The 50x.com has the right to distribute the profit more frequently and set up custom record dates for each distribution period. The distributions are made by transferring ETHER coins in the Ethereum network to the addresses that had positive balance of the 50X tokens at the exact time of the record date. The transactions should be made before the end of the next quarter, but can be postponed because of network malfunction with official announcement of such event.

5.4. The RECORD BLOCK.

In order to determine which addresses in the Ethereum network have positive balance of the 50X tokens, we get balances statement from the blockchain at the moment after the RECORD BLOCK has been mined and BEFORE the next block will be mined. In case of any failure to obtain such info the new RECORD BLOCK will be announced and shall be mined not earlier than 1 hour from the announcement.

5.5. The profit distribution procedure.

The amount to be distributed to each particular address is being sent from the 50x.com wallets without any action required from the user. The cost of the transaction in the Ethereum Network will be deducted from the distributed amount for each separate address. In case the transaction cost exceeded the amount to be distributed, such amount is saved for the next profit distribution to that address.

If you hold your 50x tokens on the exchange's account, make sure the exchange supports 50x profit distribution (usually not), or withdraw your tokens to your own address until the RECORD BLOCK will be mined and confirmed on 50x.com official news channel.



5.6. 50X token details

Blockchain: **ETHEREUM**

Token Contract Address: **0x4049295fb42de67ccf028a2570b05564cb8cb785**

The 50X token has **8 decimals**.

5.7. 50X token supply and distribution

Total 50X token supply (including 50x100 tokens) is 47'142'857.1428571

Circulating supply at the end of the ICO: 32'416'130.60650399



The 50X100:SHOP

According to the original ICO conditions, a minimum amount of 30,000,000 50x tokens should be distributed during the ICO process. Founder's and bounty tokens should be issued on top of that amount. The 9,799,152.6382578 50X100 tokens which remained undistributed after the ICO, were transferred to the smart contract called 50X100:SHOP where anyone can get them in exchange for the ETHER tokens at dynamically changing rate depending on the amount of the 50X100 tokens left in the 50X100:SHOP. Starting price is 4 ETH per 1,000 50X100 and the last token might be exchanged at 100 ETH / 1000 50X100 tokens.

You can find 50X100:SHOP instructions at <https://shop.50x.com/>

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Use of ICO Funds

Below is the intended use of funds collected during the IEO. It is based on the assumption that at least 30,000 ETH will be collected during the IEO. Final proportions may differ due to the fixed costs in some cases.

- 25%** - Liquidity pool
- 15%** - Research, development and infrastructure
- 10%** - Legalization
- 20%** - Project marketing (partnership program, bounty program, special promotion campaigns, corporate promotional activities)
- 15%** - ICO marketing (partnership program, bounty program, special promotion campaigns, existing agreements)
- 10%** - Presale participants
- 5%** - Contingency fund



- | | |
|------------------|------------------------|
| Liquidity pool | Research & development |
| Legalization | Project marketing |
| IEO marketing | Presale participants |
| Contingency fund | |

Legalization



Smart Token Exchange Ltd was incorporated in Saint Vincent and the Grenadines, due to it being the fastest jurisdiction in which to incorporate that kind of business. However, to be able to make fiat deposits and withdrawals, we need to incorporate legal entities in the EU, USA and many other countries, and get all the necessary licenses according to the local laws and regulations.

We expect this process to be completed in 3-5 years from launch. Many procedures must be in place including well trained staff to fit regulators requirements.

The Project



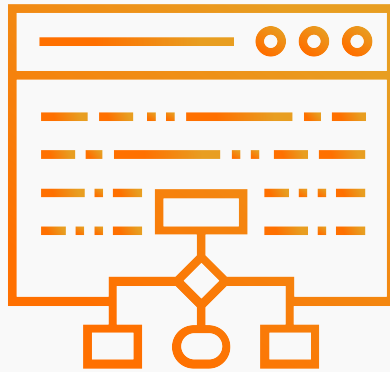
The key concept is this - you'll need just one account to get access to thousands of markets and trading pairs at the lowest rates. Behind the scenes is a fully automated system that takes care of all details. You can choose either segregated storage under your full control and protection or a common account - giving you maximum flexibility and leverage.

Our idea is simple, yet extremely complex at the same time.

On one platform we will combine direct access to the top 100 coins with direct cross-trades between any two of them, the ability to use your own cold wallets to store your coins, and an automated system that will aggregate the liquidity from the other exchanges as well. You can get speed and big liquidity of the centralized exchanges, and the ability to trade from your cold wallets - using one single account at 50x.com exchange!

More importantly, we will bring freedom to traders by providing them with the tools to choose any role they desire in this new reality.

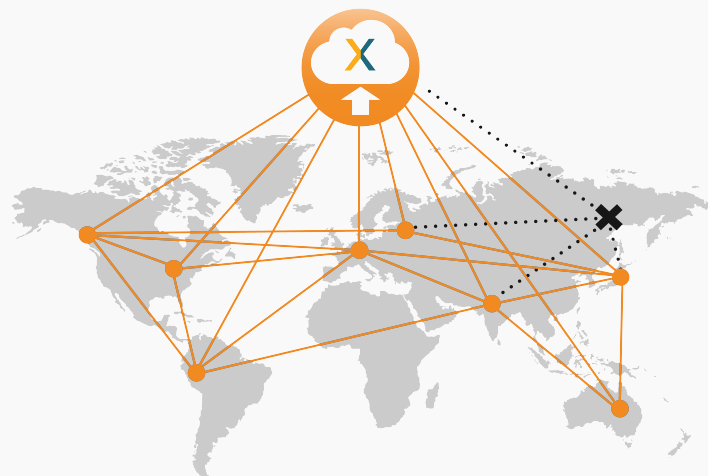
Whether you want a simple coin-to-coin exchange or intraday trading - we will provide planet-wide best rates for thousands of trading pairs - as well as much better liquidity than has ever been seen before. Our sophisticated arbitrage algorithms and unique platform architecture make sure of that.



A user-friendly web-based interface with the highest level of security access control, taken from real-world trading terminals, will provide instant access to the biggest choice of coins and tokens with worldwide best bid & ask prices.

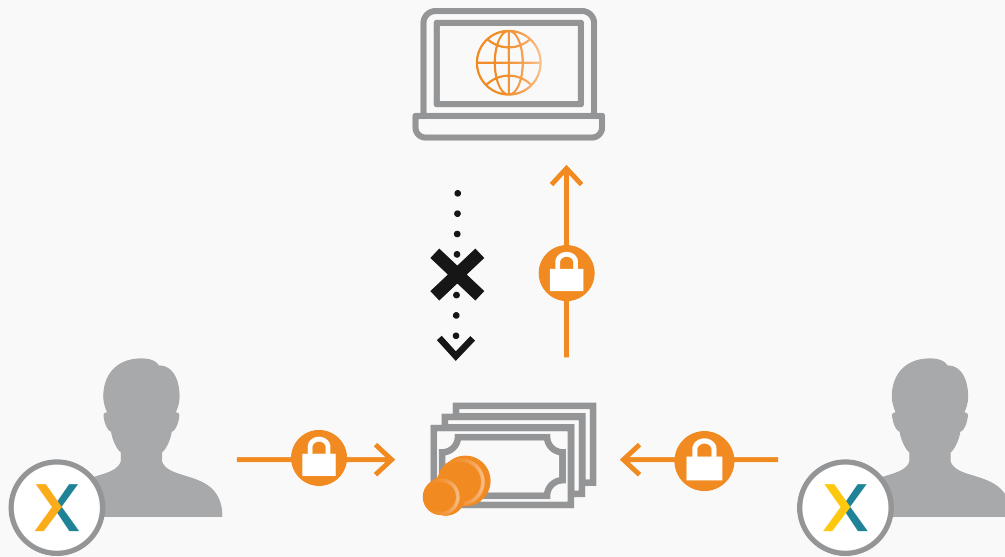
9.1. Decentralization

50x.com's own cloud cluster is physically hosted in many countries to prevent the possibility of downtime due to real-world/technological attacks or failures.



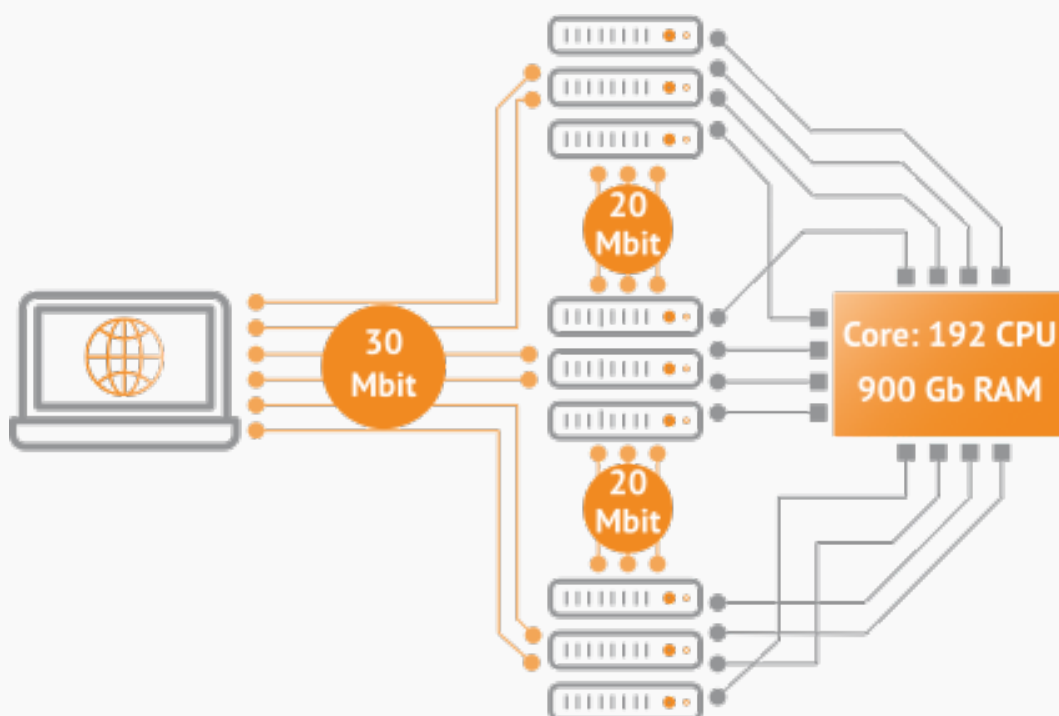
9.2. Crypto-security

All 50x.com systems are encrypted and cannot be accessed without proper authorization from 50x.com. The project's main funds - including users' funds - are stored in cold wallets, not vulnerable to online attacks.



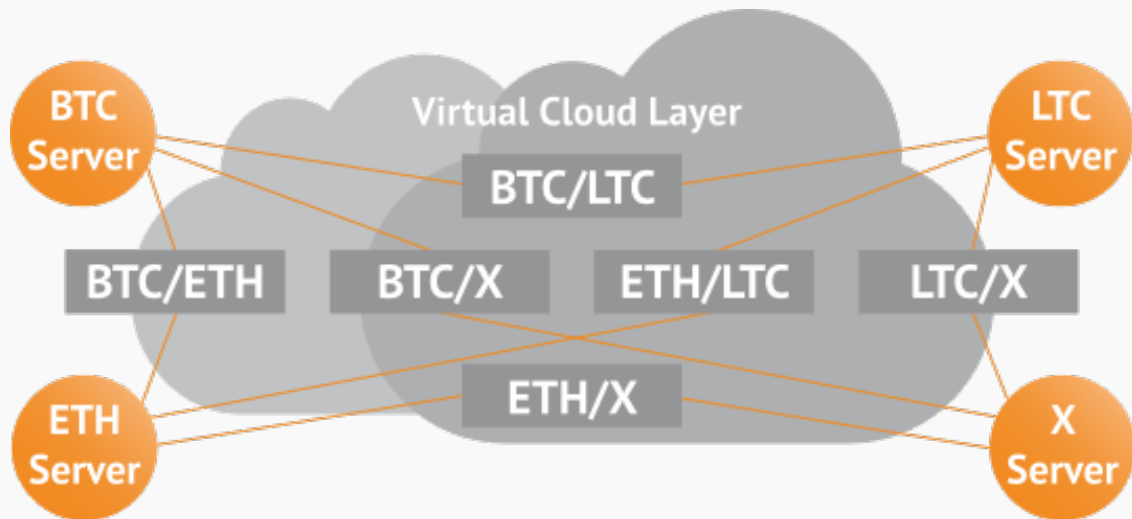
9.3. Speed

Superfast cloud processing core - internal trades are completed in the blink of an eye.



9.4. Horizontal scaling

Our A2A decentralized technology allows us to support thousands of cross rates simultaneously.



Behind our system lie years of experience in trading on the world's largest stock exchanges and countless hours developing trading algorithms for private hedge-funds and brokers.

This unique combination of understanding end-user needs, knowledge of how to build infrastructure capable of delivering services to millions of users, teamed with sophisticated HTF market-making algorithms - ensures that the project will be successful while being difficult to imitate, if someone wishes to compete.

10

Risk Disclosure

You should consider major risks that can ruin this project at any stage.

If one day cryptocurrencies and tokens become extinct without any next-generation electronic money solution, this project will most probably be closed, losing most of its value. Yes, that much is clear: if you expect cryptocurrencies to vanish, you should not support this project. We will not survive in a world without Bitcoin, Ethereum or similar free-float e-money solutions. But we'll still be fine if instead of Bitcoin some new breed will emerge. Some other risks to consider, as described below, are:

10.1 Principal risk: Investing in the start-up 50x.com project will put the entire amount of your investment at risk. There are many situations in which the 50x.com project may fail completely or you may not be able to get back your contribution partially or entirely. In these situations, you may lose the entire amount of your investment. For investments in start-ups like 50x.com, a total loss of capital is a highly likely outcome. Investing in start-ups involves a high level of risk and you should not invest any funds unless you are able to bear the entire loss of the investment.

10.2 Returns risk: The amount of return on investment, if any, is highly variable and not guaranteed. Some start-ups may be successful and generate significant returns, but many will not be successful and will only generate small returns, if any at all. Any returns that you may receive will be variable in amount, frequency and timing. You should not invest any funds in which you require a regular, predictable and/or stable return.

10.3 Returns delay: We expect the 50x.com project to become profitable in 2018. However, there is no guarantee that it will happen for sure. In some possible market conditions, any returns may take several years to materialize. You should not participate in the 50x.com project with any funds in which you require a return within a certain timeframe.

10.4 Liquidity risk: In case of unsuccessful beginning of the operational activity, or for any other unforeseen reasons, it may be difficult to sell your 50X tokens. Furthermore, there may be restrictions on the resale of the securities you purchase and your ability to transfer them in your country of residence because of emerging regulation or some other reasons. You should not contribute to the 50x.com 50X token whitepaper

project any funds in which you require the ability to withdraw, cash-out, or liquidate within a certain period of time.

10.5 Instrument risk: You should consider technological, legal and infrastructural risks of the 50x.com project token itself, because it is based on a third-party decentralized solution known as Ethereum network, which is not controlled and cannot be controlled by the project management team or yourself. You should take the time to understand the nature of the instrument that you are contributing to.

10.6 Minority stake: As a smaller stake 50X holder you may have less or no voting rights or ability to influence the direction of the project, compared to larger stake token holders or the management team. In some cases, this may mean that your 50X tokens are treated less preferentially than those of larger stake 50X holders. Some benefits for 50X holders may be available only for users with a certain minimum amount of 50X tokens.

10.7 Valuation risk: Unlike buying a share in publicly traded companies that are valued publicly through market-driven stock prices, the valuation of start-up projects like 50x.com is difficult to perform. The issuer is setting the initial price for 50X tokens and you may risk overpaying for your stake. The price you pay for your 50X may have a material impact on your eventual return, if any at all. Please consider the fact that 50X has never been traded on the open market and there is no market-confirmed price guidance for it.

10.8 Failure risk: Investments in start-up projects are speculative and these projects often fail. Unlike an investment in a mature business where there is a track record of revenue and income, the success of a start-up project often relies on the development of a new product or service that may or may not find a market. You should be able to afford and be prepared to lose your entire contribution.

10.9 Revenue risk: The project is still in an early phase and just beginning to implement its business plan. There can be no assurance that it will ever operate profitably. The likelihood of achieving profitability should be considered in light of the unforeseen problems, expenses, unexpected difficulties, complications and delays usually encountered by similar projects in their early stages of development.

The 50x.com project may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.

10.10 Funding risk: The project may require funds in excess of its existing cash resources to fund operating expenses, develop new products, expand its marketing capabilities and finance general and administrative activities. Due to market conditions at the time the project needs additional funding, it is possible that the project will be unable to obtain additional funding when it needs it, or the terms of any available funding may be unfavorable. If the project is unable to obtain additional funding as and when needed, it could be forced to delay its development, marketing and expansion efforts and, if it continues to experience losses, potentially cease operations.

10.11 Disclosure risks: The 50x.com project is at an early stage and is only able to provide limited information about its business plan and operations because it does not have fully developed operations or a long trading history. Besides, the 50x.com project is not providing some critical information regarding its business, technological and financial affairs to participants to protect its know-how and exact business model from the competitors. Therefore, there might not be enough information for you to make an educated judgement about the project's future outcomes.

10.12 Personnel risks: A participation in a start-up like 50x.com is also an investment in the management of the project. Being able to execute on the business plan is often an important factor in whether the business is viable and successful. You should be aware that a portion of your investment will fund the compensation of the project's employees, including its management, public supporters and promoters, or earlier contributors. You should carefully review any disclosure regarding the project's use of proceeds. You should also carefully consider the experience and expertise of the management team and make your own judgement about their level of competence.

10.13 Fraud risks: It is possible that certain people involved in the project may commit fraud or create the conditions for a future act of fraud. If such fraud occurs, then your total contribution may be lost.

You should carefully review any disclosures regarding the project's management team and make your own assessment of the likelihood of any potential fraud.

10.14 Growth risk: For a start-up to succeed, it will need to expand significantly. There can be no assurance that it will achieve this expansion. Expansion may place a significant strain on the project's management, operational and financial resources.

To manage growth, the project will be required to implement operational and financial systems, procedures and controls. It also will be required to expand its finance, administrative and operations staff. There can be no assurance that the project's current and planned personnel, systems, procedures and controls will be adequate to support its future operations. The project's failure to manage growth effectively could have a material adverse effect on its business, results of operations and financial condition.

10.15 Competition risk: The 50x.com project may face competition from other upcoming or existing companies, some of which might have received more funding than the start-up has. One or more of the project's competitors could offer services similar to those offered by the project at significantly lower prices, which would cause downward pressure on the prices the project would be able to charge for its services. If the project is not able to charge the prices it anticipates charging for its services, there may be a material adverse effect on the project's results of operations and financial condition.

10.16 Market demand risk: While the 50x.com project believes that there will be customer demand for its products, there is no assurance that there will be broad

market acceptance of the project's offerings. There also may not be broad market acceptance of the 50x.com project's offerings if its competitors should offer products which are preferred by prospective customers. In such an event, there may be a material adverse effect on the 50x.com project's results of operations and financial condition, and the project may not be able to achieve its goals.

10.17 Control risks: Because the project's founders, directors and executive officers are among the project's largest 50X holders, they can exert significant control over the project's business and affairs and have actual or potential interests that may depart from yours. The 50x.com project's founders, directors and executive officers own or control a significant percentage of the project. Such persons will have significant influence over corporate actions.

The foregoing risks do not purport to be a complete explanation of all the risks involved in acquiring 50X tokens. Each participant is urged to seek their own independent legal advice and read the relevant documents before making a determination whether to participate in the 50x.com project.

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